PUBLIC NOTICE

This memorandum will be construed to comply with provisions necessary to establish presumed fact (Rule 301, Federal Rules of Civil Procedure, and attending State rules) should interested parties fail to rebut any given allegation or matter of law addressed herein. The position will be construed as adequate to meet requirements of judicial notice, thus preserving fundamental law. Matters addressed herein, if not rebutted, will be construed to have general application. A true and correct copy of this Public Notice is on file with and available for inspection at the newspaper responsible for publishing the instrument as legal notice. The memorandum addresses the character of the Internal Revenue Service and other agencies of the Department of the Treasury, and legal application of the Internal Revenue Code.

1. IRS Identity & Principal of Interest

In 1953, the Internal Revenue Service was created by the stroke of a pen when the Secretary of the Treasury changed the name of the Bureau of Internal Revenue (T.O. No. 150-29, G.M. Humphrey, Secretary of the Treasury, July 9, 1953). However, no congressional or presidential authorization for making this change has been located, so the source of authority had to originate elsewhere. Research to which IRS officials have acquiesced suggests that the Secretary exercised his authority as trustee of Puerto Rico Trust #62 (Internal Revenue) (see 31 USC § 1321), and as will be demonstrated, the Secretary does, in fact, operate as Secretary of the Treasury, Puerto Rico.

The solid link between the Internal Revenue Service and the Department of the Treasury, Puerto Rico, was first published in the September 1995 issue of Veritas Magazine, based on research by William Cooper and Wayne Bentson, both of Arizona. In October, a criminal complaint was filed in the office of W. A. Drew Edmondson, attorney general for Oklahoma, against an Enid-based revenue officer, and in the time since, IRS principals have failed to refute the allegation that IRS is an agency of the Department of Treasury, Puerto Rico. In November, criminal complaints were filed simultaneously with the grand jury for the United States district court for the District of Northern Oklahoma, Tulsa, and the office of Attorney General Edmondson, and both the office of the United States Attorney and IRS principals have yet to rebut the allegations in that instance (UNITED STATES OF AMERICA vs. Kenney F. Moore, et al, 95 CR-129C).

By consulting the index for Chapter 3, Title 31 of the United States Code, one finds that IRS and the Bureau of Alcohol, Tobacco and Firearms are not listed as agencies of the United States Department of the Treasury. The fact that Congress never created a "Bureau of Internal Revenue" is confirmed by publication in the Federal Register at 36 F.R. 849-890 [C.B. 1971 - 1,698], 36 F.R. 11946 [C.B. 1971 - 2,577], and 37 F.R. 489-490; and in Internal Revenue Manual 1100 at 1111.2.

Implications are condemning both to IRS and third parties who knowingly participate in IRS-initiated scams: No legitimate authority resides in or emanates from an office which

was not legitimately created and/or ordained either by state or national constitutions or by legislative enactment. See variously, United States v. Germane, 99 U.S. 508 (1879), Norton v. Shelby County, 118 U.S. 425, 441, 6 S.Ct. 1121 (1866), etc., dating to Pope v. Commissioner, 138 F.2d 1006, 1009 (6th Cir. 1943); where the state is concerned, the most recent corresponding decision was State v. Pinckney, 276 N.W.2d 433, 436 (Iowa 1979).

Another direct evidence of the fraud is found at 27 CFR § 1, which prescribes basic requirements for securing permits under the Federal Alcohol Administration Act. The problem here is that Congress promulgated the Act in 1935, and the same year, the United States Supreme Court declared the Act unconstitutional. Administration of the Act was subsequently moved offshore to Puerto Rico, along with the Federal Alcohol Administration, and operation eventually merged with the Bureau of Internal Revenue, Puerto Rico, which until 1938, along with the Bureau of Internal Revenue, Philippines, created by the Philippines provisional government via Philippines Trust #2 (internal revenue) (see 31 USC § 1321 for listing of Philippines Trust #2 (internal revenue)), administered the China Trade Act (licensing & revenue collection relating to opium, cocaine & citric wines). This line will be resumed after examining additional evidences concerning IRS and Commissioner of Internal Revenue authority.

Further verification that IRS does not have lawful authority in the several States is found in the Parallel Table of Authorities and Rules, beginning on page 751 of the 1995 Index volume to the Code of Federal Regulations. It will be found that there are no regulations supportive of 26 USC §§ 7621, 7801, 7802 & 7803 (these statute listings are absent from the table). In other words, no regulations have been published in the Federal Register, extending authority to the several States and the population at large, (1) to establish revenue districts within the several States, (2) extending authority of the Department of the Treasury [Puerto Rico] to the several States, (3) giving authority to the Commissioner of Internal Revenue and assistants within the several States, or (4) extending authority of any other Department of Treasury personnel to the several States.

Authority of the Internal Revenue Service, via the Commissioner of Internal Revenue, is convoluted in regulations, but makes an amount of sense by citing various regulations pertaining to the Service and application of the Commissioner's authority. General procedural rules at 26 CFR § 601.101(a) provide a beginning-point:

(a) *General.* The Internal Revenue Service is a bureau of the Department of the Treasury under the immediate direction of the Commissioner of Internal Revenue. The Commissioner has general superintendence of the assessment and collection of all taxes imposed by any law providing internal revenue. The Internal Revenue Service is the agency by which these functions are performed...

The fact that there are no regulations extending Commissioner of Internal Revenue, or Department of the Treasury authority to the several States (26 USC § 7802(a)), has greater clarity in the light of the general merging of functions between IRS and other agencies presently attached to the Department of the Treasury. The Commissioner is

given responsibility for issuing rules and regulations for the Code at 26 CFR § 301.7805-1 with approval of the Secretary, but there are no cites of authority for this CFR subpart, whether Treasury Order, publication in the Federal Register, or even statute cite. In other words, there is no actual or effective delegation which vests the Commissioner with significant independent authority which might be conveyed to IRS, BATF, Customs or any other Department of the Treasury agency with respect to powers extending to or affecting the several States and the population at large.

The link between IRS and the Bureau of Alcohol, Tobacco and Firearms is significant as the tie with the Bureau of Internal Revenue, Department of the Treasury, Puerto Rico, is through this door. Reorganization Plan No. 3 of 1940, Section 2, made the following change:

§ 2. Federal Alcohol Administration

The Federal Alcohol Administration, the offices of the members thereof, and the office of the Administrator are abolished, and their function shall be administered under the direction and supervision of the Secretary of the Treasury through the Bureau of Internal Revenue in the Department of the Treasury.

Again, the Federal Alcohol Administration Act of 1935 was declared unconstitutional in 1935, and the operation thereafter transferred off shore to Puerto Rico. The name of the Bureau of Internal Revenue was changed to the Internal Revenue Service in 1953 (cite above), then the Bureau of Alcohol, Tobacco and Firearms, a division of the Internal Revenue Service, was seemingly separated from IRS (T.O. 120-01, June 6, 1972). In relevant part, the order reads as follows:

1. The purpose of this order is to transfer, as specified herein, the functions, powers and duties of the Internal Revenue Service arising under law relating to Alcohol, Tobacco, Firearms and Explosives including the Alcohol, Tobacco, and Firearms division of the Internal Revenue Service, to the Bureau of Alcohol, Tobacco and Firearms herein after referred to as the Bureau which is hereby established. The Bureau shall be headed by the Director of the Alcohol, Tobacco and Firearms herein referred to as the Director...

2. The Director shall perform the functions, exercise the powers and carry out the duties of the Secretary and the administration and the enforcement of the following provisions of law:

A. Chapters 51 and 52 and 53 of the Internal Revenue Code of 1954 and Section 7652 and 7653 of such code insofar as they relate to the commodity subject to tax under such chapters.

B. Chapter 61 to 80 inclusive to the Internal Revenue Code of 1954 insofar as they relate to activities administered and enforced with respect to chapters 51, 52, 53. (emphasis added)

Transfer of functions and duties of IRS to BATF relative to Internal Revenue Code Subtitle F (chapters 61 to 80) is important where the instant matter is concerned as the only regulations published in the Federal Register applicable to the several States are under 27 CFR, Part 70 and other parts of this title relating exclusively to alcohol, tobacco and firearms matters. However, the charade doesn't end there. In Reorganization Plan No. 1 of 1965 (5 USC § 903), the original Bureau of Customs, created by Act of Congress in 1895, was abolished and merged under the Secretary of the Treasury.

In a Treasury Order published in the Federal Register of December 15, 1976, the Secretary of the Treasury used something of a slight of hand to confuse matters more by determining, "The term Director, Alcohol, Tobacco, and Firearms has been replaced with the term Internal Revenue Service."

Obviously, it is impossible to replace a person with a thing when it comes to administrative responsibility. However, the order demonstrates that IRS and BATF are one and the same, merely operating with interchangeable hats. Therefore, definitions and designations applicable to one are applicable to the other.

In definitions at 27 CFR § 250.11 the following provisions are found:

Revenue Agent. Any duly authorized Commonwealth Internal Revenue Agent of the Department of the Treasury of Puerto Rico.

Secretary. The Secretary of the Treasury of Puerto Rico.

Secretary or his delegate. The Secretary or any officer or employee of the Department of the Treasury of Puerto Rico duly authorized by the Secretary to perform the function mentioned or described in this part.

In the absence of any other definition describing revenue officers and agents, the Secretary, or the Department of the Treasury, definitions above are uniformly applicable to all IRS and BATF departments, functions and personnel. In fact, it will be found that even petroleum tax prescribed in Subtitle D of the Internal Revenue Code applies only to United States territorial jurisdiction exclusive of the several States and to imported petroleum. BATF has authority only with respect to firearms, munitions, etc., produced outside the several States and the first sale of imports.

The two delegations of authority to the Commissioner of Internal Revenue thus far located tend to reinforce conclusions set out above. Treasury Department Order No. 150-42, dated July 27, 1956, appearing in at 21 Fed. Reg. 5852, specifies the following:

The Commissioner shall, to the extent of the authority vested in him, provide for the administration of United States internal revenue laws in the Panama Canal Zone, Puerto Rico and the Virgin Islands.

On February 27, 1986 (51 Fed. Reg. 9571), Treasury Department Order No. 150-01 specified the following:

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

To date only three statutes in the Internal Revenue Code of 1986, as currently amended, have been located that specifically reference the several States, exclusive of the federal States (District of Columbia, Puerto Rico, Guam, the Virgin Islands, etc.): 26 USC §§ 5272(b), 5362(c) & 7462. The first two provide certain exemptions to bond and import tax requirements relating to imported distilled spirits for governments of the several States and their respective political subdivisions, and the last provides that reports published by the United States Tax Court will constitute evidence of the reports in courts of the United States and the several States. None of the three statutes extend assessment or collections authority for IRS or BATF within the several States.

IRS is contracted to provide collection services for the Agency for International Development, and case law demonstrates that the true principals of interest are the International Monetary Fund and the World Bank (Bank of the United States v. Planters Bank of Georgia, 6 L.Ed (Wheat) 244; U.S. v. Burr, 309 U.S. 242; see 22 USCA § 286, et seq.). In other words, IRS seemingly provides collection services for undisclosed foreign principals rather than collecting internal revenue for the benefit of constitutional United States government operation. To date, IRS principals have failed to dispute the published Cooper/Bentson allegation that the agency, via these foreign principals, funded the enormous tank and military truck factory on the Kama River, Russia.

The Internal Revenue Service, a foreign entity with respect to the several States, is not registered to do business in the several States.

2. Preservation of Due Process Rights

The Internal Revenue Service has for years been protected by statutory courts both of the United States and the several States, with the latter operating in the framework of adopted uniform laws which ascribe a federal character to the several States. Both operate under the presumption of Congress' Article IV jurisdiction within the geographical United States (the District of Columbia, Puerto Rico, etc.), both accommodate private international law under exclusively United States treaties on private international law, and both operate in the framework of admiralty rules to impose Civil Law (see both majority & dissenting opinions variously, Bennis v. Michigan, U.S. Supreme Court No. 94-8729, March 4, 1996) , which is repugnant to both state and national constitutions (see authority of Department of Justice as representative of the "Central Authority" established by U.S. treaties on private international law at 28 CFR § 0.49; also, "conflict of law" as a subcategory to "statutes" in American Jurisprudence). However, this house

of cards will shortly fall as Cooperative Federalism, known as Corporatism well into the 1930s, has been thoroughly documented and is rapidly being exposed via state and United States appellate courts and in public forum.

In reality, the Internal Revenue Code preserves due process rights, but the statute has been dormant until recently:

[Sec. 7804(b)]

(b) PRESERVATION OF EXISTING RIGHTS AND REMEDIES.

-- Nothing in Reorganization Plan Numbered 26 of 1950 or Reorganization Plan Numbered 1 of 1952 shall be considered to impair any right or remedy, including trial by jury, to recover any internal revenue tax alleged to have been erroneously or illegally assessed or collected, or any penalty claimed to have been collected without authority, or any sum alleged to have been excessive or in any manner wrongfully collected under the internal revenue laws. For the purpose of any action to recover any such tax, penalty, or sum, all statutes, rules, and regulations referring to the collector of internal revenue, the principal officer for the internal revenue district, or the Secretary, shall be deemed to refer to the officer whose act or acts referred to in the preceding sentence gave rise to such action. The venue of any such action shall be the same as under existing law.

The reorganization plans of 1950 & 1952 were implemented via the Internal Revenue Code of 1954, Volume 68A of the Statutes at Large, and codified as title 26 of the United States Code. Savings statutes have been in place since the beginning, but generally not understood by the general population or the legal profession. The statute set out above is easier to comprehend when references are consolidated. Further, the dependent clause "including trial by jury" relates to a constitutionally-assured right, not a remedy, so it should be moved to the proper location in the sentence. Finally, the matter of venue is important as "existing law" is constitutional and common law indigenous to the several States. In the absence of legitimate federal law which extends to the several States, those who operate under color of law, engage in oppression, extortion, etc., are subject to the foundation law of the States. Venue is determined by the law of legislative jurisdiction.

Citing "including trial by jury" preserves the full slate of due process rights included in Fourth, Fifth, Sixth, Seventh and Fourteenth Amendments to the Constitution for the united States of America and corresponding provisions in constitutions of the several States. The example represents the class.

Additionally, note that, (1) actions may issue against bogus assessments as well as collections, and (2) § 7804(b), unlike § 7433, does not presume that the complaining party is a "taxpayer". Finally, there is 26 CFR, Part 1 regulatory support for § 7804 where there are no regulations published in the Federal Register in support of § 7433 (see Parallel Table of Authorities and Rules, beginning on page 751 of the Index volume to the Code of Federal Regulations). Therefore, § 7804(b) preserves rights and determines

the nature of civil actions for remedies in the several States. When straightened out, applicable portions of § 7804(b) read as follows:

Nothing in [the Internal Revenue Code] shall be considered to impair any right, [including trial by jury], or remedy, [***], to recover any internal revenue tax alleged to have been erroneously or illegally assessed or collected ... The venue of any such action shall be the same as under existing law.

The necessity of due process is implicitly preserved by 28 USC § 2463, which stipulates that any seizure under United States revenue laws will be deemed in the custody of the law and subject solely to disposition of courts of the United States with proper jurisdiction. In other words, even if IRS had legitimate authority in the several States, the agency would of necessity have to file a civil or criminal complaint prior to garnishment, seizure or any other action adversely affecting the life, liberty or property of any given person, whether a Fourteenth Amendment citizen-subject of the United States or a Citizen principal of one of the several States. Due process assurances in the Fifth and Fourteenth Amendments do not equivocate -- administrative seizures without due process can be equated only to tyranny and barbarian rule. Further, even regulations governing IRS conduct acknowledge and therefore preserve Fifth Amendment assurances at 26 CFR § 601.106(f)(1).

(1) Rule I. An exaction by the U.S. Government, which is not based upon law, statutory or otherwise, is a taking of property without due process of law, in violation of the Fifth Amendment to the U.S. Constitution. Accordingly, an Appeals representative in his or her conclusions of fact or application of the law, shall hew to the law and the recognized standards of legal construction. It shall be his or her duty to determine the correct amount of the tax, with strict impartiality as between the taxpayer and the Government, and without favoritism or discrimination as between taxpayers.

Even officers, agents and employees of United States agencies are assured due process where garnishment is concerned (5 USC § 5520a), so the notion that IRS has authority to execute garnishment and other seizures via the private sector without due process is clearly absurd. In the English-American lineage, due process has always been deemed to mean trial by jury under rules of the common law indigenous to the several States; the de jure people of America are not subject to admiralty or administrative tribunals.

Where officers, agents and employees of the Internal Revenue Service are concerned, there can be no plea of ignorance concerning the necessity of due process as the Handbook for Revenue Agents, at paragraph 332: (1), provides the following:

During the course of administratively collecting a tax, an occasion may arise where service of a levy or a notice of levy is not adequate to seize the property of a taxpayer. It cannot be emphasized too strongly that constitutional guarantees and individual rights must not be violated. Property should not be forcibly removed from the person of the taxpayer. Such conduct may expose a revenue officer to an action in trespass, assault and battery, conversion, etc.

The provision acknowledges the Supreme Court decision in Larson v. Domestic and Foreign Commerce Corp. 337 U.S. 682 (1949).

In sum, the mandate for due process, meaning initiatives through judicial courts with proper jurisdiction, is clearly antecedent to imposition of administratively-issued liens, except where licensing agreements obligate assets, or seizures, whether by garnishment, attachment of bank accounts, administrative seizure and sale of real or private property, or any other initiative that compromises life, liberty or property.

3. Current Internal Revenue Code & Internal Revenue Code of 1939 Are Same

Consult 26 USC §§ 7851 & 7852 to verify that the Internal Revenue Code of 1954, as amended in 1986 and since, simply reorganized the Internal Revenue Code of 1939. Read § 7852(b) & (c), then read the balance of §§ 7851 & 7852 for best comprehension.

The importance of making this connection rests on the fact that the Internal Revenue Code of 1939 was merely codification of the Public Salary Tax Act of 1939. There was no general income tax levied against the population at large in 1939 or since. The Public Salary Tax Act of 1939, which in the Internal Revenue Code of 1939 incorporated the Social Security tax activated after 1936, was premised on the notion that working for federal government is a privilege. Income and related taxes prescribed in Subtitles A & C of the current Internal Revenue Code have never been mandatory for anyone other than officers, agents and employees of the United States, as identified at 26 USC § 3401(c) and agencies of the United States, identified at § 3401(d), particularized at 5 USC §§ 102 & 105.

The privilege tax is an excise rather than direct tax -- the Sixteenth Amendment, fraudulently promulgated in 1913, did not alter or repeal constitutional provisions which require all direct taxes to be apportioned among the several States (Constitution, Article I §§ 2.3 & 9.4). In Eisner v. Macomber, 252 U.S. 189 (1918), Coppage v. Kansas, 236 U.S. 1, and numerous decisions since, the United States Supreme Court has repeatedly affirmed that for purposes of income tax, wages and other returns from enterprise of common right are property, not income. In fact, returns from enterprise of common right are fundamental to all property, and the sanctity is preserved as a fundamental common law principle dating to signing of the Magna Charta in 1215.

The nature of Subtitles A & C taxes is revealed at 26 CFR § 31.3101-1: "The employee tax is measured by the amount of wages received after 1954 with respect to employment after 1936..."

In other words, the wage is not the object, but merely the measure of the tax. This verbiage constitutes so much legalese in an effort to circumvent the duck test, but the fact that taxes collected by the Internal Revenue Service fall into the excise category was confirmed by the Comptroller General's report following the initial effort to audit IRS

(GAO/T-AIMD-93-3). It is further suggested at 26 CFR § 106.401(a)(2), where the regulation concedes that, "The descriptive terms used in this section to designate the various classes of taxes are intended only to indicate their general character..."

By referencing the Parallel Table of Authorities and Rules, cited above, it is found that the definition of "gross income" is still preserved in Section 22 of the Internal Revenue Code of 1939, thus cementing the link between the Code of 1939 and Subtitles A & C of the Code of 1954, as amended in 1986 and since. The Internal Revenue Code of 1939 merely codified the Public Salary Tax Act of 1939. This link is further confirmed in Senate Committee On Finance and House Committee On Ways and Means reports No. H.R. 8300 (1954, Internal Revenue Code), in which § 22 of the Internal Revenue Code of 1939 and § 61 of the Internal Revenue Code of 1954 (current code) were solidly linked. Both reports stipulate that the current definition of "gross income" is intended to be constitutional.

This intent is articulated at 26 CFR § 1.61-1(a): "Gross income means all income from whatever source derived, unless excluded by law."

An "Act of Congress" is policy, not law, and per definition located in Rule 54, Federal Rules of Criminal Procedure, has only local application in the District of Columbia and other United States territories and insular possessions unless general application is manifestly expressed: Rule 54(c) -- "'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."

Where the Internal Revenue Code of 1954 is concerned (Vol. 68A, Statutes at Large, p. 3), the legislation is in fact styled, "An Act" "To revise the internal revenue laws of the United States."

As demonstrated above, wages and other returns from enterprise of common right are exempt from direct tax by fundamental law, and the regulation for the current Internal Revenue Code definition for "gross income" clearly articulates the fundamental law exemption.

The exemption as it pertains to the several States is demonstrated by referencing the Parallel Table of Authorities and Rules (Index volume to the CFR, p. 751 of the 1995 edition): There are 26 CFR, Part 1 regulations listed for 26 USC §§ 61 & 62, the latter being the definition for adjusted gross income, but there is no 26 CFR, Part 1 or 31 regulation for 26 USC § 63, the definition for taxable income.

While definitions for gross and adjusted gross income are clearly antecedent to the definition of taxable income, they have no legal effect if there is no taxing authority -- adjusted gross income which is not taxable within the several States is of no consequence where the federal tax system is concerned.

Further, on examination of 26 CFR § 1.62-1, pertaining to "adjusted gross income", it is found that subsections (a) & (b) are reserved so the published regulation is incomplete, with "temporary" regulation § 1.62-1T serving as the current authority defining "adjusted gross income." Temporary regulations have no legal effect.

Definitions at § 3401, Vol. 68A of the Statutes at Large (the Internal Revenue Code of 1954), make it clear that, (§ 3401(a)(A)), "a resident of a contiguous country who enters and leaves the United States at frequent intervals..," is a nonresident alien of the United States (citizens and residents of the several States included), and the exclusion from "wages" extends even to citizens of the United States who provide services for employers "other than the United States or an agency thereof"(§3401(a)(8)(A)).

4. The Employer or Agent is Liable

Volume 68A of the Statutes at Large, the Internal Revenue Code of 1954, makes it perfectly clear who is "liable" for payment of Subtitles A & C taxes:

SEC. 3504. ACTS TO BE PERFORMED BY AGENTS.

In case a fiduciary, agent, or other person has the control, receipt, custody, or disposal of, or pays the wages of an employee or group of employees, employed by one or more employers, the Secretary of his delegate, under regulations prescribed by him, is authorized to designate such fiduciary, agent, or other person to perform such acts as are required by employers under this subtitle and as the Secretary or his delegate may specify. Except as may be otherwise prescribed by the Secretary or his delegate, all provisions of law (including penalties) applicable in respect to an employer shall be applicable to a fiduciary, agent, or other person so designated, but, except as so provided, the employer for whom such fiduciary, agent, or other person acts shall remain subject to the provisions of law (including penalties) applicable in respect to employers.

The liability is further clarified at Vol. 68A, Sec. 3402(d):

(d) TAX PAID BY RECIPIENT. -- If the employer, in violation of the provisions of this chapter, fails to deduct and withhold the tax under this chapter, and thereafter the tax against which such tax may be credited is paid, the tax so required to be deducted and withheld shall not be collected from the employer; but this subsection shall in no case relieve the employer from liability for any penalties or additions to the tax otherwise applicable in respect to such failure to deduct and withhold.

These provisions from Vol. 68A of the Statutes at Large comply with and verify liability set out at 26 CFR, Part 601, Subpart D in general. Further, territorial limits of application are made clear by the absence of regulations supporting 26 USC §§ 7621, 7802, etc., which are the statutes authorizing establishment of internal revenue districts and delegations of authority to the Commissioner of Internal Revenue and assistants. The fact

that the liability falls to the "employer" (26 USC § 3401(d)) and/or his agent, with no compensation for serving as "tax collector," narrows the field to federal government entities as "employers" if for no other reason than the population at large is not subject to the edict of government officials. As a matter of course, government cannot compel performance where the general population is concerned. The subject class that has "liability" for Subtitles A & C taxes is the "employer" or his agent, fiduciary, etc., as specified above.

The matter is further clarified in Sections 3403 & 3404 of Vol. 68A, Statutes at Large:

SEC. 3403. LIABILITY FOR TAX.

The employer shall be liable for the payment of the tax required to be deducted and withheld under this chapter, and shall not be liable to any person for the amount of any such payment.

SEC. 3404. RETURN AND PAYMENT BY GOVERNMENTAL EMPLOYER.

If the employer is the United States, or 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, the return of the amount deducted and withheld upon any wages may be made by any officer or employee of the United States, or of such State, Territory, or political subdivision, or of the District of Columbia, or of such agency or instrumentality, as the case may be, having control of the payment of such wages, or appropriately designated for that purpose.

The territorial application, and limitation, is made clear by definitions in Title 26 of the Code of Federal Regulations, as follows:

§ 31.3121(3)-1 State, United States, and citizen.

(a) When used in the regulations in this subpart, the term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, the Territories of Alaska and Hawaii before their admission as States, and (when used with respect to services performed after 1960) Guam and American Samoa.

(b) When used in the regulations in this subpart, the term "United States", when used in a geographical sense, means the several states (including the Territories of Alaska and Hawaii before their admission as States), the District of Columbia, the Commonwealth of Puerto Rico, and the Virgin Islands. When used in the regulations in this subpart with respect to services performed after 1960, the term "United States" also includes Guam and American Samoa when the term is used in a geographical sense. The term "citizen of the United States" includes a citizen of the Commonwealth of Puerto Rico or the Virgin Islands, and, effective January 1, 1961, a citizen of Guam or American Samoa.

Definition of the terms "includes" and "including" located at 26 USC § 7701(c) provides the limiting authority which the above definitions, beyond constructive application, are subject to:

(c) INCLUDES AND INCLUDING. -- The terms "includes" and "including" when used in a definition contained in this title shall not be deemed to exclude other things otherwise within the meaning of the term defined.

Two principles of law clarify definition intent: (1) The example represents the class, and (2) that which is not named is intended to be omitted. In the definition of "United States" and "State" set out above, all examples are of federal States, and are exclusive of the several States, with the transition of Alaska and Hawaii from the included to the excluded class proving the point. This conclusion is reinforced by the absence of regulations which extend authority to establish revenue districts in the several States (26 USC § 7621), authority for the Department of the Treasury [Puerto Rico] in the several States (26 USC § 7801), and no grant of delegated authority for the Commissioner of Internal Revenue, assistant commissioners, or other Department of the Treasury personnel (26 USC § 7802 & 7803).

5. Lack of Regulations Supporting General Application of Tax

Here again, the Parallel Table of Authorities and Rules is useful as it demonstrates that Subtitles A & C taxes do not have general application within the several States and to the population at large. The regulation for 26 USC § 1 refers to 26 CFR § 301, but that amounts to a dead end -- there is no regulation under 26 CFR, Part 1 or 31 which would apply to the several States and the population at large. Further, there are no supportive regulations at all for 26 USC §§ 2 & 3, and of considerable significance, no regulations supporting corporate income tax, 26 USC § 11, as applicable to the several States.

Where the instant matter is concerned, regulations supporting 26 USC § 6321, liens for taxes, and § 6331, levy and distraint, are under 27 CFR, Part 70. The importance here is that Title 27 of the Code of Federal Regulations is exclusively under Bureau of Alcohol, Tobacco and Firearms administration for Subtitle E and related taxes. There are no corresponding regulations for the Internal Revenue Service, in 26 CFR, Part 1 or 31, which extend comparable authority to the several States and the population at large.

The necessity of regulations being published in the Federal Register is variously prescribed in the Administrative Procedures Act, at 5 USC § 552 et seq., and the Federal Register Act, at 44 USC § 1501 et seq. Of particular note, it is specifically set out at 44 USC § 1505(a), that when regulations are not published in the Federal Register, application of any given statute is exclusively to agencies of the United States and officers, agents and employees of the United States, thus once again confirming application of Subtitles A & C tax demonstrated above. Further, the need for regulations

is detailed in 1 CFR, Chapter 1, and where the Internal Revenue Service is concerned, 26 CFR § 601.702.

The need for regulations has repeatedly been affirmed by the Supreme Court of the United States, as stated in California Bankers Ass'n. v. Schultz, 416 U.S. 21, 26, 94 S.Ct. 1494, 1500, 39 L.Ed.2d 812 (1974):

Because it has a bearing on our treatment of some of the issues raised by the parties, we think it important to note that the Act's civil and criminal penalties attach only upon violation of regulations promulgated by the Secretary; if the Secretary were to do nothing, the Act itself would impose no penalties on anyone ... The government argues that since only those who violate regulations may incur civil and criminal penalties it is the regulations issued by the Secretary of the Treasury and not the broad, authorizing language of the statute, which is to be tested against the standards of the 4th Amendment...

Because there is a citation supporting these statutes applicable under Title 27 of the Code of Federal Regulations, it is important to point out that, "Each agency shall publish its own regulations in full text," (1 CFR § 21.21(c)) with further verification that one agency cannot use regulations promulgated by another at 1 CFR § 21.40. To date, no corresponding regulation has been found for 26 CFR, Part 1 or 31, so until proven otherwise, IRS does not have authority to perfect liens or prosecute seizures in the several States as pertaining to the population at large.

6. Misapplication of Authority

Regulations pertaining to seized property are found at 26 CFR § 601.326:

Part 72 of Title 27 CFR contains the regulations relative to the personal property seized by officers of the Internal Revenue Service or the Bureau of Alcohol, Tobacco and Firearms as subject to forfeiture as being used, or intended to be used, to violate certain Federal Laws; the remission or mitigation of such forfeiture; and the administrative sale or other disposition, pursuant to forfeiture, of such seized property other than firearms seized under the National Firearms Act and firearms and ammunition seized under title 1 of the Gun Control Act of 1968. For disposal of firearms and ammunition under Title 1 of the Gun Control Act of 1968, see 18 U.S.C. 924(d). For disposal of explosives under Title XI of Organized Crime Control Act of 1970, see 18 U.S.C. 844(c).

The only other comparable authority thus far found pertains to windfall profits tax on petroleum (26 CFR § 601.405) but once again, application is not supported by regulations applicable to the several States and the population at large.

Where the provision for filing 1040 returns is concerned, the key regulatory reference is at 26 CFR § 601.401(d)(4), and this application appears related to "employees" who work

for two or more "employers", receiving foreign-earned income effectively connected to the United States. The option of filing a 1040 return for refund is mentioned in instructions applicable to United States citizens and residents of the Virgin Islands, but to date has not been located elsewhere. Reference OMB numbers for § 601.401, listed on page 170, 26 CFR, Part 600-End, cross referenced to Department of Treasury OMB numbers published in the Federal Register, November 1995, for foreign application.

The fact that 1040 tax return forms are optional and voluntary, with special application, is further reinforced by Delegation Order 182 (reference 26 CFR §§ 301.6020-1(b) & 301.7701). The Secretary or his delegate is authorized to file a Substitute for Return for the following: Form 941 (Employer's Quarterly Federal Tax Return); Form 720 (Quarterly Federal Excise Tax Return); Form 2290 (Federal Use Tax Return on Highway Motor Vehicles); Form CT-1 (Employer's Annual Railroad Retirement Tax Return); Form 1065 (U.S. Partnership Return of Income); Form 11-B (Special Tax Return - Gaming Services); Form 942 (Employer's Quarterly Federal Tax Return for Household Employees); and Form 943 (Employer's Annual Tax Return for Agricultural Employees).

The "notice of levy" instrument forwarded to various third parties is not a "levy" which warrants surrender of property. The Internal Revenue Code, at § 6335(a), defines the "notice" instrument by use -- notice is to be served to whomever seizure has been executed against after the seizure is effected. In short, the notice merely conveys information, it is not cause for action. The term "notice" is clarified by definition in Black's Law Dictionary, 6th Edition, and other law dictionaries. Use of the "notice of levy" instrument to effect seizure is fraud by design.

Proper use of the "notice" process, administrative garnishment, et al, is specifically set out in 5 USC § 5514, as being applicable exclusively to officers, agents and employees of agencies of the United States (26 USC § 3401(c)). Even then, however, the process must comply with provisions of 31 USC § 3530(d), and standards set forth in §§ 3711 & 3716-17. In accordance with provisions of 26 CFR, Part 601, Subpart D, the employer, meaning the United States agency the employee is employed by, is responsible for promulgating regulations and carrying out garnishment.

Even if IRS was the agency responsible for collecting from an "employee," due process would be required, as noted above, so authority to collect would ensue only after securing a court order from a court of competent jurisdiction, which in the several States would mean a judicial court of the State. In law, however, there is no authority for securing or issuing a Notice of Distraint premised on non-filing, bogus filing, or any other act relating to the 1040 return. See United States v. O'Dell, Case No. 10188, Sixth Circuit Court of Appeals, March 10, 1947. In G.M. Leasing Corp. v. United States, 429 U.S. 338 (1977), the United States Supreme Court held that a judicial warrant for tax levies is necessary to protect against unjustified intrusions into privacy. The Court further held that forcible entry by IRS officials onto private premises without prior judicial authorization was also an invasion of privacy.

7. Liability Depends on a Taxing Statute

General demands for filing tax returns, production of records, examination of books, imposition and payment of tax, etc., are of no consequence to the point a taxing statute (1) defines what tax is being imposed, and (2) the basis of liability. In other words, even if the Internal Revenue Service was a legitimate agency of the United States Department of the Treasury and had authority in the several States, the Service would have to be specific with respect to what tax was at issue and would have to demonstrate the tax by citing a taxing statute with the necessary elements to establish that any given person was obligated to pay any given tax.

This mandate has been clarified by the courts numerous times, with the matter definitively stated by the Tenth Circuit Court of Appeals in United States v. Community TV, Inc., 327 F.2d 797, at p. 800 (1964):

Without question, a taxing statute must describe with some certainty the transaction, service, or object to be taxed, and in the typical situation it is construed against the Government. Hassett v. Welch, 303 U.S. 303, 58 S.Ct. 559, 82 L.Ed.858

In other words, to the point Service personnel produce the statute which mandates a certain tax and which specifies, "... the transaction, service, or object to be taxed..," the burden of proof lies with the Government, with the consequence being that no obligation or civil or criminal liability can ensue to the point a taxing statute that meets the above requirements is in evidence.

This conclusion is supported by the statute which provides the underlying requirements for keeping records, making statements, etc., located at 26 USC § 6001:

Every person liable for any tax imposed by this title, or for the collection thereof, shall keep such records, render such statements, make such returns, and comply with such rules and regulations as the Secretary may from time to time prescribe. Whenever in the judgment of the Secretary it is necessary, he may require any person, by notice served upon such person, or by regulations, to make such returns, render such statements, or keep such records, as the Secretary deems sufficient to show whether or not such person is liable for tax under this title. The only records which an employee shall be required to keep under this section in connection with charged tips shall be charge receipts, records necessary to comply with section 6053(c), and copies of statements furnished by employees under section 6053(a).

The control statute for Subtitle F, Chapter 61, Subchapter A, Part I, concerning records, statements, and special returns, clearly returns the matter to the "employee" defined at § 3401(c), and the "employer" defined at § 3401(d). In general, however, (1) the Secretary must provide direct notice to whomever is required to keep books, records, etc., as being the "person liable," or (2) specify the person liable by regulation. In the absence of notice by the Secretary, based on a taxing statute which makes such a person liable according to provisions stipulated in United States v. Community TV, Inc., Hassett v. Welch, and other such cases, or regulations which specifically set establish general liability, there is no liability.

Sec. 6001 also exempts "employees" from keeping records except where tips and the like are concerned. This is consistent with constructive demonstration that "employers" rather than "employees" are required to file returns, as opposed to paying deducted amounts as income tax returns, constructively demonstrated in a previous section of this memorandum and specifically articulated in 26 CFR § 601.104. Clarification via 26 USC § 6053(a) is as follows:

(a) REPORTS BY EMPLOYEES. -- Every employee who, in the course of his employment by an employer, receives in any calendar month tips which are wages (as defined in section 3121(a) or section 3401(a)) or which are compensation (as defined in section 3231(e)) shall report all such tips in one or more written statements furnished to his employer on or before the 10th day following such month. Such statements shall be furnished by the employee under such regulations, at such other times before such 10th day, and in such form and manner, as may be prescribed by the Secretary.

Unraveling § 6001 straightens out the meaning of § 6011, which requires filing returns, statements, etc., by the person made liable (§ 3401(d)), as distinguished from the person required to make returns (payments) at § 6012 (§ 3401(c)). Even though a person might be a citizen or resident of the United States employed by an agency of the United States, and thereby be required to return a prescribed amount of United States-source income, he is not the person liable under § 6011 and attending regulations.

The "method of assessment" prescribed at 26 USC § 6303 is therefore dependent on the taxing statute and must rest on authority specifically conveyed by a taxing statute which prescribes liability where the Secretary (1) has provided specific notice, including the statute and type of tax being imposed, or (2) supports assessment by regulatory application. In the absence of one or the other, an assessment by the Secretary is of no consequence as it is not legally obligating.

The requirement for the Secretary to provide notice to whomever is responsible for collecting tax, keeping records, etc., is clarified at 26 CFR § 301.7512-1, particularly (a)(1)(i), relating to "employee tax imposed by section 3101 of chapter 21 (Federal Insurance Contributions Act)," and (a)(1)(iii), relating to "income tax required to be withheld on wages by section 3402 of chapter 24 (Collection of Income Tax at Source on Wages)..." The person liable is the employer or the employer's agent, and of particular significance, it is this "person" who is subject to civil and particularly criminal penalties (26 CFR § 301.7513-1(f); 26 CFR §§ 301.7207-1 & 301.7214-1, etc.). Officers and employees of the United States are specifically identified as being liable at 26 USC § 301.7214-1.

The matter of who is required to register, apply for licenses, or otherwise collect and/or pay taxes imposed by the Internal Revenue Code is ultimately and finally put to rest under "Licensing and Registration", 26 USC §§ 301.7001-1, et seq. Each of the categories so addressed has liability based on some particular taxing statute which creates liability.

8. The Necessity of Administrative Process

The requirement for a specific taxing statute, with 26 USC § 6001 clearly providing the first leg in necessary administrative procedure to determine liability, was addressed at length in Rodriguez v. United States, 629 F. Supp. 333 (N.D. Ill. 1986).

Presuming (1) the Secretary has provided the necessary notice, or (2) a regulation prescribes general application which makes any given person liable for a tax and requires tax return statements to be filed, each step in administrative process prescribed by 26 USC §§ 6201, 6212, 6213, 6303 and 6331 must be in place for seizure or any other encumbrance to be legal.

Here again, regulations published in the Federal Register are significant, with provisions of 5 USC § 552 et seq., 44 USC § 1501 et seq., 1 CFR, Chapter I, and 26 CFR, Part 601 all supporting the mandate for regulations to be published in the Federal Register before they have general application. It will be noted by referencing the Parallel Table of Authorities and Rules, beginning on page 751 of the 1995 Index volume to the Code of Federal Regulations, that application by regulation to the several States is only under Title 27 of the Code of Federal Regulations, or that there are no regulations published in the Federal Register. The following entries, or non-entries, are found:

26 USC § 6201 Assessment authority 27 CFR, Part 70

26 USC § 6212 Notice of deficiency No Regulation

26 USC § 6213 Restrictions applicable to deficiencies; petition to Tax Court

No Regulation

26 USC § 6303 Notice and Demand for Tax 27 CFR, Part 53, 70

26 USC § 6331 Levy and distraint 27 CFR, Part 70

The assessment authority under 26 USC § 6201, in relevant part as applicable to Subtitles A & C taxes, are as follows:

(a) AUTHORITY OF SECRETARY. -- The Secretary is authorized and required to make the inquires, determination, and assessments of all taxes (including interest, additional amounts, additions to the tax, and assessable penalties) imposed by this title, or accruing under any former internal revenue law, which have been duly paid by stamp at the time and in the manner provided by law. Such authority shall extend to and include the following:

(1) TAXES SHOWN ON RETURN. -- The secretary shall assess all taxes determined by the taxpayer or by the Secretary as to which returns or lists are made under this title.

(3) ERRONEOUS INCOME TAX PREPAYMENT CREDITS. -- If on any return or claim for refund of income taxes under subtitle A there is an overstatement of the credit for income tax withheld at the source, or of the amount paid as estimated income tax, the amount so overstated which is allowed against the tax shown on the return or which is allowed as a credit or refund may be assessed by the Secretary in the same manner as in the case of a mathematical or clerical error appearing upon the return, except that the provisions of section 6213(b)(2) (relating to abatement of mathematical or clerical error assessments) shall not apply with regard to any assessment under this paragraph.

(b) AMOUNT NOT TO BE ASSESSED. --

(1) ESTIMATED INCOME TAX. -- No unpaid amount of estimated income tax required to be paid under section 6654 or 6655 shall be assessed.

(2) FEDERAL EMPLOYMENT TAX. -- No unpaid amount of Federal unemployment tax for any calendar quarter or other period of a calendar year, computed as provided in section 6157, shall be assessed.

(d) DEFICIENCY PROCEEDINGS. --

For special rules applicable to deficiencies of income, estate, gift, and certain excise taxes, see subchapter B. [emphasis added]

The grant of assessment authority with respect to taxes prescribed in Subtitles A & C is limited to provisions set out above even where the Service might have authority relating to those made liable for the tax, meaning the "employer" specified at 26 USC § 3401(d). Clearly, returns made either by the agent of the United States agency required to file a return, or the Secretary, are to be evaluated mathematically, and errors are to be treated as clerical errors, nothing more. The Secretary has no authority to assess estimated income tax (individual estimated income tax at § 6554; corporation estimated income tax at § 6655), or unemployment tax (§ 6157). For all practical purposes, the trail effectively ends here.

9. The Impossibility of Effective Contract/Election

In order for there to be an opportunity for a nonresident alien of the United States (a Citizen of one of the several States) to elect to be taxed or treated as a citizen or resident of the United States, one or the other of a married couple, or the single "individual" making the election, must be a citizen or resident of the United States (26 USC § 6013(g)(3)). Some party must in some way be connected with a "United States trade or business" (performance of the functions of a public office (26 USC § 7701(a)(26)). A nonresident alien never has self-employment income (26 CFR § 1.1402(b)-1(d)). In the event that a nonresident alien is an "employee" (26 USC § 3401(c)), the "employer" (26 USC § 3401(d)) is liable for collection and payment of income tax (26 CFR § 1.1441-1). And in order for real property to be treated as effectively connected with a United States

trade or business by way of election, it must be located within the geographical United States (26 USC § 871(d)).

Provisions cited above preclude any and all legal authority for Citizens of the several States, or privately owned enterprise located in the several States, to participate in federal tax and benefits programs prescribed in Subtitles A & C of the Internal Revenue Code and companion legislation such as the Social Security Act which provide benefits from the United States Government, which is a foreign corporation to the several States.

Summary & Conclusion

This memorandum is not intended to be exhaustive, but merely sufficient to support causes set out separately. The most conspicuous conclusions of law are that Congress never created a Bureau of Internal Revenue, the predecessor of the Internal Revenue Service; Subtitles A & C of the Internal Revenue Code prescribe excise taxes, mandatory only for employees of United States Government agencies; the Internal Revenue Service, within the geographical United States where the Service appears to have colorable authority, is required to use judicial process prior to seizing or encumbering assets; and the law demonstrates that people of the several States, defined as nonresident aliens of the self-interested United States in the Internal Revenue Code, cannot legitimately elect to be taxed or treated as citizens or residents of the United States. If a Citizen of one of the several States works for an agency of the United States or receives income from a United States "trade or business" or otherwise effectively connected with the United States, the employer or other third party responsible for payment is made liable for withholding taxes at the rate of 30% or 14%, depending on classification, and is thus "the person liable" and may be subject to Internal Revenue Service initiatives, with administrative initiatives, where seizure and/or encumbrance actions are concerned, subject to judicial determinations by courts of competent jurisdiction.

Under penalties of perjury outside the United States, per 28 USC § 1746(1), I attest that to the best of my knowledge and understanding, all matters of law and fact presented herein are accurate and true.

U.C.C. 1-308

Michael James Hannigan May 5, 2008

Michael James Hannigan

EXHIBIT:

PUBLIC NOTICE

IRS IDENTITY & PRINCIPAL OF INTEREST

ADDENDUM IN SUPPORT

America's Legal Bookstore

From: Dennis MacPhaeddon <denward1@mindspring.com>
To: Richard Finley <richard@americaslegalbookstore.com>; Richard Finley <barman@olivetree.net>
Sent: Monday, April 03, 2000 2:46 PM
Subject: UNITED STATES OF AMERICA, INC.

Subject: IRS IS FOREIGN AGENCY: NEW EVIDENCE
Date: Sun, 02 Apr 2000 01:09:35 -0600
From: Dan Meador <dmeador@poncacity.net>
To: Dan Meador <dmeador@poncacity.net>

Richard,
I have **hi lighted in bold** the pertinent information re: **UNITED STATES OF AMERICA** below.
Read it very carefully. This is the fraud of their indictment. New evidence for a trial DE NOVO.
Dennis

Who & What is the Internal Revenue Service? History & New Evidence.

By Dan Meador (April 1, 2000)

"Evan" (Internet name) forwarded the following article by Bill Cooper, published in the September 1995 issue of Veritas Magazine. As I understand it, Wayne Bentson of Arizona was largely responsible for research referenced in the article.

Since I'm suffering the fatigue of not getting home from Tulsa until the wee hours of the morning, and can't seem to get kick-started to do what I should be doing, I'm going to take the opportunity to provide context for the lengthy Cooper article, and add information gleaned from research since. For those who haven't seen it, the Cooper article should be enlightening. Additionally, evidence revealed in my portion of this compiled article is going to floor many readers. However, before disclosing new evidence, I'm going to present something of a history.

Gail and I had just finished what we called the "monster" tax index when someone sent the Cooper article via FAX shortly after it was published in September 1995. Our index went through the Internal Revenue Code section-by-section, listing regulations as they appear in the Parallel Table of Authorities and Rules, then we listed the regulation headings for the regulations. Because of our index, I was able to verify many of the references in the Cooper article without having to go to actual texts, and what I found was that many Cooper-Bentson conclusions were verified by the index. Of particular importance, we found that there are no implementing regulations for 26 U.S.C. § 7621, which authorizes the President to establish revenue districts. Consequently, there are no

revenue districts in States of the Union.

However, there was a significant gap in Cooper-Bentson research. At that point, they hadn't found origins of the Bureau of Internal Revenue, Puerto Rico. I documented it in late 1998 even though I knew where to look when I read the Downs v. Bidwell decision in 1997: The first civil governor of Puerto Rico established five bureaus in the Puerto Rico Dept. of Treasury on May 1, 1900. The five bureaus were eventually to become the Bureau of Internal Revenue, Puerto Rico, predecessor to the Internal Revenue Service. The name change of BIR to IRS was in 1953 in advance of implementing the Internal Revenue Code of 1954, based on Reorganization Plan 26 of 1950 and Reorganization Plan 1 of 1952. Early Puerto Rico legislation, beginning with the gubernatorial and executive committee acts of May 1900, are published in Senate Documents for the period, so it's just a matter of going through the publications to complete the merger history. Bentson and Cooper located origins of the Bureau of Internal Revenue, Philippines, and the Philippines special fund, in 1904 documents. The Philippines gained independence in 1946, leaving BIR, Puerto Rico as the only Bureau of Internal Revenue that was legislatively created, and not by Congress at that. The first Puerto Rico legislature in 1901 legislatively enacted executive acts of May 1900.

In 1934, Congress stipulated that the various special funds maintained by the Department of the Treasury would be known as trusts, i.e., Philippines Trusts ! & 2, and Puerto Rico Trust 62; all three of which are still in the books in Title 31 of the United States Code.

In his article, Cooper cites the Federal Register and the Internal Revenue Manual acknowledgment that Congress never created a Bureau of Internal Revenue. Someone else has since located a Supreme Court decision where justices of the Supreme Court affirm that Congress never created a Bureau of Internal Revenue or Internal Revenue Service. Consequently, IRS has no lawful authority to enforce anything in the Union as Congress is charged with responsibility for establishing any government department or agency that the Constitution itself does not establish.

At the tail end of this article, we're going to share disclosures attorneys in Illinois and Idaho have secured that constitute astounding revelations that should give everyone cause to rethink strategy relating to the Internal Revenue Service. Read on. I will continue the account of the research effort that lays the factual foundation.

In the historical account by the Commissioner of Internal Revenue published in the Federal Register and the Internal Revenue Manual, the Commissioner alleges that Congress clearly intended to create a Bureau of Internal Revenue in 1862 legislation that established the office of the Commissioner of Internal Revenue. But reading the 1862 legislation

reveals that there was no need for a Bureau of Internal Revenue or Internal Revenue Service. Congress established the offices of assessors and collectors, with one of each to be appointed for each revenue district. These offices were on the order of current U.S. Attorneys appointments. They were political patronage positions. The offices continued to exist until implementation of Reorganization Plan 26 of 1950.

In order to understand what happened via the reorganization plans behind the current Internal Revenue Code, we need to review what happened with respect to prohibition.

In 1933, the Twenty-first Amendment repealed the Eighteenth. However, Federal enforcement people continued to enforce state laws relating to alcohol to the point of the Constantine decision in December 1935. In the decision, the Supreme Court said that once the Eighteenth Amendment was repealed, State and Federal enforcement ceased to have concurrent jurisdiction for enforcement of alcohol-related laws as the Eighteenth Amendment contained the grant of authority. Once it was repealed, concurrent jurisdiction was repealed.

Until summer 1935, the Feds had operated on the alcohol administration act of 1926. That was replaced by the Federal Alcohol Administration Act of 1935, enacted that summer several months in advance of the Constantine decision. In the wake of the Constantine decision, a director was appointed, but the Federal Alcohol Administration wasn't established to administer the Alcohol Administration Act. Via Reorganization Plan 3 of 1940 administration of the Federal Alcohol Administration Act was transferred to the Bureau of Internal Revenue, predecessor of the Internal Revenue Service.

As the Cooper article suggests, BIR, Puerto Rico and/or BIR, Philippines had already encroached into States of the Union via China Trade Act legislation, which implemented maritime (customs) laws relating to trade in opium, cocaine and citric wines. The first drug-related law was passed in 1914, then with the 1918 amendment, the Feds began to enforce drug laws in the several States.

The timing was ideal. There was significant political mobilization responsible for the Eighteenth Amendment and alcohol prohibition, so the Feds took advantage of empathy for purging any kind of intoxicating substance. In his letter supporting the 1940 Reorganization Plan, Roosevelt said that BIR had been enforcing provisions of the Federal Alcohol Administration Act, anyway, so the transfer of responsibility didn't effect significant change.

Some time before Cooper wrote his article, I read the 1992 New York v. United States decision. In the decision, the Supreme Court used the term "Cooperative Federalism".

My response was, "What the hell is Cooperative Federalism?"

The next time I saw published use of the term was in the title of an article in the 1992 edition of The Book of the States. In the meantime, I ran across the "Federalism" executive order Ronald Reagan put in place. The Reagan order, which technically preserves constitutional integrity, is the one Bill Clinton keeps trying to overhaul, but he is getting considerable resistance. This particular executive order is an executive policy statement, it doesn't meet standards of 3 U.S.C. § 301 and the Federal Register Act. It is simply the prevailing policy statement that informally shapes relations between State and Federal governments.

Now we have two essential identifying terms: On the Federal side, "Federalism", and on the State side, "Cooperative Federalism".

Let's address the scheme of things through two constitutional questions: Have Article I § 8, clauses 5 & 6 and Article I § 10, paragraph one of the Constitution been repealed or amended? Has the Constitution been amended to effect prohibition against opium, cocaine, and other such substances?

We'll follow those questions with two more: Do we have gold and silver coin as our national currency? Do we have national prohibition against drugs?

In light of the first two questions, we can conclude that Congress has defaulted responsibility for providing a national currency of gold and silver coin, and our States of the Union are accommodating the fraud without a constitutional amendment; and in light of the second question, we can conclude that Federal government is exercising a power which is not enumerated in the Constitution, and our respective state governments are accommodating the usurpation of power.

Obviously, the Federal Reserve Act of 1913 was patently unconstitutional. At least it was if it applied to Union. But it might not be if it applied to United States Government itself, and territories and insular possessions of the United States. Likewise, the Federal drug laws would be legitimate if they applied to the District of Columbia and insular possessions of the United States. It is here that Congress has plenary or near-absolute power. And we can lengthen the list. The Federal Alcohol Administration Act is legitimate in Puerto Rico, but not Oklahoma. Likewise, the Social Security Act of 1935 is legitimate in Puerto Rico, the Virgin Islands, etc., but not in Kansas. Where the latter is concerned, we see proper geographical application in definitions of "State", "United States" and "citizen" at 26 CFR § 31.3121(e)-6.

At the January 1937 general conference of the Council of State Governments, delegates from a majority of our state legislatures endorsed the Declaration of Intergovernmental Dependence. This formalized what was already a working arrangement. States of the Union formally went on the Federal dole system, and by setting up the infrastructure, provided a forum for general agreement among state governing bodies as to what Federal encroachment they would accommodate.

Here are more relevant questions: Does the executive branch have legislative authority? Can the President unilaterally repeal law once it has been formally enacted by Congress?

Via Reorganization Plan 3 of 1940, Roosevelt reassigned duties of the Federal Alcohol Administration to BIR, thereby abandoning the agency Congress established, then via Reorganization Plan 26 of 1950, Truman effectively terminated the offices of assessor and collector Congress established in 1862, In other words, after the Supreme Court determined that Federal enforcement agencies had no authority to enforce state alcohol law in the several States, administration of the Federal Alcohol Administration Act was moved under authority of the Bureau of Internal Revenue, Puerto Rico for administration in insular possessions of the United States. By law, BIR, Puerto Rico could not be exercised in the Union, but since State governments were willing to accommodate Federal encroachment in return for whatever financial incentives Federal government provided, the fraud was and has generally been accommodated. The scheme worked well enough that in 1950, Truman followed the Roosevelt lead by authorizing BIR, i.e., IRS administration of Federal income tax law. But the geographical application remains the same, limited to the District of Columbia and insular possessions of the United States.

Through their gross income "source" research, Tupper Sausie, Thurston Bell, Larken Rose and various others have documented that the American people in general are liable for Federal income tax, but are liable only on income from foreign sources and insular possessions of the United States. These conclusions reinforce and are consistent with my research and research by Bentson and Cooper. With enactment of the Internal Revenue Code of 1954, via Truman executive orders, the offices of assessor and collector of internal revenue were terminated, and administration of the Internal Revenue Code, by appearance, was turned over to the Internal Revenue Service, an agency of the Department of the Treasury, Puerto Rico.

We need to address one more entity, the "United States of America".

What is the United States of America? As it turns out, there are two entities called the **"United States of America".** The first and original, mentioned in the Preamble and Article II of the Constitution of the

United States, was formally created in the Articles of Confederation. But some time after the Civil War, probably early in the twentieth century, a second "United States of America" came into being. The second is a political alliance or compact of the insular possessions of the United States.

Here I'm going to introduce evidence secured by John M. Ohman, an Idaho Falls, Idaho attorney. In the case styled Diversified Metal Products, Inc. v. T-Bow Company Trust, Internal Revenue Service, and Steve Morgan, case CV93-4117, filed in the District Court of the Seventh Judicial District of the State of Idaho, the Booneville County Magistrates Court, Ohman filed an impleader petition.

Diversified Metal was served a notice of levy for money owed to the T-Bow Trust. In order to determine rightful ownership, Ohman filed the interpleader action on behalf of Diversified Metal. In his complaint, he stipulated facts. His fact #4 is as follows: "Defendant Internal Revenue Service (IRS) is an agency of the United States government"

In her January 24, 2000 response, U.S. Attorney Betty H. Richardson made the following correction to Ohman's averment: "Denies that the Internal Revenue Service is an agency of the United States Government but admits that the United States of America would be a proper party to this action."

This is something I've tried to impress on people for most of two years, but few grasp the implications: The Constitution of the United States creates and vests authority in a governmental entity known as the "United States" or "United States Government." While it is "for" the United States of America, the Constitution vests absolutely no authority in the United States of America. Any time the United States prosecutes as case, whether civil or criminal, it must be in the name and by authority of the United States, not the United States of America. The only place the "United States of America" has any standing is in territorial courts in insular possessions of the United States, then the styling must be, "United States of America, ss, President of the United States". See title 48 of the United States Code for particulars relating to Puerto Rican and Virgin Islands courts.

If we read notes following the current 18 U.S.C. § 1001, we find that the "United States of America" is currently defined as an agency of the United States. In the context of the Downes v. Bidwell decision, we find that these insular possessions, which are not incorporated in the constitutional scheme, are "foreign" to the United States, i.e., to the Union of States. Therefore, this political alliance or compact known as the United States of America, which first appeared in 1918 legislation, is a government foreign to the United States and the several States even though the member insular possessions belong to the United States.

The Richardson correction above verifies that the Internal Revenue Service is not an agency of United States Government, but the United States of America, clearly a distinct and different entity, would be a party of interest. It would be difficult to be any clearer on the subject, and the Rechardson correction tells us that people such as U.S. Attorneys, attorneys in the Department of Justice, and Federal judges are fully aware of the difference.

Michael Bufkin, a Dundee, Illinois attorney, undertook a delightful project. On December 18, 1998, he sent a Freedom of Information Act request to the Department of the Treasury asking for documentation of authority for the Department of Justice to defend Internal Revenue Service personnel in civil or criminal cases. In an August 2, 1999 response, Leslie Howard in the national IRS office responded with the following: "A search was performed with the Office of Tax Crimes (Criminal Investigation) and with the Assistant Chief Counsel (Disclosure Litigation) and we have no documents responsible to your request. However, you may forward a copy of your request to the U.S. Attorney General's Office within the Department of Justice."

Bufkin did just that. In response to his September 21, 1999 FOIA to the Attorney General, Thomas J. McIntrye informed Bufkin that, "We have conducted a search of the appropriate indices to Criminal Division records and did not locate any records responsive to your request."

We don't know who has lawful authority to defend IRS personnel, but the Department of Justice and U.S. Attorneys don't. Possibly the foreign "United States of America" that is principal of interest and benefits from IRS initiatives has a raft of attorneys ready to defend these foreign agents.

As chance would have it, one of the people in our group recently received certification of documents on IRS Austin Region stationary that is headed, "United States of America, Department of the Treasury, Internal Revenue Service". The certification letters are dated November 16, 1999.

What we are dealing with amounts to invasion of a foreign government accommodated by our respective State governments. However, thanks to the diligence of people approaching IRS tyranny from several directions, we about have the whole nut documented and broken down.

With the context of what I've written, the Cooper article that follows will have more signficance.

Dan Meador
Ponca City, Oklahoma

4/3/00

B.A.T.F. / IRS

CRIMINAL FRAUD

by William Cooper
CAJI News Service- Exclusive

"The Congress shall have Power to Lay and collect Taxes, Duties, Imposts and Excise, to Pay the Debts and provide for the common Defense and general Welfare of the United States; but all Duties, Imposts and excises shall be uniform throughout the United States;" The Constitution for the United States of America, Article 1, Section 8, paragraph 1.

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

CAJI Investigation

Investigation of the alleged Internal Revenue Service and the Bureau of Alcohol, Tobacco and Firearms has disclosed a broad, premeditated conspiracy to defraud the Citizens (freemen) of the united States of America. Examination of the United States Code, the Code of Federal Regulations, The Statutes at Large, Congressional record, The Federal Register, and Internal Revenue manuals, too numerous to list, reveals a crime of such magnitude, that words cannot adequately describe the betrayal of the American people. What we have uncovered has clearly been designed to circumvent the limitations of the Constitution for the united States and implement the COMMUNIST MANIFESTO within the 50 States. Marx and Engles claimed that in the effort to create a classless society, a "GRADUATED INCOME TAX" could be used as a weapon to destroy the middle class.

THE ART OF ILLUSION

Magic is the art of illusion. Those who practice magic are called "Magi". They have created a web of obfuscation and confusion in the Law. When the courts have ruled them unconstitutional or unlawful they merely stepped outside JURISDICTION AND VENUE. By fooling the people they continued the Crime. These Magicians have convinced Americans that we have a status we do not. We are led to believe we must do things that are not required. Through the clever use of language the government promotes FRAUD.

NOT CREATED BY CONGRESS

The Bureau of Internal Revenue, and the alleged Internal Revenue Service were not created by Congress. These are not organizations or agencies of the Department of the Treasury or of the federal government They appear to be operated through pure trusts administered by the Secretary of the Treasury (the Trustee). The Settler of the trusts and the Beneficiary or Beneficiaries are Unknown. According to the law governing Trusts, the Information does not have to be revealed. (?)

NOT FOUND IN 31 USC

The organization of the Department of the Treasury can be found in 31 United States Code, Chapter 3, beginning on page 7. You will not find the Bureau of Internal Revenue, the Internal Revenue Service, The Secret Service or the Bureau of Alcohol, Tobacco and firearms listed.

We learned that the Bureau of Internal Revenue, internal revenue, Internal Revenue service, internal revenue service, Official Internal Revenue Service, the Federal Alcohol Administration, Director Alcohol Tobacco and Firearms Division, and the Bureau of Alcohol Tobacco and Firearms are one organization. We found this obfuscated.

CONSTRUCTIVE FRAUD

The investigation found, that except for the very few who are engaged in specific activities, the Citizens of the 50 States of the united States of America have never been required to file or to pay "income taxes". The Federal government is engaging in constructive fraud on a massive scale. Americans who have been frightened into filing and paying "income taxes "have been robbed of their money. Millions of lives have been ruined. Hundreds of thousands of innocent people have been imprisoned on the pretense they violated laws that do not exist. Some have been driven to suicide. Marriages have been destroyed. Property has been confiscated to pay taxes that were never owed.

LINCOLN'S WAR TAX

During the Civil war, Abraham Lincoln imposed a war tax upon the citizens. The war tax lawfully applied only to those citizens who resided WITHIN THE FEDERAL DISTRICT OF COLUMBIA, AND FEDERALLY OWNED TERRITORIES, DOCKYARDS, NAVAL BASES, OR FORTS, and (?) those who were considered to be in rebellion against the Union. Many Citizens of the several States volunteered to pay. After the war the tax was repealed. THIS LEFT THE IMPRESSION THAT THE PRESIDENT AND CONGRESS COULD LEVY AN
UNAPPORTIONED DIRECT TAX UPON THE CITIZENS OF THE SEVERAL STATES;

WHEN
IN FACT NO SUCH TAX HAD EVER BEEN IMPOSED. The tax was hot fraud as nothing was done to deceive the people. THOSE WHO WERE DECEIVED, IN FACT, DECEIVED THEMSELVES.!!

PHILIPPINE TRUST # 1

In the last century the United States acquired by CONQUEST the territory of the Philippine Islands, Guam, and Puerto Rico. The Philippine Customs Administrative Act was passed by the Philippine Commission during the period from Sept. 1, 1900 to August 31, 1902, to regulate trade with foreign countries and to create revenue in the form of duties, imposts, and excises. The act CREATED THE FEDERAL GOVERNMENT'S FIRST TRUST FUND called Trust fund #1, the Philippine special fund (customs and duties), 31 USC, Section 1321. The Act was administered under the general Supervision and control of the Secretary of Finance and Justice.

PHILLIPINE TRUST # 2
BUREAU OF INTERNAL REVENUE

The Philippine Commission passed another act known as The Internal Revenue Law of Nineteen Hundred and Four. This Act created the Bureau of Internal Revenue and the federal government's second trust fund (internal revenue), 31 USC, Section 1321. In the Act, Article 1, Section 2, we find,
"There shall be established a Bureau of Internal Revenue, the chief officer of which Bureau shall be known as the Collector of Internal Revenue. He shall be appointed by the Civil Governor, with the advise and consent of the Philippine Commission, and shall receive a salary at the rate of eight thousand PESOS per annum. The Bureau of Internal Revenue shall belong to the Department of Finance and Justice."
And in Section 3, we find,
" The Collector of Internal Revenue, under the direction of the Secretary of Finance and Justice, shall have general superintendence of the assessment and collection of all taxed and excises imposed by this Act or by any Act amendatory thereof, and shall perform such other duties as may be required by law.

CUSTOMS AND B.I.R. MERGED

It was clear that the Customs Administrative Act was to fall within the JURISDICTION of the Bureau of the Internal Revenue which bureau was to be responsible for "all taxes and excises imposed by this Act," which clearly include import and export excise taxes. This effectively MERGED Customs and Internal Revenue in the Philippines."

DEMON ALCOHOL

When Prohibition was ratified in 1919 with the 18th Amendment, the government created federal bureaucracies to enforce he outlaw of alcohol. As protest and resistance to prohibition increased, so did new federal laws and the number of bureaucrats hired to enforce them. After much bloodshed and public anger, prohibition was repealed with the 21st Amendment which was ratified in 1933.

FEDERAL ALCOHOL ACT

In 1933 President Roosevelt declared a "Banking Emergency". The Congress gave the President dictatorial powers under the "War Powers Act of 1917". Congress used the economic EMERGENCY as the excuse as the excuse to give blanket approval to any and all Presidential EXECUTIVE ORDERS. Roosevelt, with a little help from his socialist friends was prolific in his production of new legislation and executive orders. In 1935 the Public Administration Clearinghouse wrote, and Roosevelt introduced, The Federal Alcohol Act. Congress passed it into law. The Act established The Federal Alcohol Administration. That same year the Supreme Court in a monumental ruling struck down the act among many others on a long list of draconian and New Deal laws. The Federal Alcohol Administration did knot go away; it became involved in other affairs, placed in a sort of standby status.

INTERNAL REVENUE (PUERTO RICO)

At some unknown date prior to 1940 another Bureau of Internal Revenue was established in Puerto Rico. The 62nd Trust Fund was created and named Trust Fund #62 Puerto Rico special fund (Internal Revenue). Note that the Puerto Rico special fund has Internal Revenue , capital "I" & "R". The Philippine special fund (internal revenue) is in lower case letters.

Between 1904 and 1938 the China Trade Act was passed to deal with Opium, Cocaine and Citric wines shipped out of China. It appears to have been administered in the Philippines by the Bureau of Internal Revenue.

CHINA TRADE ACT

We studied a copy of The Code of Federal Registrations of the United States of America in force June 1, 1938, Title 26 - Internal Revenue, Chapter 1 - (Parts 1-137). On page 65 it makes reference to the China Trade Act, where the first use of such terms as: income, credits, withholding, Assessment and Collection Deficiencies, extension of time for payment, and failure to file return. The entire substance of Title 26 deals with foreign individuals, foreign corporations, foreign insurance corporations, foreign ships, income from sources within possessions of the United States, Citizens of the United States and domestic corporations deriving income from sources within a

possession of the United States, and China trade Act Corporations.

NARCOTICS, ALCOHOL, TOBACCO, FIREARMS

All of the taxes covered by these laws concerned the imposts, excise taxes, and duties to be collected by the Bureau of Internal Revenue for such items as narcotics, alcohol, tobacco, and firearms. The alleged Internal Revenue Service likes to make a big "to do" about the fact that Al Capone was jailed for tax evasion. The I.R.S. will not tell you that the tax Capone evaded was not "income tax" as we know it, but the tax due on the income from the alcohol which he had imported from Canada. If he had paid the tax he would not have been convicted. The Internal Revenue Act of 1939 was clearly concerned with all taxes, imposts, excises and duties collected on trade between the POSSESSIONS AND TERRITORIES of the United States and foreign individuals, foreign corporations, or foreign governments. The income tax laws have always applied only to the Philippines, Puerto Rico, District of Columbia, Virgin Islands, Guam, Northern Mariana Islands, territories and insular Possessions.

F.A.A. becomes B.I.R.

Under the Reorganization Plan Number 3 of 1940 which appears at 5 United States Code Service 903, the Federal Alcohol Administration and offices of members and Administrators thereof were abolished and their functions directed to be administered under direction and supervision of Secretary of Treasury through Bureau of Internal Revenue. We found this history in all of the older editions of 27 USCS, Section 201. It has been removed from current editions. Only two Bureaus of Internal Revenue have ever existed. One in the Philippines and another in Puerto Rico. Events that have transpired tell us that the Federal Alcohol Administration was absorbed by the Puerto Rico Trust # 62 (Internal Revenue).

VICTORY TAX ACT

World War II was the golden opportunity. Americans were willing to sacrifice almost anything if they thought that sacrifice would win the war. In that atmosphere Congress passed the Victory Tax Act. It mandated an Income Tax for the years 1943 and 1944 to be filed in the years 1944 and 1945. The Victory Tax Act automatically expired at the end of 1944. The Federal Government with the clever use of language, created the myth that the tax was Applicable to ALL Americans. Because of their desire to win the war, Americans filed and paid he tax. Because of IGNORANCE OF THE LAW, Americans filed and paid the tax. The Government promoted the FRAUD AND THREATENED THOSE WHO OBJECTED. Americans "forgot" that the law expired in 2 years. When the date had come and gone, they continued to keep "records"; they continued to file; and they continued to pay the tax. The Federal Government continued to print returns and COLLECT THE TAX. NEVER MIND THE FACT

THAT NO CITIZEN OF ANY OF THE SEVERAL STATES OF THE UNION WAS EVER LIABLE TO PAY THE TAX IN THE FIRST PLACE.

FEDERAL POWERS LIMITED

The FICTION "that because it was an excise tax, it was legal" (lawful) IS NOT TRUE. The power of the Federal Government is limited to its own property as stated in Article I, Section 8, Paragraph 17, and to "regulate Commerce with FOREIGN NATIONS, and among the "several" States, and with the Indian tribes;" as stated in Article I, Section 8, Paragraph 3, 18 USC, Section 921, Definitions, states," The term 'interstate or foreign commerce' INCLUDES commerce between any place in a State and any place outside of that State, or within any POSSESSION of the United States (not INCLUDING the Canal Zone) or the District of Columbia, but such term DOES NOT INCLUDE commerce between places within the same State, but through any place outside of that State. The term 'State' INCLUDES the District of Columbia, the Commonwealth of Puerto Rico, and the possessions of the United States (not INCLUDING the Canal Zone)." Only EMPLOYEES of the federal government, RESIDENTS of the District of Columbia, RESIDENTS of naval bases RESIDENTS of forts, U.S. Citizens of the Virgin Islands, Puerto Rico, Territories, and insular possessions were lawfully required to file and pay the Victory Tax.

B.I.R. becomes I.R.S.

In 1953 the United States relinquished control over the Philippines Why do the Philippine pure Trusts #1 (customs duties) and #2 (internal revenue) continue to be administered today? Who are the Settlers of the Trusts? What is done with the funds in the Trusts? What businesses, if any, do these Trusts operate? Who are the Beneficiaries? Coincidentally on July 9, 1953, the Secretary of the Treasury, G.M. Humphery, by "virtue of the authority vested in me", changed the name of the Bureau of Internal Revenue, B.I.R. to Internal Revenue Service when he signed what is now Treasury Order 150-06. This was an obvious attempt to legitimize the Bureau of Internal Revenue. Without the Approval of Congress or the President, Humphrey, without any legal and LAWFUL authority, tried to turn a pure trust into an agency of the Department of the Treasury. His actions were illegal and unlawful but went unchallenged. Did he change the name of the B.I.R. in Puerto Rico or the B.I.R. in the Philippines? WE CANNOT FIND THE ANSWER.

MUTUAL SECURITY ACT

In 1954, the United States and Guam became partners under the Mutual Security Act. The Act and other documents make reference to the definition of Guam and the United States as being INTERCHANGEABLE. In the same year the Internal Revenue Code of 1954 was passed. The Code provides for the United States and Guam to coordinate the "Individual

Income Tax". Pertinent information on the tax issue may be found in 26 CFR 301.7654-1 : Constitution of U.S. and Guam Individual income taxes. 26 CFR 7654 - 1 (e): Military personnel in Guam, 48 USC Section 1421(i) : "Income tax laws" defined. The Constitution forbids unapportioned direct taxes upon the Citizens of the several States of the 50 States of the Union: Therefore the federal government must trick (defraud) people into volunteering to pay taxes as "U.S. citizens" of EITHER Guam, the Virgin Islands, or Puerto Rico. IT SOUNDS INSANE BUT IT IS ABSOLUTELY TRUE. [AN I.R.S. HUMBUG]

B.A.T.F. from I.R.S.

On June 6, 1972 Acting Secretary of the Treasury, Charles E. Walker signed Treasury Order Number 120-01 which establishes the Bureau of Alcohol, Tobacco, and Firearms. He did this with the stroke of his PEN citing, "by virtue of the authority vested in me as Secretary of the Treasury, including the authority in Reorganization Plan No. 26 of 1950." He ordered the :
"transfer, as specified herein, the functions, powers and duties of the Internal Revenue Service arising under laws relating to alcohol, tobacco, firearms, and explosives (including the Alcohol, Tobacco, and Firearms division of the Internal Revenue Service) to the Bureau of Alcohol, Tobacco, and Firearms (hereinafter referred to as the Bureau) which is HEREBY established. The Bureau shall be headed by the Director, Alcohol, Tobacco, and Firearms (hereinafter referred to as the Director). The Director shall perform his duties under the general direction of the Secretary of the Treasury (hereinafter referred to as the Secretary) and under the supervision of the Assistant Secretary (Enforcement, Tariff and Trade Affairs, and Operations) (hereinafter referred to as the Assistant Secretary)."

B.A.T.F = I.R.S.

Treasury Order 120-01 assigned to the new B.A.T.F. CHAPTERS 51, 52, 53 OF THE Internal Revenue Code of 1954 and sections 7652 and 7653 of such code, chapters 61 through 80 inclusive of the Internal Revenue Code of 1954, the Federal Alcohol Administration Act (27 USC Chapter 8)[which , in 1935 the SUPREME COURT HAD DECLARED UNCONSTITUTIONAL WITHIN THE SEVERAL STATES OF THE UNION,] 18 USC Chapter 44, Title VII Omnibus Crime Control and Safe Streets Act of 1968 (18 USC Appendix, sections 1201 - 1203, 18 USC 1262 - 1265, 1952 and 3615. and etc.
Mr Walker then makes a statement within TO 120-01 that is very revealing,
"The terms 'Director, Alcohol Tobacco and Firearms Division' and 'Commissioner of Internal Revenue' wherever used in

regulations, rules, and instructions, and forms, issued or adopted for the administration and enforcement of the laws specified in paragraph 2 hereof, which are in effect or in use on the effective date of this Order, shall be held to mean 'the Director'". Walker seemed to branch the Internal Revenue Service (IRS), creating the Bureau of Alcohol, Tobacco, and Firearms (BATF), and then with that statement joined them back together into one. In the Federal Register, Volume 41, Number 180, of Wednesday, September 15, 1976 we find, "The term Director, Alcohol, Tobacco, and Firearms Division ' has been replaced by the term ' Internal Revenue Service."

We found this pattern of deception and obfuscation everywhere we looked during our investigation. For further evidence of the fact that the I.R.S. and the B.A.T.F. are one in the same organization, check 27 USCA Section 201.

The Gift of the Magi

This is how the Magi perform magic. Secretary Humphrey with NO AUTHORITY, creates an AGENCY of the Department of the Treasury called "Internal Revenue Service", out of AIR, from AN OFFSHORE PURE TRUST, called "Bureau of Internal Revenue". The "SETTLER" and "BENEFICIARIES" of the trust are UNKNOWN. The "TRUSTEE" is the "SECRETARY of THE TREASURY". Acting Secretary Walker further LAUNDERS the trust by CREATING from the alleged "Internal Revenue Service", the "BUREAU OF ALCOHOL TOBACCO AND FIREARMS".

PERSON BECOMES THING

Unlike Humphrey, however, Walker ASSUAGES himself of any guilt, when he NULLIFIED the order by PROCLAIMING, "The terms 'Director, Alcohol, Tobacco, and Firearms Division' and 'Commissioner of Internal Revenue' wherever used in regulations, rules, and instructions, and forms, issued or adopted FOR THE ADMINISTRATION and ENFORCEMENT of the LAWS specified in paragraph 2 hereof, which are in effect or in use on the effective date of this Order, shall be held to mean the Director'".

Walker created the [Bureau of Alcohol, Tobacco, and Firearms] from the [Alcohol, Tobacco and Firearms Division] of Humphrey's [Internal Revenue Service]. He then says, that, what was transferred, is the same ENTITY as the [Commissioner of Internal Revenue]. He KNEW he could not create something from nothing without the AUTHORITY OF CONGRESS and/or the President, so he made it look like he did something that he had, in fact, not done. TO COMPOUND THE FRAUD, the FEDERAL REGISTER PUBLISHED the unbelievable assertion that a PERSON HAD BEEN REPLACED WITH A THING; " the term Director Alcohol, Tobacco, and Firearms Division has been replaced with the term Internal Revenue Service."

STROKE OF GENIUS

The FEDERAL Alcohol Administration, which ADMINISTERS the Federal Alcohol Act, and offices of members and Administrator thereof, were ABOLISHED, and their functions were DIRECTED to be ADMINISTERED under direction and supervision of Secretary of Treasury through Bureau of Internal Revenue, now Internal Revenue Service. THE FEDERAL ALCOHOL ACT WAS RULED "UNCONSTITUTIONAL" WITHIN THE 50 STATES; so was transferred to the B.I.R., which is an OFFSHORE TRUST, which became the I.R.S.; which gave BIRTH to the B.A.T.F.; AND SOMEHOW, the term [Director, Alcohol, Tobacco, and Firearms Division], which is a PERSON within the B.A.T.F., spawned the alleged Internal Revenue Service via another flick of the pen on September 15, 1976. In a brilliant flash of LOGIC, Wayne C. Bentson DETERMINED that he could CHECK THESE FACTS, by filing a Freedom of Information Act request, asking the B.A.T.F. to:- "name the
person who administers the Federal Alcohol Act." If we were wrong a reply stating that no record exists as to any name of any person who administers the Act. The request was submitted to the B.A.T.F. THE REPLY came on July 14, 1944, from the Secret Service, an unexpected source, which discloses a connection we had not suspected. THE REPLY STATES THAT JOHN MAGAW , OF THE BUREAU OF ALCOHOL, TOBACCO AND FIREARMS, of the [Department of the Treasury], administers THE FEDERAL ALCOHOL ACT. You may remember from the Waco hearings that JOHN MAGAW IS THE [DIRECTOR ALCOHOL, TOBACCO AND FIREARMS]. All of our research was confirmed by that ADMISSION.

SMOKE AND MIRRORS

Despite all the pen flicking and the smoke and mirrors, there is no such organization of the Department of he Treasury known as "Internal Revenue Service" or the Bureau of Alcohol, Tobacco, and Firearms." 31 USC IS 'Money and Finance' and there in is published the laws pertaining to the Department of the Treasury (D.O.T.).
31 USC, Chapter 3 is a statutory list of the organizations of the D.O.T.--- Internal Revenue Service and/or Bureau of Alcohol, Tobacco, and Firearms ARE NOT LISTED WITHIN "31 USC" AS AGENCIES OR ORGANIZATIONS OF THE DEPARTMENT OF THE TREASURY. --- THEY ARE REFERENCED, HOWEVER, AS, "TO BE AUDITED" BY THE CONTROLLER GENERAL IN

31 USC SECTION 713.

BATF - PUERTO RICO

We have already demonstrated that both of these organizations are in reality the same organization. Where we find one we will surely find the other. In 27 CFR, CHAPTER 1, SECTION 250.11, DEFINITIONS, we find, "United States Bureau of Alcohol, Tobacco and Firearms office. The Bureau of Alcohol, Tobacco and Firearms office in Puerto Rico ... " and "Secretary - The Secretary of Puerto Rico", and "Revenue Agent -

Any duly authorized Commonwealth Internal Revenue Agent of the Department of the Treasury of Puerto Rico." Remember that 'Internal Revenue' is the name of the Puerto Rico Trust #62. It is perfectly logical and reasonable that a Revenue Agent works as an employee for the Department of the treasury of the Commonwealth of Puerto Rico.

Where is I.R.S.

Where is the alleged "Internal Revenue Service?" The Internal Revenue Code of 1939, a.k.a. Internal Revenue Code of 1954, etc., etc.,; 27 CFR Refers to Title 26 as relevant to Title 27, —— as per 27 CFR, Chapter 1, Section 250.30, —— which states that 26 USC 5001 (a) (1) is governing a 27 USC law. —— In fact 26 USC Chapters 51, 52, and 53 are the alcohol, tobacco and firearms taxes, administered by the Internal Revenue Service; alias Bureau of Internal Revenue; alias Virgin Islands Bureau of Internal Revenue; alias Director, Alcohol, Tobacco and Firearms Division; alias Internal Revenue Service.

MUST BE NOTICED

According to 26 CFR Section 1.6001 - 1 (d), Records, [no one is required to keep records or file returns, unless specifically notified, by the district director, by notice served upon him, to make such returns, render such statements, or keep such specific records, as will enable the district director to determine, whether or not, such person is liable for tax under subtitle A of the Code.

26 CFR states that this rule includes State individual income taxes. --- Don't get yourself all lathered up because "State" means ... the District of Columbia, U.S. Virgin Islands, Guam, Northern Mariana Islands, Puerto Rico, territories, and insular possessions.

NO IMPLEMENTATION OF LAW

44 USC says that every regulation or rule must be published in the Federal Register. It also states that every regulation or rule must be approved by the Secretary of the Treasury. If there is no regulation there is no implementation of Law. There is no regulation governing "failure to file a return". There is no computer code for "failure to file". The only thing we could find was a requirement stating "where to file" an income tax return. It can be found in 26 CFR, Sect. 1.6091-3, which states that, "Income tax returns required to be filed with the Director of International Operations". Who is the Director of International Operations?

DELEGATION OF AUTHORITY

NO ONE IN GOVERNMENT IS ALLOWED TO DO ANYTHING UNLESS THEY HAVE BEEN GIVEN SPECIFIC WRITTEN AUTHORITY, OR SOMEONE WHO HAS BEEN

GIVEN
AUTHORITY IN THE LAW, GIVES THAT PERSON A DELEGATION OF AUTHORITY ORDER
SPELLING OUT EXACTLY WHAT THEY CAN AND CANNOT DO UNDER THAT SPECIFIC
ORDER. We combed the Department of the Treasury's Handbook of Delegation Orders and we found that no one in the I.R.S. or B.A.T.F. has any authority to do most of the things they have been doing for years.

NO AUTHORITY TO AUDIT

Delegation Order Number 115 (Rev. 5) of May 12, 1986, is the only delegation of authority to conduct Audit. It states that the I.R.S. and B.A.T.F. can only audit themselves, and only for amount of $750.00 or less. Any amount above that amount, must be audited by the Controller General according to Title 31 USC. No other authority to audit exists. No I.R.S. or B.A.T.F. agent, or representative can furnish us with any law, rule, or regulation, which gives them the authority to audit anyone other than themselves. Order Number 191 states that they can levy on Property, but only if that Property is in the hands of third parties.

Authority to Investigate

The manual states on page 1100-40.2 of April 21, 1989, Criminal Investigation Division, that:-
"the Criminal Investigation Division enforces the criminal statutes applicable to income, estate, gift, employment, and excise tax laws ... involving United States citizens, residing in foreign countries, and non resident aliens, subject to Federal income tax filing requirements, by developing information concerning alleged criminal violations thereof, evaluating allegations and indications of such violations, to determine investigations to be undertaken, investigating suspected criminal violations of such laws, recommending prosecution when warranted, and measuring effectiveness of the investigating process ... "

AUTHORITY TO COLLECT

On page 1100 - 40.1 it states in 1132.7 of April 21, 1989, Director, Office of Taxpayer Service and Compliance, "Responsible for operation of a comprehensive enforcement and assistance program for all taxpayers under the immediate jurisdiction of the Assistant Commissioner (International) ... Directs the full range of collection activity on delinquent accounts and delinquent returns for taxpayers overseas, in Puerto Rico, and in United States possessions and territories.

50 STATES NOT INCLUDED

1132.72 of April 21, 1989, Collection Division, says "Executes the full range of collection activities on delinquent accounts, which includes securing delinquent returns involving taxpayers outside the United States and those in United States territories, possessions and in Puerto Rico."

U.S. ATTORNEY'S MANUAL

The United States Attorney's Manual, Title 6 Tax Division, Chapter 4, page 16, October 1, 1988, 6-4.270, Criminal Division Responsibility, states, "The Criminal Division has limited responsibility for the Prosecution of offenses investigated by the I.R.S. Those offenses are:- excise violations involving liquor tax, narcotics, stamp tax, firearms, wagering, and coin-operated gambling and amusement machines; MALFEASANCE OFFENSES COMMITTED BY I.R.S. PERSONNEL: forcible rescue of seized property; corrupt or forcible interference with an officer or employee, acting under INTERNAL REVENUE LAWS; and unauthorized mutilation, removal or misuse of stamps. See 28 CFR S 0.70.

"ACTS OF CONGRESS"

We found this revelation in 28 USC Rule 54c, Application of Terms, "As used in these rules the following terms have the designated meanings. 'Act of Congress' includes any act of Congress locally applicable and in force in the District of Columbia, in Puerto Rico, in a territory or in an insular possession".

IT IS THE LAW

28 USC is the "Rules of the Courts" and was written and approved by the Justices of the Supreme Court. The Supreme Court in writing 28 USC has already ruled upon this issue It is the Law.(I.o. How can the Supreme Court write law?)

WHERE IS THE MONEY?

Where does the MONEY go that is paid into the I.R.S.? It spends at least a year in what is called a "quad zero" account under and Individual Master File, after which time the Director of the I.R.S. Center can apparently do whatever he wants with the money. It is sometimes dispersed under Treasury Order 91 (Rev, 1), May 12, 1986 which is a service agreement between the I.R.S. and the Agency for International Development, A.I.D.

WE FINANCED SOVIET WEAPONS

When William Casey, Director of the Central Intelligence Agency during the Iran-Contra, was the head of A.I.D. he funnelled hundreds of

millions of dollars to the Soviet Union, which money was spent building the Kama River Truck Factory, the largest military production facility for tanks, trucks, armored personnel carriers, and other wheeled vehicles in he world. The Kama River factory has a production capability larger than all of the combined automobile and truck manufacturing plants in the United States. (I.o. New World order for the collapse and take over of the automotive industry).

I.R.S. / AID SERVICE AGREEMENT

The Agreement states
"Authority is hereby delegated to the Assistant Commissioner International to develop and enter into the service agreement between the Treasury Department and the Agency for International Development. The Secretary of the Treasury is always appointed Governor of the International Monetary Fund (treason?) in accordance with the international agreement that CREATED the I.M.F. The Secretary of the Treasury is paid by the I.M.F. while acting as Governor (treason, emoluments?)

Agent Of Foreign Powers

Lloyd Bentsen held the following positions at the same time he was Secretary of the Treasury:

1. U.S. Governor of the International Monetary Fund,
2. U.S. Governor of the International Bank for Reconstruction and Development
3. U.S. Governor of the African Development Bank,
4. U.S. Governor of the Asian Development Bank,
5. U.S. Governor of the African Development Fund
6. U.S. Governor of the European Bank for Reconstruction and Development.

Mr. Bentson received a salary from each of these organizations which literally made him an unregistered agent for several foreign powers (treason, emoluments?)

Citizen vs citizen

By birth we are each a Citizen of the State of New Jersey, or a Citizen of the State of California, or a Citizen of the State Florida, or a Citizen of the State of whatever State you wherein we were born, and at the same time, we are all Citizens of the united States of America, AND ARE NOT SUBJECT TO ACTS OF CONGRESS, OTHER THAN THE 18 GRANTS OF POWERS SPECIFICALLY CITED IN THE Constitution for the united States of America. People who are born or who reside within the federal District of Columbia, Guam, the U.S. Virgin Islands, Puerto Rico, the Northern Mariana Islands, any territory, on any naval base or dockyard, within forts, or within insular possessions are called U.S. citizens AND are subject to Acts of Congress. Within the Law, words have meanings, that not the same meanings, that are accepted in common usage. our Constitution is the Constitution for the united States of

America. The U.S. Constitution is the Constitution of Puerto Rico.

VOLUNTEER "TAXPAYERS"

We are subject to the laws of the JURISDICTION which we volunteer to accept. In the Law governing Income tax, income is defined as foreign earned income, offshore oil well, or windfall profits, and war profits. A return is prepared by a TAXPAYER to submit to the federal government taxes that he or she has collected. A TAXPAYER IS ONE WHO COLLECTS TAXES AND SUBMITS THE TAXES AS A RETURN TO THE FEDERAL GOVERNMENT. AN EMPLOYEE IS ONE WHO IS EMPLOYED BY THE FEDERAL GOVERNMENT. AN EMPLOYER IS THE FEDERAL GOVERNMENT. AN INDIVIDUAL IS A

citizen OF GUAM OR THE U.S. VIRGIN ISLANDS. A BUSINESS IS DEFINED AS A GOVERNMENT, A BANK, OR AN INSURANCE COMPANY. A RESIDENT IS AN ALIEN CITIZEN OF GUAM, THE U.S. VIRGIN ISLANDS, OR PUERTO RICO, WHO RESIDES WITHIN ONE OF THE 50 STATES OF THE united STATES OF AMERICA or one of the other island possessions.

1040 for "ALIENS'

A form 1040 is the income tax return for a nonresident alien citizen of the U.S. Virgin Islands residing within one of the 50 States (geographically) of the several States of the united States of America. If you volunteer that you are a U.S. citizen, you have become a U.S. citizen. IF YOU WRITE OR PRINT YOUR NAME ON A LINE LABELED " taxpayer", you have become a taxpayer. Since these form are affidavits, which you submit under penalty of perjury, you commit a crime every time you fill one out and sign stating that you are that which you are not. THE FEDERAL GOVERNMENT IS DELIGHTED by your ignorance, AND WILL GLADLY ACCEPT YOUR RETURNS AND YOUR MONEY. As proof refer to The Virgin Islands Tax Guide which states,
"All references to the District Director or to the Commissioner of Internal Revenue should be interpreted to mean the Director of the Virgin Islands Bureau of Internal Revenue. All references to the Internal Revenue Service, The Federal Depository and similar references should be interpreted as the B.I.R., and so forth. Any question interpreting Federal forms for use in the Virgin Islands should be referred to the B.I.R.."

CODES TELL THE TALE

In Internal Revenue Service publications 6209, Computer Codes for I.R.S. "TC 150" is listed as the Virgin Islands Returns" and the codes 300 through 398 are listed as "U.S. and UK Tax Treaty claims involving taxes on narcotics which were financed in the Cayman Islands and imported into the Virgin islands".

NARCOTICS DEALER?

When Freedom of Information Act requests have been filed for Individual Master File (IMF) for people who are experiencing tax problems with the I.R.S., every return ha been found to contain the above codes except for some which are coded as "Guam" returns. Every return shows that the unsuspecting Citizen is being taxed on income derived from importing narcotics, alcohol, tobacco, or firearms into the United States or one of its territories or possessions, from a foreign country or from Guam, Puerto Rico, the Virgin Islands or into the Virgin Islands form the Cayman Islands.

WHO IS REQUIRED TO FILE?

26 CFR, 601.103 (a) is the only place which tells us who is required to file a return, provided that person has been properly noticed by the District Director to KEEP RECORDS AND THEN NOTICED THAT HE/SHE IS REQUIRED TO FILE. It states, "In general, each taxpayer (or person required to collect and pay over the taxes) is required to file a prescribed form of return ..." Are you a Taxpayer? (I.o.- you must first be a tax collector)

WHO ARE THESE THUGS?

The scam manifests itself in many different ways. In order to maintain the semblance of legality, hats are changed from moment to moment. When you are told to submit records for examination YOU ARE DEALING WITH CUSTOMS. When you submit an offer in compromise, YOU ARE DEALING WITH THE COAST GUARD. When you are confronted by a Special Agent of the I.R.S. you are really DEALING WITH A DEPUTIZED UNITED STATES MARSHALL. When you are being investigated by the alleged Internal Revenue Service, YOU ARE REALLY DEALING WITH AN AGENT, CONTRACTED BY THE JUSTICE DEPARTMENT, TO INVESTIGATE NARCOTICS VIOLATIONS. When the alleged Internal Revenue Service charges you with a crime, YOU ARE DEALING WITH THE BUREAU OF ALCOHOL, TOBACCO AND FIREARMS. Only a small part of 26 USC is administered by the Internal Revenue Service. Most of the Code is administered by THE BUREAU OF ALCOHOL AND FIREARMS, including Chapter 61 through 80, which is ENFORCEMENT. ---- In addition, 27 CFR IS B.A.T.F. and states in Subpart B - DEFINITIONS, 250.11, MEANING OF TERMS, "United States Bureau of Alcohol, Tobacco and Firearms office - Bureau of Alcohol Tobacco and Firearms office in Puerto Rico". Every Person we find, who is being prosecuted by the alleged Internal Revenue Service has a Code on their I.M.F. putting them in "tax class 6" which designates that they have violated a law relating to alcohol, tobacco, or firearms, Puerto Rico.

NO JURISDICTION

The Bureau of Alcohol, Tobacco, and Firearms, has no venue or jurisdiction within the borders of any of the 50 States of the united States of America, except in pursuit of an importer of contraband alcohol, tobacco, or firearms, who failed to pay the TAX on those items. As proof, refer to the July 30, 1993 ruling of the United States Court of Appeals for the Seventh Circuit, 1 F.3d 1511; 1993 U.S. App. Lexis 19747, where the court ruled in United States v. D.J. Vollmer & Co. that "the B.A.T.F. has jurisdiction over the first sale of a firearm imported to the country, but they don't have jurisdiction over subsequent sales."

FEDS LIE

Attorneys, including your defense attorney, the U.S. Attorney, Federal Judges, and alleged Internal Revenue Service and Bureau of Alcohol, Tobacco, and Firearms personnel, routinely lie in depositions and on the witness stand to perpetuate the FRAUD. THIS THEY DO WILLINGLY AND WITH FULL KNOWLEDGE THAT THEY ARE COMMITTING PERJURY. EVERY JUDGE INTENTIONALLY LIES, EVERY TIME HE/SHE GIVES INSTRUCTIONS TO
A JURY IN A CRIMINAL, OR TAX CASE, BROUGHT BY THE I.R.S. OR THE B.A.T.F. They all know it, and do it willingly, and with malice aforethought.

WHERE DO THEY GET THESE GUYS?

How does the government hire people, who will intentionally work to defraud their fellow Americans? Most of those who work on the lower levels for the I.R.S., B.A.T.F, and other Agencies simply do not know the truth. They do as they are told to earn a living until retirement. Executives, U.S. Attorneys, Federal Judges, and others, do KNOW, AND ARE, with full KNOWLEDGE and MALICE aforethought, participating in the crime of the century. MANY OF THESE PEOPLE ARE PAID LOTS OF MONEY. (I.o.-EVERY SOUL HAS ITS PRICE).

MONETARY AWARDS (for DECEPTION, CRIMINALITY AND FRAUD)

The Internal Revenue Manual; Handbook of Delegation Orders, January 17, 1983, PAGE 1229-91; outlines the alleged Internal Revenue Services's system of monetary awards, "of up to and including $5000.00, for any one individual employee or group of employees, in his/her immediate office, including field employees, engaged in National Office projects; and contributions of employees of other Government agencies and armed forces members"; WITH THE APPROVAL OF the Deputy Commissioner; " of $5,001.00 to $10,000.00, for any one individual or group", with the approval of the Deputy Commissioner; "of $10,001.00 to $25,000 for any one individual or group", with the Commissioner's concurrence, "an additional monetary reward of $10,000.00 (total $35,000.00) TO THE PRESIDENT THROUGH TREASURY AND OPM" with the

Commissioner's concurrence. (IMPEACHABLE, TREASONABLE).

LEGAL (I.o.-BUT NOT LAWFUL) BRIBERY

These awards include cash awards. They are not limited as to number, that may be awarded, to any one person or group. There is no limitation placed upon any award. Any person or group of persons can be awarded this money, including:- U.S. Attorneys, Federal Judges, your Certified Public Accountant, THE PRESIDENT OF THE UNITED STATES, MEMBERS OF CONGRESS, YOUR MOTHER, H&R BLOCK, etc. The awards may be given to the same person or group, each minute, each hour, every day, every week, every month, every year, or not at all. In other words, the U.S. Government and the alleged Internal Revenue Service, a.k.a, Bureau of Alcohol, Tobacco, and Firearms have a perfectly legal (I.o. not lawful) system of bribery. The bribery works against the Citizens of the several States of the united States of America.

WARNING !

Our investigation uncovered a lot. We have printed only a little. Successful use of this material requires a lot of study and an excellent understanding of the legal system. Please do not compound errors by attempting to extract some imaginary magic bullet against alleged Internal Revenue Service, or the Bureau of Alcohol, Tobacco, and Firearms. IT IS NOT ENOUGH TO DISCOVER THIS INFORMATION. YOU MUST KNOW IT INSIDE OUT, BACKWARDS AND FORWARDS; LIKE A KNEEJERK RESPONSE.

TRUST BETRAYED

We have been betrayed by those we trusted. We have been robbed of our money and property. It happened because we trusted imperfect men to rule imperfect men; and we failed in our duty as watchdog, and SOVEREIGNS OVER OUR SERVANTS. IT HAPPENED BECAUSE WE HAVE BEEN IGNORANT, APATHETIC AND EVEN STUPID.

BY CHOICE AND CONSENT

"A nation or world of people, who will not use their intelligence, are no better than animals that have no intelligence; such people are beasts of burden and steaks upon the table by choice and consent." "Behold a Pale Horse" by William Cooper, Light Technology Publishing, Sedona. A significant portion of the research, that led to the writing of this article was contributed by Mr. Wayne Bentson.