

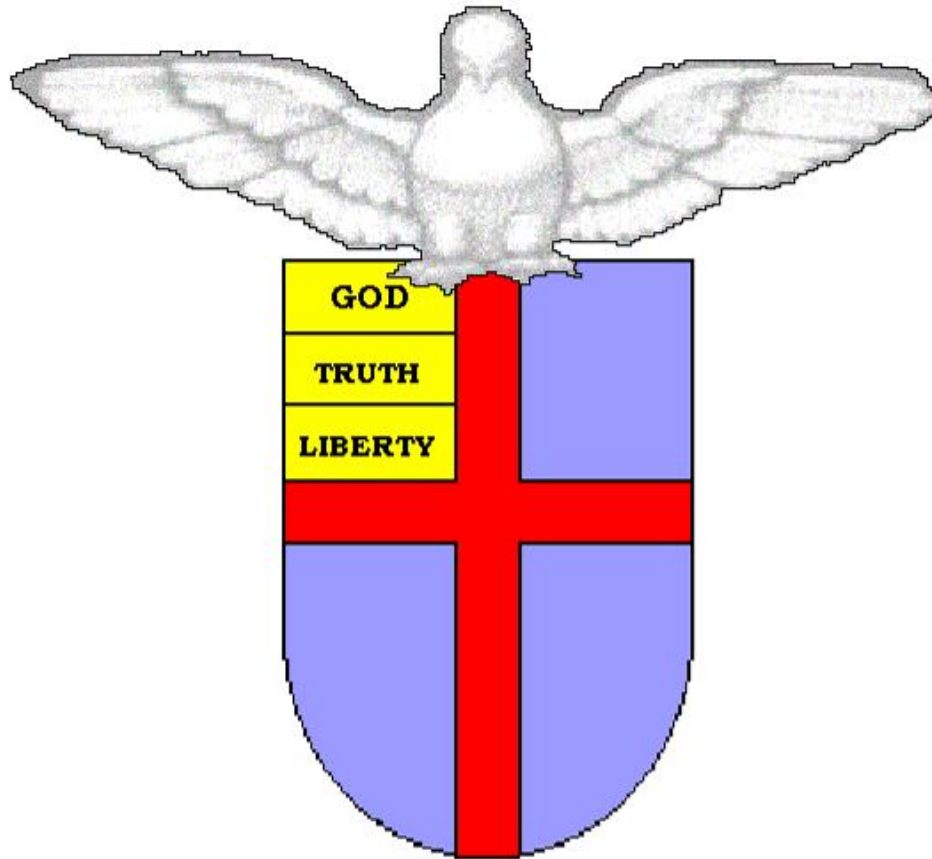
How State Nationals **VOLUNTEER** to Pay Income Tax Form #08.024

by:
**Sovereignty Education
and Defense Ministry
(SEDM)**

<http://sedm.org>

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S E D M



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Admonition

- If you are using government services, then you should pay for everything you use
- Don't pay your "fair share", pay what the law says you owe and nothing more. "Fair share" is too subjective and when used as a criteria in court, politicizes and corrupts the courts
- The following persons are irresponsible and thieves:
 - Those who don't pay for all the services they use
 - Those who collect more from an unwilling "taxpayer" than is necessary to pay for the services they use
 - Those who collect anything from a person who does not want or does not need government services and who refuses to declare a domicile within the jurisdiction of the state. See: Why Domicile and Becoming a "Taxpayer" Require Your Consent, Form #05.002
<http://sedm.org/Forms/05-MemLaw/Domicile.pdf>
- Your public DIS-servants selfishly only concern themselves with the FIRST of the three items above. We ensure they worry about ALL of the items above, because if they don't, THEY and not you are the thief
- If you are going to use the information in this presentation to lawfully avoid taxes, you should also agree to stop using the government services that they pay for. This is the only way to be a responsible American and avoid burdening or hurting your neighbor
- We believe that those who do not wish to contribute anything to the tax system should always have a lawful option to "divorce the state" and refuse to accept government services or the obligations that go with them. This is what it means to live in a free country.
- Government is a corporation, and like any other corporation, we should have a right NOT to do business with them. See 28 U.S.C. §3002(15)(A). To admit otherwise, is to admit that the government can compel you to contract with them in violation of Article 1, Section 10 of the U.S. Constitution

Admonition Summary

"People of all races, genders, political beliefs, sexual orientations, and nearly all religions are welcome here. All are treated equally under REAL "law". The only way to remain truly free and equal under the civil law is to avoid seeking government civil services, benefits, property, special or civil status, exemptions, privileges, or special treatment. All such pursuits of government services or property require individual and lawful consent to a franchise and the surrender of inalienable constitutional rights AND EQUALITY in the process, and should therefore be AVOIDED. The rights and equality given up are the "cost" of procuring the "benefit" or property from the government, in fact. Nothing in life is truly "free". Anyone who claims that such "benefits" or property should be free and cost them nothing is a thief who wants to use the government as a means to STEAL on his or her behalf. All just rights spring from responsibilities/obligations under the laws of a higher power. If that higher power is God, you can be truly and objectively free. If it is government, you are guaranteed to be a slave because they can lawfully set the cost of their property as high as they want as a Merchant under the U.C.C. If you want it really bad from people with a monopoly, then you will get it REALLY bad. Bend over. There are NO constitutional limits on the price government can charge for their monopoly services or property. Those who want no responsibilities can have no real/PRIVATE rights, but only privileges dispensed to wards of the state which are disguised to LOOK like unalienable rights. Obligations and rights are two sides of the same coin, just like self-ownership and personal responsibility. For the biblical version of this paragraph, read 1 Sam. 8:10-22. For the reason God answered Samuel by telling him to allow the people to have a king, read Deut. 28:43-51, which is God's curse upon those who allow a king above them. [Click Here \(https://famguardian.org/Subjects/Taxes/Evidence/HowScCorruptOurRepubGovt.htm\)](https://famguardian.org/Subjects/Taxes/Evidence/HowScCorruptOurRepubGovt.htm) for a detailed description of the legal, moral, and spiritual consequences of violating this paragraph."

[SEDM Opening Page (bottom); <http://sedm.org>]

*"We have repeatedly held that the Federal Government may impose appropriate conditions on the use of federal property or privileges [franchises, Form #05.030] and may require that state instrumentalities comply with conditions [obligations, Form #12.040] that are reasonably related to the federal interest in particular national projects or programs. See, e. g., *Ivanhoe Irrigation Dist. v. McCracken*, 357 U.S. 275, 294 -296 (1958); *Oklahoma v. Civil Service Comm'n*, 330 U.S. 127, 142 -144 (1947); *United States v. San Francisco*, 310 U.S. 16 (1940); cf. *National League of Cities v. Usery*, 426 U.S. 833, 853 (1976); *Fry v. United States*, 421 U.S. 542 (1975). A requirement that States, like all other users, pay a portion of the costs of the benefits [Form #05.040] they enjoy from federal programs is surely permissible [meaning CONSTITUTIONAL] since it is closely related to the [435 U.S. 444, 462] federal interest in recovering costs from those who benefit and since it effects no greater interference with state sovereignty than do the restrictions which this Court has approved."*

[[Massachusetts v. United States](https://scholar.google.com/scholar_case?case=16842193024599209893), 435 U.S. 444 (1978); https://scholar.google.com/scholar_case?case=16842193024599209893]

Course Outline

- 1. Introduction**
- 2. Government Says the Income Tax is Voluntary**
- 3. What is a “state national”?**
- 4. What is the legal definition of “voluntary”?**
- 5. How is liability created?**
- 6. “Operation of Law” Obligations**
- 7. What is a “volunteer”?**
- 8. The “language” of liability**
- 9. Specifically who is “liable”?**
- 10. Why being a STATUTORY “citizen” is voluntary**
- 11. Why being a “resident” (alien) is ALSO voluntary**
- 12. Are you an “obligator”/”obligee”?**
- 13. The “language” of volunteering/consenting**
- 14. Evidence in Statutes**
- 15. Evidence in Regulations**
- 16. Evidence in IRS Publications**

Course Outline

- 17. What we are NOT saying**
- 18. Income Tax is Non-Geographical!**
- 19. Specific Ways You Volunteer**
- 20. How to UNVOLUNTEER or Avoid Volunteering**
- 21. You CANNOT unvolunteer AFTER you filed the WRONG form, the 1040**
- 22. Why Income Tax is STILL a franchise for state nationals**
- 23. Conclusions**
- 24. Further Information**
- 25. Sovereignty Education and Defense Ministry (SEDM)**
- 26. Getting Connected**

IMPORTANT PRELIMINARY NOTE

- We do NOT challenge the Constitutionality of any part of the Internal Revenue Code. It is completely Constitutional and lawful.
- What is unconstitutional is the way the I.R.C. is represented to the American public, administered, and enforced by the IRS.
- Most of the illegal administration and enforcement of the I.R.C. results from omission, not commission. Our enemy is not the government, the IRS, or even taxes, but instead is:
 1. Legal ignorance on the part of Americans that allows public servants to abuse their authority and violate the law.
 2. The abuse of [presumption](#) to injure the rights of sovereign Americans, in violation of due process of law and God's law found in [Numbers 15:30](#) (NKJV) . Much of this presumption is compelled by the government by willfully dumbing-down the average Americans about legal subjects in the public (government) schools. This makes the legal profession into essentially a "priesthood" and a pagan "religion" that the average American blindly worships and obeys, without ever questioning authority. It is a supreme injustice to proceed against a person without every conclusion being based ONLY on fact and not presumption, opinion, or belief. See the following for a detailed article on this scam and sin: <http://sedm.org/Forms/05-MemLaw/Presumption.pdf>
 3. Public servants deceiving the public by portraying "Private Law" as "Public Law". See the following for an article on this subject: <http://sedm.org/Forms/05-MemLaw/Consent.pdf>
 4. Public servants refusing to acknowledge the requirement for consent in all human interactions. See the following for an extensive article on this subject: <http://sedm.org/Forms/05-MemLaw/Consent.pdf>
 5. Willful omissions from the IRS website and publications that keep the public from learning the whole truth. The problem is not mainly what these sources say, but what they DON'T say. The [Great IRS Hoax](#) contains over 2,000 pages of facts that neither the IRS nor any one in government is willing to reveal to you because it would destroy the gravy train of plunder that pays their bloated salaries and fat retirement in violation of [18 U.S.C. §208](#).

IMPORTANT PRELIMINARY NOTE

6. The use of "words of art" to deceive the people in both government publications and the law itself. See the following for examples: <http://famguardian.org/TaxFreedom/FormsInstr-Cites.htm>
7. The lack of "equal protection of the law" in courts of justice relating to the statements and actions of public servants, whereby the IRS doesn't have to assume responsibility for its statements and actions, and yet persons who fill out tax forms can be thrown in jail and prosecuted for fraud if they emulate the IRS by being just as careless. This also includes "selective enforcement", where the DOJ positively refuses to prosecute submitters of [false information returns](#) but spends a disproportionate share of its resources prosecuting false income tax returns. They do this because they are more interested in STEALING your money than in justice. See:
 - 7.1 *Federal Courts and IRS' Own IRM Say NOT RESPONSIBLE for its actions or its words or following its own internal procedures*
<http://famguardian.org/Subjects/Taxes/Articles/IRSNotResponsible.htm>
 - 7.2 *Requirement for Equal Protection and Equal Treatment*, Form #05.033
<http://sedm.org/Forms/05-MemLaw/EqualProtection.pdf>
 - 7.3 *Government Establishment of Religion*, Form #05.038 -how government establishes itself as a pagan deity and a religion by using franchises to systematically destroy the separation of powers and the requirement for equal protection
8. Abuses of franchises that undermine the protection of private rights by the government and the courts:
 - 8.1 Enforcing federal franchises in States of the Union, which are outside the civil jurisdiction or police powers of the federal government and result in a destruction of the separation of powers.
 - 8.2 Enforcing franchises, such as a " [trade or business](#)" without requiring explicit written consent in some form, such as the issuance and voluntary signing of an application for a license. See the following for details: <http://sedm.org/Forms/05-MemLaw/Franchises.pdf>
 - 8.3 Attorney licensing, which destroys the integrity of the legal profession in its role as a check and balance when the government or especially the judiciary becomes corrupt, as it is now.
 - 8.4 Abuse of the federal income tax system, which is a franchise and an excise, to bribe states of the Union to give up their sovereignty, act like federal "States" and territories, and accept what amounts to federal bribes to disrespect the rights or those under their care and protection.

IMPORTANT PRELIMINARY NOTE

9. Efforts to destroy the separation of powers that is the main protection for our liberties. This results in abuses of the Court system for political, rather than legal, purposes (politicization of the courts). All of the federal courts we have now are Article IV, territorial courts that are part of the Executive, rather than Judicial Branch of the government. As such, there is no separation of powers and nothing but tyranny can result. See the following for proof of this destruction:

9.1 [Government Conspiracy to Destroy the Separation of Powers, Form #05.023](#) (OFFSITE LINK)- shows how lying, thieving public servants have systematically destroyed the separation of powers since the founding of this country

9.2 [What Happened to Justice?](#) (OFFSITE LINK)-book which proves that we have no Judicial Branch within the federal government, and that all the existing federal courts are acting in an Article IV territorial capacity as part of the Executive, rather than Judicial, branch of the government.

9.3 [How Scoundrels Corrupted our Republican Form of Government](#)-brief overview of how the separation of powers has been systematically destroyed

10. The abuse of the government's power to tax in order to transfer wealth between private individuals, which makes the government into a thief and a Robinhood. This includes:

10.1 Enforcing the tax laws against other than "public officers" of the government. See:

10.2 *Why Your Government is Either a Thief or You are a "Public Officer" for Income Tax Purposes*, Form #05.008

<http://sedm.org/Forms/FormIndex.htm> Offering government "benefits" of any kind to anyone who does not ALREADY work for the government. See:

10.3 *The Government "Benefits" Scam*, Form #05.040

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

IMPORTANT PRELIMINARY NOTE

11. Corruption of our monetary system that allows the government to:

- 11.1 Counterfeit while denying to all others the right, thus creating an unconstitutional "Title of Nobility" for itself and making itself into a pagan deity, and denying the equal protection to all that is the foundation of the Constitution.**
- 11.2 STEAL from the American people by diluting the value of money already into circulation.**
- 11.3 Exercise undue control over banks and financial institutions that causes them to effectively become federal employment recruiters for the federal government by compelling use of government identifying numbers for those pursuing accounts or loans.**

See the following for details on the above SCAMS:

The Money Scam, Form #05.041; <http://sedm.org/Forms/FormIndex.htm>

IMPORTANT PRELIMINARY NOTE

12. Creating, perpetuating, condoning, or in any way protecting conflicts of financial interest within the government that cause the self-interest to undermine the requirements of the law, EQUALITY, or the protection of exclusively PRIVATE rights by:

- 12.1 Making judges "taxpayers".
- 12.2 Making jurists or voters into "benefit" recipients, franchisees, and/or public officers.
- 12.3 Allowing judges to act in a POLITICAL mode within any franchise court in the Executive rather than Judicial Branch. This also violates the separation of powers.
- 12.4 Turning police officers into revenue collectors who enforce malum-prohibitum offenses that result in revenue to the state.
- 12.5 Allowing any judicial officer or witness to receive any kind of financial reward for essentially compelling someone to assume any civil status under any civil franchise, including the income tax.
- 12.6 Allowing judges to act BOTH as an Article III judge AND an Article IV judge at the same time.
- 12.7 Allowing PRIVATE citizens to appear before a franchise judge with a financial conflict of interest.
- 12.8 Making ordinary citizens ALSO into public officers in any context OTHER than as a jurist or voter. This causes income taxes to become poll taxes and disenfranchises all those who insist on remaining private. [Click here](#) for details.
- 12.9 Constitutional states surrendering their sovereignty and agreeing to act essentially as federal territories or federal corporations in exchange for participation in national franchises such as Social Security, Medicare, etc.
- 12.10 [Governments going into debt and thereby becoming financial slaves to banks or bank cartels](#). This includes a debt based fiat currency system such as the federal reserve.

IMPORTANT PRELIMINARY NOTE

13. Active interference with [common law remedies](#) for the protection of PRIVATE rights from abuse by government actors. Governments are established exclusively to protect PRIVATE rights and PRIVATE property. Any attempt to undermine such rights without the express written consent of the owner in each case is not only NOT a classical "government" function, but is an ANTI-government function that amounts to a MAFIA "protection racket". This includes but is not limited to:
- 13.1 Refusing to recognize or protect PRIVATE property or PRIVATE rights, the essence of which is the RIGHT TO EXCLUDE anyone and everyone from using or benefitting from the use of the property. See [Separation Between Public and Private, Form #12.025](#).
 - 13.2 PRESUMING that "a government OF THE PEOPLE, BY THE PEOPLE, and FOR THE PEOPLE" is a government in which everyone is a [public officer](#).
 - 13.3 Refusing to recognize or allow constitutional remedies and instead substituting STATUTORY remedies available only to [public officers](#).
 - 13.4 Interfering with introduction of evidence that the court or forum is ONLY allowed to hear disputes involving [public officers in the government](#).
 - 13.5 [PRESUMING or ASSUMING](#) that the ownership of the property subject to dispute is QUALIFIED rather than ABSOLUTE and that the party the ownership is shared with is the government.
 - 13.6 Allowing government "benefit" recipients to be decision makers in cases involving PRIVATE rights. This is a denial of a republican form of government, which is founded on impartial decision makers. See [Sinking Fund Cases, 99 U.S. 700 \(1878\)](#).
 - 13.7 Interfering with or sanctioning litigants who insist on discussing the laws that have been violated in the courtroom or prohibiting jurists from reading the laws in question or accessing the law library in the courthouse while serving as jurists. This transforms a society of law into a society of men and allows the judge to substitute HIS will in place of what the law expressly requires.
 - 13.8 Illegally and unconstitutionally invoking the Declaratory Judgments Act or the Anti-Injunction Act as an excuse to NOT protect PRIVATE rights from government interference in the case of EXCLUSIVELY PRIVATE [people who are NOT statutory "taxpayers"](#). See [Flawed Tax Arguments to Avoid, Form #08.004, Sections 8.11 and 8.12](#).
 - 13.9 Interfering with ways to change or correct your citizenship or statutory status in government records. That "status" is the "res" to which all franchise rights attach, usually ILLEGALLY.
14. Efforts to define the word "[justice](#)" in the context of secular law to mean anything OTHER than the right to be left alone and the obligation to provide remedy for demonstrated injury AFTER the injury occurs. See: [What is "Justice"?, Form #05.050](#). All such efforts result in INJUSTICE and promote violations of the constitution.

Introduction

- **We're sure you heard at some point from multiple sources in the government that "income tax is voluntary".**
- **When we heard this the first time, we couldn't believe it and began years searching for how this could be true.**
- **This presentation represents the results of years of searching for the answer to this question. It contains all the evidence we have found so far to answer this question.**
- **There is probably a lot more evidence on this subject than what we have found so far. We want to accelerate your search for even more evidence.**

Government Says the Income Tax is Voluntary

- 1. Former IRS Commissioner Steven Miller and Congressman Beccera Both Admit that the Income Tax is Voluntary, SEDM Exhibit 05.051**
<https://sedm.org/Exhibits/ExhibitIndex.htm>
- 2. Congressman Charley Rengal Admits that Income Tax is Voluntary-House Ways and Means Committee, Tax Collection Privatization, May 23, 2007**
<https://www.c-span.org/video/?198256-1/tax-collection-privatization>
- 3. IRS Chief Admits Under Oath that The Income Tax is Voluntary, SEDM Exhibit #05.025**
<https://famguardian.org/TaxFreedom/Evidence/Congressional/DwightAvis-TaxVoluntary.pdf>

What is a “state national”?

The term "state national" means those who are born in a Constitutional but not Statutory "State" as described in the Fourteenth Amendment. Equivalent to a "non-citizen national **of the United States OF AMERICA**".

EXCLUDES any of the following:

1. STATUTORY "person" under [26 U.S.C. §6671\(b\)](#) and [§7343](#).
2. Statutory "national and citizen of the United States** at birth" as defined in [8 U.S.C. §1401](#). This is a territorial citizen rather than a state citizen.
3. "citizen of the United States**[federal zone]" under [26 U.S.C. §911](#), 26 U.S.C. §3121(e), or [26 C.F.R. §1.1-1\(c\)](#).
4. "National but not citizen of the United States** at birth" under [8 U.S.C. §1408](#). This is a person born in a federal possession RATHER than a state of the Union.
5. "U.S.[**] non-citizen national" under [8 U.S.C. §1452](#). This is a person born in a federal possession RATHER than a state of the Union.
6. STATUTORY "U.S. person" as defined in [26 U.S.C. §7701\(a\)\(30\)](#), which is a human being born and domiciled on federal territory not within the exclusive jurisdiction of any Constitutional state.

The term is equivalent to "American National" as used by the Department of State in [8 U.S.C. §1502](#). "state" for a foreign national = the country of which that person is a national. "state" for an American national is the United States of America, or just America. "state" is not defined in 8 U.S.C. although "State" is defined in [8 U.S.C. §1101\(a\)\(36\)](#) and they are NOT equivalent. See [8 U.S.C. §1101\(a\)\(21\)](#) for another reference to a "state national". Remember the context of [8 U.S.C. §1101](#) is immigration and nationality. So when we speak of a state in this context, we are talking about international states. In that context, American nationality (or U.S. nationality) is what we are---nationality of California is meaningless in this context. So to say you are a national of California is to say you are a national of the United States[***] OF AMERICA or an American National.

For the purposes of "State", the following definition applies:

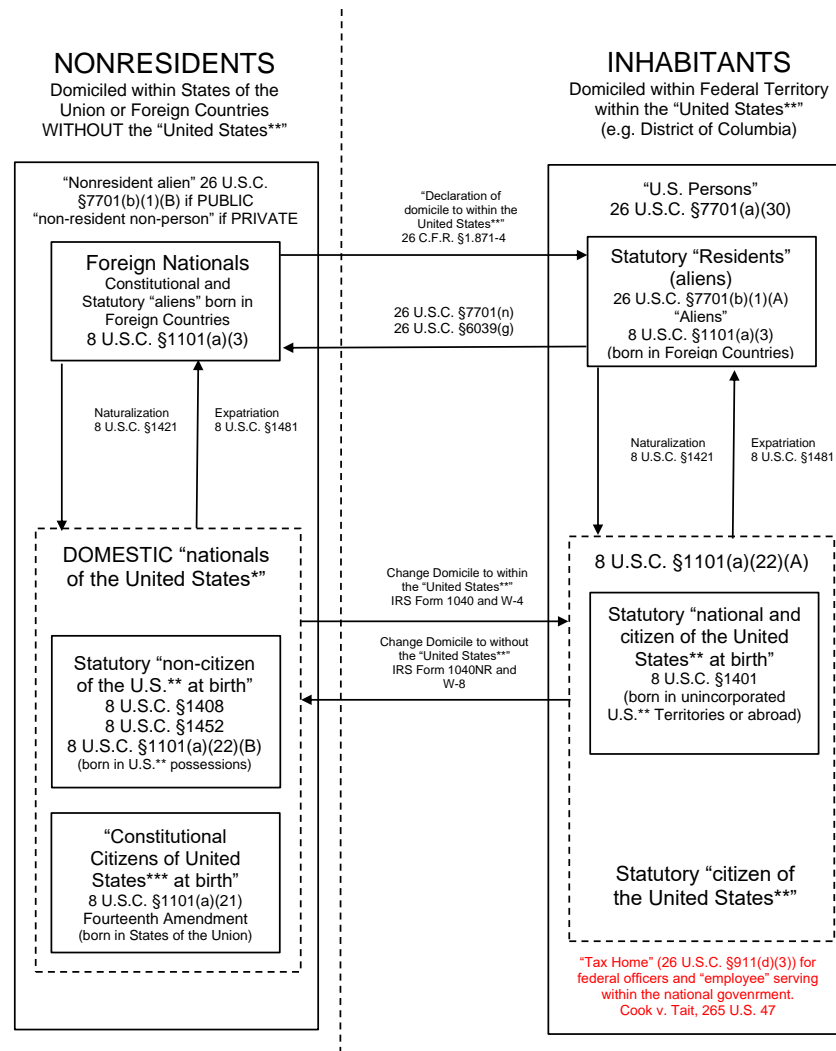
State

As a noun, a people permanently occupying a fixed territory bound together by common habits and custom into one body politic exercising, through the medium of an organized government, independent sovereignty and control over all persons and things within its boundaries, capable of making war and peace and of entering into international relations with other states. The section of territory occupied by one of the United States. The people of a state, in their collective capacity, considered as the party wronged by a criminal deed; the public; as in the title of a case, "The State v. A. B." The circumstances or condition of a being or thing at a given time.

[The Free Dictionary, Farlex; SOURCE: <https://legal-dictionary.thefreedictionary.com/state>]

[SEDM Disclaimer, Section 4: Meaning of Words; <https://sedm.org/disclaimer.htm>]

What is a “state national”?



What is the Legal Definition of “Voluntary”?

- **Black’s Law Dictionary**

voluntary. “Unconstrained by interference; unimpelled by another’s influence; spontaneous; acting of oneself. *Coker v. State*, 199 Ga. 20, 33 S.E.2d. 171, 174. Done by design or intention. Proceeding from the free and unrestrained will of the person. Produced in or by an act of choice. Resulting from free choice, without compulsion or solicitation. The word, especially in statutes, often implies knowledge of essential facts. Without valuable consideration; gratuitous, as a voluntary conveyance. Also, having a merely nominal consideration; as, a voluntary deed.”

[Black’s Law Dictionary, Sixth Edition, p. 1575]

- **Compulsion or coercion definition:**

“An agreement [consensual contract] obtained by duress, coercion, or intimidation is invalid, since the party coerced is not exercising his free will, and the test is not so much the means by which the party is compelled to execute the agreement as the state of mind induced. Duress, like fraud, rarely becomes material, except where a contract or conveyance has been made which the maker wishes to avoid. As a general rule, duress renders the contract or conveyance voidable, not void, at the option of the person coerced, and it is susceptible of ratification. Like other voidable contracts, it is valid until it is avoided by the person entitled to avoid it. However, duress in the form of physical compulsion, in which a party is caused to appear to assent when he has no intention of doing so, is generally deemed to render the resulting purported contract void.”

[American Jurisprudence 2d, Duress, §21 (1999)]

How is liability created?

- A “liability” is also called an “obligation” in law.
- Legal “obligations” can be enforced against those who are liable whether they consent or not.
- Those who cannot lawfully be the target of civil penalties or criminal/penal prosecution are, BY DEFINITION “NOT LIABLE” or “NOT OBLIGATED”.
- Obligations can only be imposed upon the following two groups according to the California Civil Code Section 1428:
 1. That you expressly consented to a contract with them. This is one of the two mechanisms recognized in *Osborn v. Bank of U.S.*, 22 U.S. 738 (1824) ...OR
 2. “Operation of law”. In other words, that you injured a specific, identified flesh and blood person and that such a person has standing to sue in a civil or common law action.
- We all know about the first one above, but what about the SECOND one?
- “Operation of law” is anything that can be done to a person that does not depend on EITHER their consent OR their choice or their direct participation.

“Operation of law. This term expresses the manner in which rights, and sometimes liabilities, devolve upon a person by the mere application to the particular transaction of the established rules of law, without the act or co-operation of the party himself.”

[Black’s Law Dictionary, Fourth Edition, p. 1243]

“Operation of Law” Obligations

- **“Operation of law”:**
 - Involves situations where neither party gave [INFORMED CONSENT \(Form #05.003\)](#) to the other in any form.
 - Always involves an injury of some kind to the [equal rights \(Form #05.033\)](#) of one party by the other party.
- **The injury inflicted forms the basis for the following in a civil court:**
 - A “claim”.
 - “Standing” to sue in a constitutional court.
 - Damages which can be calculated based on the injury.
- **If an injury cannot be proven in court with court admissible evidence, then the case MUST be dismissed per [Federal Rule of Civil Procedure 8\(b\)](#). A mere motion of the court can dismiss the case. Sometimes the judge will dismiss the case without such an motion to reduce his workload.**
- **Enforcement of the CRIMINAL law is another example of “operation of law”. The victim of the crime received an injury that he or she did NOT expressly and formally consent to. If in fact they either consented to the injury or ASKED for it, then they have no standing to prosecute the perpetrator.**
- **More on the above at:**
[Lawfully Avoiding Government Obligations, Form #12.040](#)
<https://sedm.org/Forms/FormIndex.htm>

What is a Volunteer?

- **Based on our previous discussion of how obligations are created, we can conclude that those who are “volunteers”:**
 - Create the obligation to pay by their direct or implied consent or cooperation, per [California Civil Code 1428](#).
 - Cannot become the lawful target of civil or criminal/penal enforcement BEFORE they volunteer.
 - After they volunteer, ARE the proper target of civil or criminal/penal enforcement AFTER they volunteer.
 - Who change their civil status BY VIRTUE of volunteering to a “person” or “person liable for”, or a “party made liable for” the income tax.
 - Who as a result of their consent become the party to a franchise agreement. If that agreement involves raising revenue, they become the target of an “excise” tax.
- **In other words:**
 - They become the subject of (or “subject to”) a franchise contract or agreement.
 - The franchise contract/agreement acquires “the force of law” in their specific case. Hence “enFORCEment” authority.
 - The franchise contract/agreement behaves as “special law” or “private law” in their case.

What is a Volunteer?

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

[Black's Law Dictionary, Sixth Edition, pp. 1397-1398]

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

[Black's Law Dictionary, Sixth Edition, p. 1196]

"It is generally conceded that a franchise is the subject of a contract between the grantor and the grantee, and that it does in fact constitute a contract when the requisite element of a consideration is present. Conversely, a franchise granted without consideration is not a contract binding upon the state, franchisee, or pseudo-franchisee. "

[36 American Jurisprudence 2d, Franchises, §6: As a Contract (1999)]

What is a Volunteer?

- On this subject, Bouvier's Law Dictionary says:

"Consensus facit legem.

Consent makes the law. A contract is a law between the parties, which can acquire force only by consent."

[Bouvier's Maxims of Law, 1856;

SOURCE:

<http://famguardian.org/Publications/BouvierMaximsOfLaw/BouviersMaxims.htm>]

- On the nature of the "liability" of those who are "made liable", the U.S. Supreme Court has held that the alleged liability to pay income tax is "quasi-contractual":

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

[Black's Law Dictionary, Sixth Edition, p. 1245]

What is a Volunteer?

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

[\[Milwaukee v. White, 296 U.S. 268 \(1935\)\]](#)

The “Language” of Liability

- In order to make someone liable, you must use the term “liable FOR” or “made liable”.
- The term “liable TO” does NOT create liability.
- The term “made liable” is used in [26 U.S.C. §6011](#).

[26 U.S. Code § 6011 - General requirement of return, statement, or list](#)

[\(a\) GENERAL RULE](#)

When required by regulations prescribed by the Secretary any person made liable for any tax imposed by this title, or with respect to the collection thereof, shall make a return or statement according to the forms and regulations prescribed by the Secretary. Every person required to make a return or statement shall include therein the information required by such forms or regulations.

- The above does not **CREATE** the liability. It acknowledges that it had to be created **ELSEWHERE** in the title, which it **NEVER IS**.

Specifically Who is “Liable”?

- [Internal Revenue Code Section 1](#) IMPOSES the income tax but does not expressly make anyone “Liable FOR” the income tax
- Alleged but not actual “liability” is first created in the Regulations at [26 C.F.R. §1.1-1](#):

[26 C.F.R. § 1.1-1 - Income tax on individuals.](#)

(a) General rule.

(1) Section 1 of the Code imposes an [income](#) tax on the [income](#) of every individual who is a citizen or resident of the [United States](#) and, to the extent provided by section 871(b) or 877(b), on the [income](#) of a [nonresident alien](#) individual.

(b) **Citizens or residents of the United States liable to tax.** In general, all citizens of the [United States](#), wherever resident, and all [resident alien individuals](#) are **liable to the income taxes imposed by the Code** whether the [income](#) is received from sources within or without the [United States](#). Pursuant to section 876, a [nonresident alien](#) individual who is a bona fide resident of a section 931 possession (as [defined](#) in [§ 1.931-1\(c\)\(1\)](#) of this chapter) or Puerto Rico during the entire [taxable year](#) is, except as provided in section 931 or 933 with respect to [income](#) from sources within such possessions, subject to taxation in the same manner as a [resident alien](#) individual. As to tax on [nonresident alien individuals](#), see sections 871 and 877.

(c) **Who is a citizen.** Every [person](#) born or naturalized in the [United States](#) and subject to its jurisdiction is a citizen. For [other rules](#) governing the [acquisition](#) of citizenship, see chapters 1 and 2 of title III of the [Immigration and Nationality Act](#) (8 U.S.C. 1401-1459). For [rules](#) governing [loss](#) of citizenship, see sections 349 to 357, inclusive, of such Act (8 U.S.C. 1481-1489), *Schneider v. Rusk*, (1964) [377 U.S. 163](#), and Rev. Rul. 70-506, C.B. 1970-2, 1. For [rules](#) pertaining to [persons](#) who are nationals but not citizens at birth, [e.g.](#), a [person](#) born in American Samoa, see section 308 of such Act (8 U.S.C. 1408). For [special rules](#) applicable to certain expatriates who have lost citizenship with a principal [purpose](#) of avoiding certain taxes, see section 877. A foreigner who has filed his declaration of intention of becoming a citizen but who has not yet been admitted to citizenship by a final order of a naturalization court is an alien.

Specifically Who is “Liable”?

- The parties who are “liable TO” the income tax are identified as:
 - STATUTORY Individuals who are citizens or residents of the United States AND “subject to ITS jurisdiction” rather than THEIR jurisdiction.
 - “Nonresident aliens” under [26 U.S.C. §7701\(b\)\(1\)\(B\)](#) with “income” under [26 U.S.C. §871\(b\)](#) and [877\(b\)](#)
- Which “citizen” are they talking about in the Internal Revenue Code?
 - “nationals and citizens of the United States AT BIRTH” under [8 U.S.C. §1401](#) are the only
 - » “citizens of the United States**” mentioned in in [26 C.F.R. §1.1-1\(b\)](#) or
 - » “citizens” who are mentioned [26 C.F.R. §1.1-1\(c\)](#).
 - There are ONLY THREE groups of STATUTORY federal “citizens” who fall in this category:
 - » Citizens of the District of Columbia. The District of Columbia is TERRITORY at this time and not a possession under Article 1, Section 8, Clause 17 of the Constitution.
 - » People born in [federal enclaves within the states](#) subject to EXCLUSIVE but not CONCURRENT jurisdiction.
 - » Puerto Ricans. Puerto Rico is a POSSESSION and not a TERRITORY at this time.

Specifically Who is “Liable”?

- Those in Puerto Rico are not **TREATED AS** “citizens” under the ENTIRE TITLE per [26 U.S.C. §2209](#):

[26 U.S. Code § 2209. Certain residents of possessions considered nonresidents not citizens of the United States](#)

A decedent who was a citizen of the United States and a resident of a possession thereof at the time of his death shall, for purposes of the tax imposed by this chapter, be considered a “[nonresident not a citizen of the United States](#)” within the meaning of that term wherever used in this title, but only if such person acquired his United States citizenship solely by reason of (1) his being a citizen of such possession of the United States, or (2) his birth or residence within such possession of the United States.

(Added [Pub. L. 86-779, § 4\(b\)\(1\)](#), Sept. 14, 1960, [74 Stat. 999](#).)

- But why above did they use “nonresident not a [STATUTORY] citizen of the United States**” to describe those who are among the ONLY true “STATUTORY citizens” group?: Because they don’t want to admit people of Puerto Rico born there are “[nonresident aliens](#)” under [26 U.S.C. §7701\(b\)\(1\)\(B\)](#).

- » That would make the truth so obvious that everyone would file as a nonresident alien!
- » They are trying to HIDE your true filing status as a state national, which is the SAME as those in Puerto Rico (a possession)!

Specifically Who is “Liable”?

- Therefore, the ONLY STATUTORY “citizens” or “citizens of the United States***” under the entire Internal Revenue Code are:

1. People born in the District of Columbia OR
2. People born in [“federal enclaves” within the states](#) subject to EXCLUSIVE rather than CONCURRENT jurisdiction. That is what “subject to ITS jurisdiction” means in [26 C.F.R. §1.1-1\(b\)](#): the EXCLUSIVE/GENERAL jurisdiction of the national government under [Article 1, Section 8, Clause 17 of the United States Constitution](#).

- The first of the above was described by the federal courts as follows:

*“The 1st section of the 14th article [Fourteenth Amendment], to which our attention is more specifically invited, opens with a definition of citizenship—not only citizenship of the United States[***], but citizenship of the states. **No such definition was previously found in the Constitution, nor had any attempt been made to define it by act of Congress.** It had been the occasion of much discussion in the courts, by the executive departments and in the public journals. It had been said by eminent judges that no man was a citizen of the United States[***] except as he was a citizen of one of the states composing the Union. Those therefore, who had been born and resided always in the District of Columbia or in the territories [STATUTORY citizens], though within the United States[*], were not [CONSTITUTIONAL] citizens.”*

[\[Slaughter-House Cases, 83 U.S. \(16 Wall.\) 36, 21 L.Ed. 394\(1873\)\]](#)

Specifically Who is “Liable”?

“The Naturalization Clause [of the Fourteenth Amendment] has a geographic limitation: it applies “throughout the United States.” The federal courts have repeatedly construed similar and even identical language in other clauses to include states and incorporated territories, but not unincorporated territories. In *Downes v. Bidwell*, 182 U.S. 244, 21 S.Ct. 770, 45 L.Ed. 1088 (1901), one of the Insular Cases, the Supreme Court held that the Revenue Clause’s identical explicit geographic limitation, “throughout the United States,” did not include the unincorporated territory of Puerto Rico, which for purposes of that Clause was “not part of the United States.” *Id.* at 287, 21 S.Ct. 770. The Court reached this sensible result because unincorporated territories are not on a path to statehood. See *Boumediene v. Bush*, 553 U.S. 723, 757–58, 128 S.Ct. 2229, 171 L.Ed.2d. 41 (2008) (citing *Downes*, 182 U.S. at 293, 21 S.Ct. 770). In *Rabang v. I.N.S.*, 35 F.3d. 1449 (9th Cir.1994), this court held that the Fourteenth Amendment’s limitation of birthright citizenship to those “born ... in the United States” did not extend citizenship to those born in the Philippines during the period when it was an unincorporated territory. U.S. Const., 14th Amend., cl. 1; see *Rabang*, 35 F.3d. at 1451. Every court to have construed that clause’s geographic limitation has agreed. See *Valmonte v. I.N.S.*, 136 F.3d. 914, 920–21 (2d Cir.1998); *Lacap v. I.N.S.*, 138 F.3d. 518, 519 (3d Cir.1998) ; *Licudine v. Winter*, 603 F.Supp.2d. 129, 134 (D.D.C.2009).

Like the constitutional clauses at issue in *Rabang* and *Downes*, the Naturalization Clause is expressly limited to the “United States.” This limitation “prevents its extension to every place over which the government exercises its sovereignty.” *Rabang*, 35 F.3d. at 1453. Because the Naturalization Clause did not follow the flag to the CNMI when Congress approved the Covenant, the Clause does not require us to apply federal immigration law to the CNMI prior to the CNRA’s transition date.

[*Eche v. Holder*, 694 F.3d. 1026 (2012);

https://scholar.google.com/scholar_case?case=11712899186229253904]

Specifically Who is “Liable”?

- What about federal enclaves?

*“In United States law, a **federal enclave** is a parcel of federal property within a [state](#) that is under the “Special Maritime and Territorial Jurisdiction of the United States”.^[1] In 1960, the year of the latest comprehensive inquiry,^[2] 7% of federal property had enclave status. **Of the land with federal enclave status, 57% (4% of federal property, almost all in Alaska and Hawaii) was under “concurrent” state jurisdiction. The remaining 43% (3% of federal property), on which some state laws do not apply, was scattered almost at random throughout the United States.** In 1960, there were about 5,000 enclaves, with about one million people living on them.^{[2]:146} While a comprehensive inquiry has not been performed since 1960, these statistics are likely much lower today, since many federal enclaves were [military bases that have been closed and transferred out of federal ownership](#).*

Since late 1950s, it has been an official federal policy that the states should have full [concurrent jurisdiction](#) on all federal enclaves.^[3] an approach endorsed by some legal experts.^{[4][5][6]}

[Wikipedia: [Federal enclave](#), Downloaded 11/22/2020; https://en.wikipedia.org/wiki/Federal_enclave]

- The District of Columbia, in turn, is:

- The ONLY remaining Internal Revenue District
- The only thing expressly included in the statutory GEOGRAPHICAL definition of “United States” in [26 U.S.C. §7701](#)(a)(9) and (a)(10) and [4 U.S.C. §110](#)(d)
- The ONLY place that public officers engaged in a “trade or business” can lawfully serve per [4 U.S.C. §72](#) unless expressly authorized by statute:

[4 U.S. Code § 72.Public offices; at seat of Government](#)

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

(July 30, 1947, ch. 389, [61 Stat. 643](#).)

Specifically Who is “Liable”?

- **Note that:**
 - There are no “[States](#)” remaining as defined in [4 U.S.C. §110](#)(d) because there are no remaining [federal territories](#).
 - [Federal enclaves within the states](#) are NOT STATUTORY “[States](#)” or “[territories](#)” as defined in federal law.

Why being a **STATUTORY** “citizen” is voluntary

- The phrase “subject to ITS jurisdiction” found in [26 C.F.R. §1.1-1\(c\)](#) is the part where the person [CONSENTS \(Form #05.003\)](#) to the status. They cannot acquire the status ANY OTHER WAY.
- The [Thirteenth Amendment](#) to the United States Constitution forbids “involuntary servitude”.
- The [Thirteenth Amendment](#) applies EVERYWHERE in the COUNTRY, not just within Constitutional States of the Union.
- Any status to which [civil obligations \(Form #12.040\)](#) attach, such as [STATUTORY “citizen” \(Form #10.011\)](#) within the Internal Revenue Code:
 - MUST therefore be VOLUNTARY. AND...
 - The Internal Revenue Code MUST provide an alternate status to which NO direct [obligations \(Form #12.040\)](#) attach. That is “[nonresident alien](#)” under [26 U.S.C. §7701\(b\)\(1\)\(B\)](#).
- FURTHER, we also know that NO ONE protected by the Constitution can lawfully [consent \(Form #05.003\)](#) to GIVE UP an [unalienable right \(Form #12.038\)](#).

“We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness.-- That to secure these rights, Governments are instituted among Men, deriving their just powers from the consent of the governed.”

[Declaration of Independence, 1776]

“Unalienable. Inalienable; incapable of being aliened, that is, sold and transferred.”

[Black’s Law Dictionary, Fourth Edition, p. 1693]

Why being a STATUTORY “citizen” is voluntary

- **ALIENATION** is often equated with the idea of **TRANSFER**, the purpose of having unalienable rights is that the **EXERCISE** of that right cannot be transferred to another---another person cannot bind **YOU** into a contract for example.
- There is a distinction between waiving a right (as in a contract) and **ALIENATING** a right.
 - Waiving a right in one context does not mean you don't still have that right in other contexts.
 - You take a job, you are not allowed to make political speeches at work--you are required to do your job. This is not an **ALIENATION** of your free speech rights--you still have that right, just not while you are at work.
 - Your attorney cannot plead the 5th for you--that is **YOUR** right to exercise, he can only **ADVISE** you to exercise it.
- With **adhesion contracts** and other implied contracts, unalienable rights establish that no one can be presumed to have sold himself into slavery. Or to sell others into slavery, since the right to liberty is not transferrable
- A failure to acknowledge or enforce these limitations is **CRIMINAL PEONAGE** under [18 U.S.C. §1589](#), even in a state of the Union.

Why being a STATUTORY “citizen” is voluntary

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

“There is but one law which, from its nature, needs unanimous consent. This is the social compact; for civil association is the most voluntary of all acts. Every man being born free and his own master, no one, under any pretext whatsoever, can make any man subject without his consent. To decide that the son of a slave is born a slave is to decide that he is not born a man.

If then there are opponents when the social compact is made, their opposition does not invalidate the contract, but merely prevents them from being included in it. They are foreigners among citizens. “

[The Social Contract or Principles of Political Right, Jean Jacques Rousseau, 1762, Book IV, Chapter 2;
https://famguardian.org/Publications/TheSocialContract-Rousseau/The_social_contract.pdf

Why being a STATUTORY “citizen” is voluntary

*“We can envision little that is more anomalous, under modern standards, than the forcible imposition of citizenship against the majoritarian will.”^[13] See, e.g., U.N. Charter arts. 1, 73 (recognizing self-determination of people as a guiding principle and obliging members to “take due account of the political aspirations of the peoples” inhabiting non-self-governing territories under a member’s responsibility).^[14] Atlantic Charter, U.S.-U.K., Aug. 14, 1941 (endorsing “respect [for] the right of all peoples to choose the form of government under which they will live”); Woodrow Wilson, President, United States, Fourteen Points, Address to Joint Session of Congress (Jan. 8, 1918) (“[I]n determining all [] questions of sovereignty the interests of the populations concerned must have equal weight with the equitable claims of the government whose title is to 312*312 be determined.”) (Point V). See also [Tuaua, 951 F.Supp.2d at 91](#) (“American Samoans take pride in their unique political and cultural practices, and they celebrate its history free from conquest or involuntary annexation by foreign powers.”). To hold the contrary would be to mandate an irregular intrusion into the autonomy of Samoan democratic decision-making; an exercise of paternalism—if not overt cultural imperialism—offensive to the shared democratic traditions of the United States and modern American Samoa. See [King v. Andrus, 452 F.Supp. 11, 15 \(D.D.C.1977\)](#) (“The institutions of the present government of American Samoa reflect ... the democratic tradition”).*

[Tuaua v. U.S., 788 F.3d. 300 - Court of Appeals, Dist. of Columbia Circuit 2015; https://scholar.google.com/scholar_case?case=14728241865713760068]

FOOTNOTES:

[\[13\]](#) Complex questions arise where territorial inhabitants democratically determine either to pursue citizenship or withdraw from union with a state. Such scenarios may implicate the reciprocal associational rights of the state’s current citizens or the right to integrity of the sovereign itself.

[\[14\]](#) But see [Medellin v. Texas, 552 U.S. 491, 128 S.Ct. 1346, 170 L.Ed.2d 190 \(2008\)](#).

Why being a STATUTORY “citizen” is voluntary

- Federal Courts are WITHOUT power to declare anyone a STATUTORY citizen, and especially if they DO NOT want to be one!

*"More fundamentally, however, the power to make someone a citizen of the United States has not been conferred upon 884*884 the federal courts, like mandamus or injunction, as one of their generally applicable equitable powers. See, e. g., 28 U. S. C. § 1361; 28 U. S. C. § 1651. Rather, it has been given them as a specific function to be performed in strict compliance with the terms of an authorizing statute which says that "[a] person may be naturalized . . . in the manner and under the conditions prescribed in this subchapter, and not otherwise." 8 U. S. C. § 1421(d) (emphasis added)."*

[INS v. Pangilinan, 486 U.S. 875 (1988)]

- More on why being a STATUTORY “citizen” is voluntary:

Flawed Tax Arguments to Avoid, Form #08.004, Section 8.30

<https://sedm.org/Forms/08-PolicyDocs/FlawedArgsToAvoid.pdf>

Why being a STATUTORY “resident” (alien) is also voluntary

- **“Resident (alien)”** is defined in **26 U.S.C. §7701(b)(1)(A)**.
- A “resident (alien)” is a privilege EVERYWHERE in the COUNTRY, not just on federal territory:

The reasons for not allowing to other aliens exemption 'from the jurisdiction of the country in which they are found' were stated as follows: 'When private individuals of one nation [states of the Unions are “nations” under the law of nations] spread themselves through another as business or caprice may direct, mingling indiscriminately with the inhabitants of that other, or when merchant vessels enter for the purposes of trade, it would be obviously inconvenient and dangerous to society, and would subject the laws to continual infraction, and the government to degradation, if such individuals or merchants did not owe temporary and local allegiance, and were not amenable to the jurisdiction of the country. Nor can the foreign sovereign have any motive for wishing such exemption. His subjects thus passing into foreign countries are not employed by him, nor are they engaged in national pursuits. Consequently, there are powerful motives for not exempting persons of this description from the jurisdiction of the country in which they are found, and no one motive for requiring it. The implied license, therefore, under which they enter, can never be construed to grant such exemption.' 7 Cranch, 144.

*In short, the judgment in the case of The Exchange declared, as incontrovertible principles, that the jurisdiction of every nation within its own territory is exclusive and absolute, and is susceptible of no limitation not imposed by the nation itself; that all exceptions to its full and absolute territorial jurisdiction must be traced up to its own consent, express or implied; that upon its consent to cede, or to waive the exercise of, a part of its territorial jurisdiction, rest the exemptions from that jurisdiction of foreign sovereigns or their armies entering its territory with its permission, and of their foreign ministers and public ships of war; and that the implied license, under which private individuals of another nation enter the territory and mingle indiscriminately with its inhabitants, for purposes of business or pleasure, can never be construed to grant to them an exemption from the jurisdiction of the country in which they are found. See, also, *Carlisle v. U.S.* (1872) 16 Wall. 147, 155; *Radich v. Hutchins* (1877) 95 U.S. 210; *Wildenhus' Case* (1887) 120 U.S. 1, 7 Sup.Ct. 385; *Chae Chan Ping v. U.S.* (1889) 130 U.S. 581, 603, 604, 9 Sup.Ct. 623.*

[United States v. Wong Kim Ark, 169 U.S. 649, 18 S.Ct. 456, 42 L.Ed. 890 (1898)]

- Being a **“resident alien”** is temporary and a CHOICE, because:
 - You can leave to avoid the obligation. . .OR
 - You can naturalize to become a state national to avoid the obligation

Why being a STATUTORY “resident” (alien) is also voluntary

- So long as they NEITHER leave NOR naturalize, they REMAIN privileged (enfranchised, Form #05.030) and have an enforceable tax obligation.
- “Resident (aliens)” are statutory “U.S. persons” under 26 U.S.C. §7701(a)(30).
- Per 26 C.F.R. §1.1-1, STATUTORY “U.S. persons” owe an income tax on their WORLDWIDE earnings. In that sense, they are different than “nonresident aliens”, who only owe a tax on U.S. source or “trade or business” (Form #05.001) earnings from the national government or the federal zone under 26 U.S.C. §871.
- Note that individuals are only “TREATED AS” resident aliens involuntarily if they meet the physical presence test in 26 U.S.C. §7701(b)(1)(A). They never get a CHOICE other than to either leave or naturalize.
- We think this is done to expand who can be “treated as” a “resident alien” beyond those who are lawfully admitted for permanent residence. For instance, those who MISTAKENLY file a 1040 return as a state national (Form #05.006) and thereby make an UNKNOWING “election” to be “TREATED AS” a PRIVILEGES/ENFRANCHISED (Form #05.030) “resident alien” for all intents and purposes.

Are You an “Obligor”/”Obligee”?

- Many freedom fighters get stuck in the idea of "waiving rights" because with income tax, for example, the party you contract with is the United States GOVERNMENT. In that case it is NOT a "people/government" relationship. It is an obligee/obligor relationship.
- If anything, an obligee is treated as though he is part of the government, for purposes of the implied contract.
- The difference in wording probably describes a paradigm shift. Most do not SEE there is actually an obligee/obligor relationship.
- All these losing arguments people make are losing arguments BECAUSE they incorrectly perceive the relationship as "people/government". It is actually obligor/obligee relationship being at least [presumed \(Form #05.017\)](#).
- You can't fix the problem until you correctly see what the problem is
- The law does not make any of us slaves to Congress via income tax, though that is effectively the myth people believe.
- The law provides for anyone to make himself an OBLIGOR. This is not an alienation of any right but is in fact the exercise of one's unalienable right to freely contract---even to be DUPED into agreeing to make himself liable for income tax!.

Are You an “Obligor”/”Obligee”?

- **Definition of “obligor”:**

ob•li•gor ăb"lĭ-gôr', -jôr'

n. One who is under obligation to another by contract or legal agreement.

n. In law, the person who binds himself or gives his bond to another.

[The American Heritage® Dictionary of the English Language, 5th Edition]

- **The “taxpayer” is the “obligor” and the United States federal corporation ([28 U.S.C. §3002](#)(15)(A)) as PRIVATE business entity and NOT a “government” is the “obligee”**
- **The law obviously must ALSO allow for anyone to arrange his affairs so as to DECLINE to BE an obligor. Or to at least minimize his obligation**
- **This is the price of being sovereign---you are presumed by law to know what you are doing, and what you are getting yourself into when you sign documents. This is why signing and filing a 1040 is effectively IRREVOCABLE for that tax year**
- **The law places the burden on YOU to know what you are talking about and what you are representing on any document you sign, especially when you sign under penalty of perjury**

Are You an “Obligor”/”Obligee”?

- In a refund case, you would be trying to establish that the United States is an obligor and you are the obligee relative to the amount of over-payment you are claiming.
- So the terms obligor and obligee should be used with particularity to a certain OBLIGATION, not used in a broad or general sense.
- So you see how silly it is to argue you are not a "[taxpayer](#)"? In a refund case? It is like arguing you are not an obligor.
 - Well there is an obligation (which you have not denied) so what do you mean you are not a "taxpayer"?
 - If you are not the taxpayer, who is? (Substitute the word "obligor" there-- if there is an obligation there HAS TO BE an obligor)

The “Language” of Volunteering/Consenting

1. “Shall be treated as”. This appears 696 times in the Internal Revenue Code. There are "Shall be treated" provisions but no provisions that say “shall NOT be treated as”.
2. “Effectively connected”. This means DONATED to a public use by connecting it with a “trade or business” (Form #05.001).
3. “Election” or “election to be treated as”. They use the word “election” because you are “electing” or “choosing” to occupy the privileged statutory office of “person”, “citizen”, “resident alien”, “individual” etc. See:
Divine election/choice, SEDM
<https://sedm.org/divine-election-choice/>
4. “Agreement”. This is found in 26 U.S.C. §3402(p)(3). Under this agreement, you are agreeing to treat PRIVATE earnings as “federal payments” FROM THE GOVERNMENT as described in 26 U.S.C. §3402(p)(1)(A). You are also agreeing to be treated effectively as a government STATUTORY “Employee” as defined in 26 U.S.C. §3401(a).

The “Language” of Volunteering/Consenting

- More on “consent” at:

Requirement for Consent, Form #05.003

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

DIRECT LINK: <https://sedm.org/Forms/05-MemLaw/Consent.pdf>

Evidence In the Statutes

- There are no enforcement regulations published in the Federal Register authorizing enforcement of the internal revenue code. See:

IRS Due Process Meeting Handout, Form #03.008

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

DIRECT LINK: <https://sedm.org/Forms/03-Discovery/IRSDueProcMtgHandout.pdf>

- In the absence of such regulations:

- The general public MAY NOT have their rights infringed by enFORCEment:

TITLE 5 > PART I > CHAPTER 5 > SUBCHAPTER II > § 552

[*§ 552. Public information; agency rules, opinions, orders, records, and proceedings*](#)

(a)(1) Except to the extent that a person has actual and timely notice of the terms thereof, a person may not in any manner be required to resort to, or be adversely affected by, a matter required to be published in the Federal Register and not so published. For the purpose of this paragraph, matter reasonably available to the class of persons affected thereby is deemed published in the Federal Register when incorporated by reference therein with the approval of the Director of the Federal Register.

[*26 C.F.R. §601.702 Publication and public inspection*](#)

(a)(2)(ii) Effect of failure to publish.

Except to the extent that a person has actual and timely notice of the terms of any matter referred to in subparagraph (1) of this paragraph which is required to be published in the Federal Register, such person is not required in any manner to resort to, or be adversely affected by, such matter if it is not so published or is not incorporated by reference therein pursuant to subdivision (i) of this subparagraph. Thus, for example, any such matter which imposes an [obligation](#) and which is not so published or incorporated by reference will not adversely change or affect a person's rights.

- The target of enforcement MUST fall within ONE or more of the following three groups:

1. [A military or foreign affairs function of the United States. 5 U.S.C. §553\(a\)\(1\).](#)
2. [A matter relating to agency management or personnel or to public property, loans, grants, benefits, or contracts. 5 U.S.C. §553\(a\)\(2\).](#)
3. [Federal agencies or persons in their capacity as officers, agents, or employees thereof. 44 U.S.C. §1505\(a\)\(1\).](#)

Evidence In the Statutes

- If you are not in one of the three groups exempted from the requirement for enforcement regulations, then:
 - IRS may not lawfully make you a target of enforcement AND . . .
 - If you ACT like someone who can be enforced against, then you are a volunteer (if it ACTS like a duck, and QUACKS like a duck, then it's a DUCK!/Taxpayer/customer) AND. . .
 - If you know these limitations and challenge enforcement jurisdiction (Form #05.032) USING these limitations, then the IRS as the moving party has the burden or proving (Form #05.025) that you fall within one of the three exempted groups. AND. . .
 - If the IRS can't satisfy that burden, they must immediately stop the enforcement action or be liable for a constitutional tort.

Evidence In the Statutes

- For more on the subject of federal enforcement authority within the states, see:
 - *Challenge to Income Tax Enforcement Authority Within Constitutional States of the Union*, Form #05.052
<https://sedm.org/Forms/FormIndex.htm>
 - *Taxation Page, Section 11: Challenging Jurisdiction* (OFFSITE LINK) – Family Guardian Fellowship
[https://famguardian.org/Subjects/Taxes/taxes.htm#CHALLENGING JURISDICTION](https://famguardian.org/Subjects/Taxes/taxes.htm#CHALLENGING_JURISDICTION)
 - *Federal Jurisdiction*, Form #05.018
FORMS PAGE: <https://sedm.org/Forms/FormIndex.htm>
DIRECT LINK: <https://sedm.org/Forms/05-MemLaw/FederalJurisdiction.pdf>
 - *Federal Enforcement Authority Within States of the Union*, Form #05.032 ([Member Subscription](#) form)
<https://sedm.org/Forms/FormIndex.htm>
 - *IRS Due Process Meeting Handout*, Form #03.008
<https://sedm.org/Forms/FormIndex.htm>

Evidence in Regulations

- The Secretary of the Treasury is only empowered to make “needful rules or regulations” under [Article 4, Section 3, Clause 2](#) of the constitution and [26 U.S.C. §7805\(a\)](#) for people **WITHIN** his own department, not for [private people \(Form #12.025\)](#) and not for people in OTHER departments because of the [separation of powers \(Form #05.023\)](#):

[5 U.S. Code § 301 - Departmental regulations](#)

The head of an Executive department or military department may prescribe regulations for the government of his department, the conduct of its employees, the distribution and performance of its business, and the custody, use, and preservation of its records, papers, and property. This section does not authorize withholding information from the public or limiting the availability of records to the public.

([Pub. L. 89-554](#), Sept. 6, 1966, [80 Stat. 379](#).)

- [26 C.F.R. §1.1-1](#) creating the alleged liability is a regulation that is limited to people **[IN THE TREASURY DEPARTMENT!](#)**
- The U.S. Supreme Court has held that the regulations may NOT expand the scope of the statute. See the next page. If the STATUTE does NOT impose an EXPRESS liability, then the REGULATION cannot add one!

Regulations Cannot Expand a Statute

Finally, the Government points to the fact that the Treasury Regulations relating to the statute purport to include the pick-up man among those subject to the § 3290 tax,^[11] and argues (a) that this constitutes an administrative interpretation to which we should give weight in construing the statute, particularly because (b) section 3290 was carried over in haec verba into § 4411 of the Internal Revenue Code of 1954. We find neither argument persuasive. In light of the above discussion, 359*359 we cannot but regard this Treasury Regulation as no more than an attempted addition to the statute of something which is not there.^[12] As such the regulation can furnish no sustenance to the statute. *Koshland v. Helvering*, 298 U. S. 441, 446-447. Nor is the Government helped by its argument as to the 1954 Code. The regulation had been in effect for only three years,^[13] and there is nothing to indicate that it was ever called to the attention of Congress. The re-enactment of § 3290 in the 1954 Code was not accompanied by any congressional discussion which throws light on its intended scope. In such circumstances we consider the 1954 re-enactment to be without significance. *Commissioner v. Glenshaw Glass Co.*, 348 U. S. 426,431.

[*United States v. Calamaro*, 354 U.S. 351 (1957);

SOURCE: https://scholar.google.com/scholar_case?case=2040626426665191763]

APPLICATION: If the statute in [26 U.S.C. §1](#) contains no EXPRESS [liability](#), then the implementing regulations may not either. If the regulation DOES impose an express liability that the statute DOES NOT, then the only people the liability can refer to are people within the Treasury Department in the case of regulations written by the Secretary of the Treasury per [5 U.S.C. §301](#). Do you work for the Treasury Department or the Secretary of the Treasury?

Evidence in Regulations

- In the case of **“nonresident aliens” (Form #05.020) under 26 U.S.C. §7701(b)(1)(B):**
 - **26 C.F.R. §1.1-1(a)** imposes the income tax upon **“trade or business”** income ONLY under **26 U.S.C. §871(b)**, meaning **“trade or business”/GOVERNMENT** payments. See: **The “Trade or Business” Scam, Form #05.001**
<https://sedm.org/Forms/05-MemLaw/TradeOrBusScam.pdf>.
 - **26 C.F.R. §1.1-1(a)** does NOT impose the income tax upon payments NOT connected with a **“trade or business”** or the government in **26 U.S.C. §871(a)**.
 - **26 U.S.C. §864(c)(3)** makes even earnings ALLEGEDLY NOT connected with the **“trade or business”** franchise CONNECTED ANYWAY!
 - Possessions such as Puerto Rico are treated as **“foreign countries”** under **26 U.S.C. §872(b)(8)** and their inhabitants are treated as **“nonresident aliens”**, even though they are STATUTORY **“citizens”** under OTHER acts of Congress but not under the Internal Revenue Code per **26 U.S.C. §2209**.
- The result of the above is that:
 - The income tax is a tax on GOVERNMENT and government PAYMENTS (U.S. Source), not private activity or PRIVATE payments of people not in the government.
 - Federal payments are PROPERTY and a portion is reserved for **“return”** to the government when paid. Under **Constitution Article 4, Section 3, Clause 2**, they have a right to make rules for their property. The I.R.C. are **“the rules”** for how THEIR PROPERTY which remained theirs AFTER you received it must be **“returned”**.
 - The income tax therefore functions as what we call a **“public officer kickback”**. It is a **“rental fee”** for the use of government property, like ALL excise taxable privileges are.
- For details on the above, see:
Why the Federal Income Tax is Limited to Federal Territory, Possessions, Enclaves, Offices, and Other Property, Form #04.404
<https://sedm.org/Forms/FormIndex.htm>

Evidence in the IRS Publications

- **IRS Form 1040NR**

Income Effectively Connected With U.S. Trade or Business

The instructions for this section assume you have decided that the income involved is effectively connected with a U.S. trade or business in which you were engaged. The tax status of income also depends on its source. Under some circumstances, items of income from foreign sources are treated as effectively connected with a U.S. trade or business. Other items are reportable as effectively connected or not effectively connected with a U.S. trade or business, depending on how you elect to treat them.

[IRS Form 1040NR Instructions, Year 2019, p. 17; <https://www.irs.gov/pub/irs-pdf/i1040nr.pdf>]

What we are NOT saying

- Things we are NOT saying:
 - We are NOT saying you should use any of the government or private party flawed/frivolous arguments found in:
Flawed Tax Arguments to Avoid, Form #08.004
<https://sedm.org/Forms/FormIndex.htm>
 - We are NOT saying that income taxation is limited to those physically present on federal territory or domiciled there. [“Nonresident aliens” \(Form #05.020\)](#) engaged in the [“trade or business” franchise \(Form #05.001\)](#) or [STATUTORY “citizens”](#) or [“resident” \(aliens\)](#) have an obligation to pay on their U.S. sourced payments under 26 U.S.C. §871 REGARDLESS of where they physically live or are domiciled.
 - We are NOT saying that geographical boundaries are even RELEVANT when [consent \(Form #05.003\)](#) is given. [Consent](#) and contract, according to maxims of law, are not location dependent:
Debitum et contractus non sunt nullius loci. Debt and contract are of no particular place.
[Bouvier's Maxims of Law, 1856;
<https://famguardian.org/Publications/BouvierMaximsOfLaw/BouviersMaxims.htm>]
- The U.S. Supreme Court AGREES with these conclusions. Note the phrases:
 - “without limitation as to place”. . .AND
 - “extended to all places over which the government extends”It's a tax on THE GOVERNMENT, not private people. The government is called “trade or business” in the Internal Revenue Code. See:
[The “Trade or Business” Scam](#), Form #05.001;
<https://sedm.org/Forms/05-MemLaw/TradeOrBusScam.pdf>
Read for yourself on the next page!

Income Tax is Non-Geographical!

“Loughborough v. Blake, 5 Wheat. 317, 5 L.Ed. 98, was an action of trespass or, as appears by the original record, replevin, brought in the circuit court for the District of Columbia to try the right of Congress to impose a direct tax for general purposes on that District. 3 Stat. at L. 216, chap. 60. It was insisted that Congress could act in a double capacity: in one as legislating [182 U.S. 244, 260] for the states; in the other as a local legislature for the District of Columbia. In the latter character, it was admitted that the power of levying direct taxes might be exercised, but for District purposes only, as a state legislature might tax for state purposes; but that it could not legislate for the District under art. 1, 8, giving to Congress the power 'to lay and collect taxes, imposts, and excises,' which 'shall be uniform throughout the United States,' inasmuch as the District was no part of the United States [described in the Constitution]. It was held that the grant of this power was a general one without limitation as to place, and consequently extended to all places over which the government extends; and that it extended to the District of Columbia as a constituent part of the United States. The fact that art. 1, 2, declares that 'representatives and direct taxes shall be apportioned among the several states . . . according to their respective numbers' furnished a standard by which taxes were apportioned, but not to exempt any part of the country from their operation. 'The words used do not mean that direct taxes shall be imposed on states only which are represented, or shall be apportioned to representatives; but that direct taxation, in its application to states, shall be apportioned to numbers.' That art. 1, 9, 4, declaring that direct taxes shall be laid in proportion to the census, was applicable to the District of Columbia, 'and will enable Congress to apportion on it its just and equal share of the burden, with the same accuracy as on the respective states. If the tax be laid in this proportion, it is within the very words of the restriction. It is a tax in proportion to the census or enumeration referred to.' It was further held that the words of the 9th section did not 'in terms require that the system of direct taxation, when resorted to, shall be extended to the territories, as the words of the 2d section require that it shall be extended to all the states. They therefore may, without violence, be understood to give a rule when the territories shall be taxed, without imposing the necessity of taxing them.'”

[Downes v. Bidwell, [182 U.S. 244](#) (1901)]

Income Tax is Non-Geographical!

QUESTIONS based on the previous two slides:

- Isn't even what the Internal Revenue Code calls "not effectively connected with the conduct of a trade or business within the United States" in [26 U.S.C. §871\(a\)](#) and [26 U.S.C. §872\(a\)](#) ACTUALLY ALSO "trade or business" earnings under [26 U.S.C. §864\(c\)\(3\)](#). So ALMOST ALL INCOME is only taxable because it originates WITHIN the government and they are essentially LYING in [26 U.S.C. §871\(a\)](#) to admit that there is such a thing as taxable income NOT connected to the ["trade or business" franchise \(Form #05.001\)](#) and not connected to the government?
 - Why are the two terms "trade or business" and "within the United States" always connected within the code if it ISN'T a government source?
 - What could be better than a tax ONLY on the government or those contracting with or working WITHIN the government?
 - QUESTIONS for Christians:
 - If the income tax is only on those in the government . .AND
 - The Bible says in the [first four commandments \(Exodus 20:3-8\)](#) not to serve or "worship" (meaning OBEY the dictates of) other gods . .AND
 - Anyone with superior powers, INCLUDING governments to you IS a pagan god from a biblical perspective (definition of religious idolatry) . . .AND
 - They can boss you around and make rules for YOU but you can't boss them, and thus they BEHAVE as a god . .AND
 - Serving a government in legal terminology is called representing a ["public office"](#) or ["engaged in a trade or business" \(Form #05.001\)](#)
- . . . THEN INDIRECTLY, isn't God telling you that if you follow [His holy law \(Form #13.001\)](#) faithfully, it is IMPOSSIBLE to BE a "taxpayer" or owe an income tax?

Income Tax is Non-Geographical!



- For more on the above and the previous 3 slides, see:

Socialism: The New American Civil Religion, Form #05.016

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

DIRECT LINK: <https://sedm.org/Forms/05-MemLaw/SocialismCivilReligion.pdf>

Specific Ways You Volunteer

- **CLASS 1040:** You file a 1040 Return and thus volunteer for a civil status (Form #13.008) you DO NOT have as a “state national” (Form #05.006). This causes ALL of your earnings to be taxable instead of just those from federal territory or a U.S.** source. Incorrectly filing the 1040 return connects you to one of the following two statuses:
 - STATUTORY Citizen under 8 U.S.C. §1401. Example: You were born in a constitutional state and live there and you file a 1040 rather than the correct 1040NR and thereby falsely declare yourself a STATUTORY “citizen” under 26 C.F.R. §1.1-1(c).
 - STATUTORY Resident (alien) under 26 U.S.C. §7701(b)(1)(A). Example: You are an alien or even “resident alien” present in the exclusive jurisdiction of a constitutional state and you file a 1040 rather than the correct 1040NR. You cannot be a “resident alien” under 26 U.S.C. §7701(b)(A) unless you satisfy the physical presence test within the STATUTORY “United States**” (federal zone) per 26 U.S.C. §7701(a)(9) and (a)(10).

Specific Ways You Volunteer

- **CLASS 1040NR.1:** You correctly file a 1040NR return and you have taxable earnings connected to a [“trade or business” \(Form #05.001\)](#) from the U.S. Government (whether reported or not) but you declare PRIVATE earnings from a state on the 1040NR return under [26 U.S.C. §871](#). This can happen because of:
 - Legal ignorance
 - You know the law but don’t want to dispute false information returns filed incorrectly by ignorant business associates.
- **CLASS 1040NR.2:** You correctly file a 1040NR and have no earnings from the U.S. government or federal territory under [26 U.S.C. §871](#) but have FALSE information returns filed against any of these earnings that you don’t either EXCLUDE from the filing or correct with an [8275 explanatory attachment](#). Thus, you are [PRESUMED \(Form #05.017\)](#), usually falsely, to have “income”. All information return reports presume “trade or business” activity from the United States government per [26 U.S.C. §6041\(a\)](#) and/or [26 U.S.C. §864\(c\)\(3\)](#)
 - Legal ignorance
 - You know the law but don’t want to dispute false information returns filed incorrectly by ignorant business associates.

Specific Ways You Volunteer

- **DUMB CLASS**: You refuse to study the law and thus force yourself to take the least risky approach by doing what everyone else **STUPIDLY** does: File a 1040 form and misrepresent your civil status and owe tax on **EVERYTHING** you make **EVERYWHERE**.

How to Unvolunteer

To UNVOLUNTEER or AVOID volunteering, use the following free resources on our site:

1. During the filing of tax returns, see:

How to File Returns, Form #09.074 ([Member Subscription](#) Form)

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

2. For ALL purposes:

Path to Freedom, Form #09.015

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

DIRECT LINK: <https://sedm.org/Forms/09-Procs/PathToFreedom.pdf>

You CANNOT unvolunteer AFTER you filed the WRONG Form, the 1040

Those state nationals who have been DUPED by their own legal ignorance or fear into filing the wrong form, the 1040, CANNOT UNDO their mistake. The IRS has SLAMMED that door to limit an avalanche. Below is the proof:

1. Accepting or processing ANY amended return, INCLUDING a 1040NR) is DISCRETIONARY on the part of the IRS:

"Plaintiff had no power to alter the government's assessment by filing an amended return almost a year later in which he undertook to reduce the tax to less than the partial payment he had made.

*There is no statutory provision for amended returns of either income or gift taxes. While the Treasury has administratively permitted their use and has promulgated a form of amended return for income tax,^[3] it has not provided a form of amended gift tax return. Plaintiff used an original gift tax return form (Form 709), which he simply labeled as an "amended" return. The treatment of amended returns is "a matter of internal administration in the Bureau of Internal Revenue, solely within the discretion of the Commissioner. * * * That discretion will be upset only upon a showing that it has been abused." Schall & Co. v. United States, 129 F.Supp. 137, 141 (S.D.N.Y.1954).^[4] 956*956 We were informed at bar that in cases such as this, where an amended tax return is not accepted as such, the government may treat it as an informal claim for refund.^[5] The absence of any action on the amended return within six months is an indication that on administrative review it was not deemed meritorious as a claim for refund. This treatment of amended returns recognizes that it would be utterly disruptive of the administration of the tax laws if a taxpayer could disregard his return and automatically change an assessment based thereon by making an amended return in his favor long after the expiration of the time for filing the original return.*

[Frank Miskovsky, Appellant v. United States of America, 414 F.2d. 954 (1069) ((CA-3), U. S. Court of Appeals, 3rd Circuit, No. 17577,, 8/14/69, Affirming District Court, 69-1 USTC ¶12,575,290 F. Supp. 403)

You CANNOT unvolunteer AFTER you filed the WRONG Form, the 1040

2. The Courts have repeatedly and consistently held that a tax “voluntarily paid” cannot be recovered.

“The principle that taxes voluntarily paid can not be recovered back is thoroughly established. It has been so declared in the following cases in the Supreme Court: United States v. New York & Cuba Mail Steamship Co. (200 U.S. 488, 493, 494); Chesebrough v. United States (192 U.S. 253); Little v. Bowers (134 U.S. 547, 554); Wright v. Blakeslee (101 U.S. 174, 178); Railroad Co. v. Commissioner (98 U.S. 541, 543); Lamborn v. County Commissioners (97 U.S. 181); Elliott v. Swartwout (10 Pet. 137). And there are numerous like cases in other Federal courts: Procter & Gamble Co. v. United States (281 Fed. 1014); Vaughan v. Riordan (280 Fed. 742, 745); Beer v. Moffatt (192 Fed. 984, affirmed 209 Fed. 779); Newhall v. Jordan (160 Fed. 661); Christie Street Commission Co. v. United States (126 Fed. 991); Kentucky Bank v. Stone (88 Fed. 383); Corkie v. Maxwell (7 Fed. Cas. 3231).”

[Treasury Decision 3445;

<http://famguardian.org/TaxFreedom/CitesByTopic/Voluntary-TD3445.pdf>]

- **CONSEQUENTLY: BE CAREFUL and double check you are doing the RIGHT thing before you send in or choose WHICH tax return form to file: 1040 or 1040NR. Therefore:**

Filing 1040 = “subject to its jurisdiction” for that tax year.

The choice in a nutshell

1. According to the Constitution, the tax can ONLY be a DIRECT or INDIRECT tax. It cannot be both.

"It is, however, equally clear that a general income tax is an excise tax laid upon persons or corporations with respect to their income: that is, a person or a corporation is selected out from the mass of the community by reason of the income possessed by him or it..."

"This is brought out clearly by this court in Brushaber v. Union Pacific Railroad Co., 240 U.S. 1, and Stanton v. Baltic Mining Co., 240 U.S. 103. In the former case it was pointed out that the all-embracing power of taxation conferred upon Congress by the Constitution included two great classes, one indirect taxes or excises, and the other direct taxes, and that of apportionment with regard to direct taxes. It was held that the income tax in its nature is an excise; that is, it is a tax upon a person measured by his income...It was further held that the effect of the Sixteenth Amendment was not to change the nature of this tax or to take it out of the class of excises to which it belonged, but merely to make it impossible by any sort of reasoning thereafter to treat it as a direct tax because of the sources from which the income was derived."

[Brief for the United States at 14-15 in Peck & Co. v. Lowe, 247 U.S. 165 (1917). Not in the ruling itself]

2. The Sixteenth Amendment did not abolish or change these two characterizations. In fact, according to the U.S. Supreme Court, the Sixteenth Amendment conferred "NO NEW TAXING POWERS"!

*"But aside from the obvious error of the proposition intrinsically considered, it manifestly disregards the fact that by the previous ruling it was settled that HN1 the provisions of the Sixteenth Amendment conferred no new power of taxation but simply prohibited the previous complete and plenary power of income taxation possessed by Congress from the beginning from being taken out of the category of indirect taxation to which it inherently belonged and being placed [*113] in the [****17] category of direct taxation subject to apportionment by a consideration of the sources from which the income was derived, that is by testing the tax not by what it was -- a tax on income, but by a mistaken theory deduced from the origin or source of the income taxed. Mark, of course, in saying this we are not here considering a tax not within the provisions of the Sixteenth Amendment, that is, one in which the regulation of apportionment or the rule of uniformity is wholly negligible because the tax is one entirely beyond the scope of the taxing power of Congress and where consequently no authority to impose a burden either direct or indirect exists. In other words, we are here dealing solely with the restriction imposed by the Sixteenth Amendment on the right to resort to the source whence an income is derived in a case where there is power to tax for the purpose of taking the income tax out of the class of indirect to which it generically belongs and putting it in the class of direct to which it would not otherwise belong in order to subject it to the regulation of apportionment."*

[Stanton v. Baltic Mining Co., 240 U.S. 103 (1916)]

The choice in a nutshell

- 3. Either the tax must be an avoidable excise or an unavoidable direct tax subject to apportionment.**
- 4. If it is not avoidable by excluding income as a state national per [26 U.S.C. §872](#), then it BEHAVES as a direct tax.**
- 5. A refusal by the IRS to either:**
 - 5.1. Process a correctly filed 1040NR that excludes all income lawfully of a state national OR**
 - 5.2. Acknowledge and rebut the correctly filed 1040NR in a subsequently mailed NOTICE OF DEFICIENCY**

Deprives the state national of the ability to avoid the tax and makes it FUNCTION as a direct, unapportioned tax in violation of the Constitution.
- 6. The U.S. Supreme Court is thereby put in the very uncomfortable position of admitting that either its an avoidable excise tax or a unavoidable direct tax. There is no other classification. And if its not avoidable, its slavery in violation of the [Thirteenth Amendment](#), which applies EVERYWHERE in the country, not just in a constitutional state.**
- 7. This approach gets to the heart of the VOLUNTARY nature of the income tax as an excise tax and puts them in a very uncomfortable position of ADMITTING and recognizing EXACTLY how one volunteers. It is also a litmus test for the accuracy of the following document on our site:**

[How State Nationals Volunteer to Pay Income Tax](#), Form #08.024
<https://sedm.org/Forms/08-PolicyDocs/HowYouVolForIncomeTax.pdf>
- 8. The U.S. Supreme Court may try to respond by saying that the Sixteenth Amendment eliminated the apportionment requirement. But in fact it did not. So they are in a corner.**

The choice in a nutshell

- **LOGICAL FALLACY**: They can't CALL it “voluntary” on the one hand and yet:
 - Refuse to acknowledge HOW you volunteer.
 - Actively interfere with all lawful efforts to unvolunteer.
 - Refuse to provide a status or option on their tax forms that permits one to unvolunteer.
 - Omit to hear complaints or legal actions against or refuse to prosecute efforts by any government actor to INTERFERE with your right to unvolunteer, and thereby exercise your constitutional rights.
 - Impose a charge, tax, or penalty for any Constitutional right, and especially the right of PRIVATE, absolutely owned property protected by the Fifth Amendment. See:
 - » Harman v. Forssenius, 380 U.S. 528 (1965)
https://scholar.google.com/scholar_case?case=1269987767365696368
 - » SEDM Exhibit 05.038
<https://sedm.org/Exhibits/EX05.058-State%20May%20Not%20Impose%20Charge%20for%20the%20Enjoyment%20of%20a%20Right%20Granted%20by%20the%20Federal%20Constitution-20210203.pdf>
 - Condone or allow a charge, tax, or penalty on the exercise of constitutional rights violates what is called the “Unconstitutional Conditions Doctrine”. See:
Government Instituted Slavery Using Franchises, Form #05.030, Section 28.2
<https://sedm.org/Forms/05-MemLaw/Franchises.pdf>

Why Income Tax is STILL a “franchise” for state nationals

- Some people might erroneously say that the income tax does not behave as a “franchise” because it is imposed upon “citizens”, and thus is excluded from the definition of “franchise”.
- A “franchise” is legally defined as a “A special privilege conferred by government on individual or corporation, and which does not belong to citizens of country generally of common right”:
 - FRANCHISE. A special privilege conferred by government on individual or corporation, and which does not belong to citizens of country generally of common right. Elliott v. City of Eugene, 135 Or. 108, 294 P. 358, 360. In England it is defined to be a royal privilege in the hands of a subject.
 - A “franchise,” as used by Blackstone in defining quo warranto, (3 Com. 262 [4th Am. Ed.] 322), had reference to a royal privilege or branch of the king's prerogative subsisting in the hands of the subject, and must arise from the king's grant, or be held by prescription, but today we understand a franchise to be some special privilege conferred by government on an individual, natural or artificial, which is not enjoyed by its citizens in general. State v. Fernandez, 106 Fla. 779, 143 So. 638, 639, 86 A.L.R. 240.
 - In this country a franchise is a privilege or immunity of a public nature, which cannot be legally exercised without legislative grant. To be a corporation is a franchise. The various powers conferred on corporations are franchises. The execution of a policy of insurance by an insurance company [e.g. Social Insurance/Socialist Security], and the issuing a bank note by an incorporated bank [such as a Federal Reserve NOTE], are franchises. People v. Utica Ins. Co., 15 Johns., N.Y., 387, 8 Am.Dec. 243. But it does not embrace the property acquired by the exercise of the franchise. Bridgeport v. New York & N. H. R. Co., 36 Conn. 255, 4 Am.Rep. 63. Nor involve interest in land acquired by grantee. Whitbeck v. Funk, 140 Or. 70, 12 P.2d 1019, 1020. In a popular sense, the political rights of subjects and citizens are franchises, such as the right of suffrage. etc. Pierce v. Emery, 32 N.H. 484 ; State v. Black Diamond Co., 97 Ohio St. 24, 119 N.E. 195, 199, L.R.A.1918E, 352.
 - [...]]
 - [Black's Law Dictionary, 4th Edition, pp. 786-787]
- The income tax is IMPOSED upon STATUTORY but not CONSTITUTIONAL “citizens” described in 26 C.F.R. §1.1-1. Thus it on the SURFACE it appears to not be a “franchise”.

Why Income Tax is STILL a “franchise” for state nationals

- As usual, there is a CATCH and a TRICK involved here.
- The “[citizens](#)” the income tax is imposed upon above:
 - Are not “citizens of the COUNTRY”. “[United States](#)” in [26 U.S.C. 7701\(a\)\(9\)](#) and (a)(10) is never geographically defined as “the country” but ONLY the District of Columbia. The Rules of Statutory Construction do not permit adding to this definition, but COMITY and CONSENT of people who VOLUNTEER to be STATUTORY “taxpayers” ONLY can.
 - Are not merely “nationals” under [8 U.S.C. §1101\(a\)\(21\)](#) but not STATUTORY “citizens” under [8 U.S.C. §1401](#) as state nationals are in relation to the national government.
 - Are public officers in the Treasury Department only, because the statute the regulation the statute implements does not impose such a liability. Therefore, it violates the scope of the statute. Thus, by default, they MUST be officers working for the Secretary of the Treasury as dictated by [5 U.S.C. §301](#) as we pointed out earlier.
- Thus, “state nationals”:
 - Are “citizens of the country”
 - The income tax is NOT imposed upon them.
 - The “citizen” the income tax IS imposed upon is a fiction and a public officer ONLY in the Treasury Department and the Executive Branch.

Why Income Tax is STILL a “franchise” for state nationals

- So, the income tax STILL IS a “[franchise](#)” as legally defined in relation to state nationals, who are “citizens of the country” in a CONSTITUTIONAL but not STATUTORY sense.
- If you as a state national VOLUNTEER for the “citizen” and “taxpayer” or “person” office within ONLY the Department of the Treasury, then by COMITY and CONSENT, you become a privileged franchisee.
- People who DON’T volunteer continue to be:
 - “non-resident non-persons”.
 - “nontaxpayers”.
 - Not THE STATUTORY “citizen” mentioned in [26 C.F.R. §1.1-1\(a\)](#) upon whom the income tax is imposed and who are “LIABLE TO” but not “LIABLE FOR” the income tax.

Why Income Tax is **STILL** a “franchise” for state nationals

- Once you volunteer:
 - You will be treated as a public officer working for the Secretary of the Treasury who is **LIABLE FOR** because you donated your earnings to a public use, a public purpose, and a public office called a “trade or business”.
 - You are now are a custodian over **PUBLIC** property who is **LIABLE** to Uncle to “return” the portion that belongs to them.
 - You have “alienated” your **PRIVATE** property and the protections of the constitution of it in the process.
 - You are obligated to make an “accounting” as a **VOLUNTARY** public officer of all government property in your custody on a “return”, even **WITHOUT** a statute **EXPRESSLY** imposing the liability:

“I: DUTY TO ACCOUNT FOR PUBLIC FUNDS

§ 909. In general.-It is the duty of the public officer, like any other agent or trustee, although not declared by express statute, to faithfully account for and pay over to the proper authorities all moneys which may come into his hands upon the public account, and the performance of this duty may be enforced by proper actions against the officer himself, or against those who have become sureties for the faithful discharge of his duties.”

[Treatise on the Law of Public Offices and officers, p. 609, §909; Floyd Mechem, 1890;

SOURCE: <http://books.google.com/books?id=g-l9AAAAIAAJ&printsec=titlepage>]

- You become subject to statutes regulating public property so donated under Title 26, which was enacted pursuant to Article 4, Section 3, Clause 2 of the Constitution and implements Congress’ rights to “make needful rules” respecting **THEIR** property. See:

Why the Federal Income Tax is a Privilege Tax Upon Government Property, Form #04.404

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

Conclusions

- You have been DUPED (deceived)! See:
Legal Deception, Propaganda and Fraud, Form #05.014
<https://sedm.org/Forms/05-MemLaw/LegalDecPropFraud.pdf>
- The sophistry of greedy lawyers has effected this deception
An Introduction to Sophistry Course, Form #12.042
<https://sedm.org/an-introduction-to-sophistry/>
- The Bible WARNED us this deception would happen:
"The Lord is well pleased for His righteousness' sake; He will exalt the law [His law, not man's law] and make it honorable. But this is a people robbed and plundered! [by tyrants in government] All of them are snared in [legal] holes [by the sophistry of greedy lawyers], and they are hidden in prison houses; they are for prey, and no one delivers; for plunder, and no one says, "Restore!"

Who among you will give ear to this? Who will listen and hear for the time to come? Who gave Jacob for plunder, and Israel to the robbers? [IRS] Was it not the Lord, He against whom we have sinned? For they would not walk in His ways, nor were they obedient to His law, therefore He has poured on him the fury of His anger and the strength of battle; it has set him on fire all around, yet he did not know; and it burned him, yet he did not take it to heart."
[\[Isaiah 42:21-25\]](#), Bible, NKJV
- Your own legal ignorance PERMITTED and even PROTECTED the process of deceiving you!
"My people are destroyed for lack of [legal] knowledge. Because you have rejected [legal] knowledge, I also will reject you from being priest for Me; Because you have forgotten the law of your God, I also will forget your children."
[\[Hosea 4:6\]](#), Bible, NKJV

Conclusions

- If you want to be truly free you **MUST** study the law! See:
Why We Must Personally Learn, Follow, and Enforce the Law, SEDM
<https://sedm.org/home/why-we-must-personally-learn-follow-and-enforce-the-law/>
- The **BEST** place to study both God's law and man's law is the Sovereignty Education and Defense Ministry (SEDM) Website.
- Here is our prayer for you:
*"Keep back Your servant [YOU!] also from [presumptuous sins \[Form #05.017\]](#);
Let them not have dominion over me.
Then I shall be blameless,
And I shall be innocent of great transgression."
[\[Psalm 19:13\]](#), Bible, NKJV]*
- Now get cracking learning the law! And here is the proper biblical attitude to have about that study:
*"Have I not commanded you? Be strong and of good courage; do not be afraid, nor be dismayed, for the LORD your God is with you wherever you go."
[\[Joshua 1:9\]](#), Bible, NKJV]*
- May God richly bless, encourage, and empower you with the TRUTH.

Further Information

- **Requirement for Consent**, Form #05.003
<https://sedm.org/Forms/05-MemLaw/Consent.pdf>
- **Citizenship Status v. Tax Status**, Form #10.011-summary of your true citizenship status
<http://sedm.org/Forms/10-Emancipation/CitizenshipStatusVTaxStatus/CitizenshipVTaxStatus.htm>
- **Citizenship and Sovereignty Course**, Form #12.001
PDF: <https://sedm.org/LibertyU/CitAndSovereignty.pdf>
VIDEO: <http://www.youtube.com/watch?v=xMrSiiAqJAU>
- **How to File Returns**, Form #09.047-how to file returns as a compliant member. Members file 1040NR returns
<https://sedm.org/Forms/FormIndex.htm>
- **Correcting Erroneous Information Returns**, Form #04.001
<https://sedm.org/Forms/04-Tax/0-CorrErrInfoRtns/CorrErrInfoRtns.pdf>
- **Lawfully Avoiding Government Obligations**, Form #12.041
<https://sedm.org/LibertyU/AvoidGovernmentObligations.pdf>
- **Citizenship and Sovereignty Course**, Form #12.001
PDF: <https://sedm.org/LibertyU/CitAndSovereignty.pdf>
VIDEO: <http://www.youtube.com/watch?v=xMrSiiAqJAU>
- **Why You are a “national”, “state national”, and Constitutional but not Statutory Citizen**, Form #05.006-detailed information on your citizenship
<https://sedm.org/Forms/05-MemLaw/WhyANational.pdf>

Further Information

- **Federal and State Income Taxation of Individuals Course, Form #12.003**
PDF: <https://sedm.org/LibertyU/Taxes.pdf>
VIDEO: <http://youtu.be/GolzN63Uk7E>
- **Federal and State Withholding Options for Private Employers, Form #09.001**
<https://sedm.org/Forms/09-Procs/FedStateWHOptions.pdf>
- **Non-Resident Non-Person Position, Form #05.020-what a “nonresident alien” is**
<https://sedm.org/Forms/05-MemLaw/NonresidentNonPersonPosition.pdf>
- **Government Instituted Slavery Using Franchises, Form #05.030-franchises are the legal basis for all excise taxes**
<https://sedm.org/Forms/05-MemLaw/Franchises.pdf>

Flawed Tax Arguments

- If you intend to use any of this information in your own case, it is VERY important that you read ALL the following analysis of the many FLAWED tax arguments out there from the government, legal profession, and other groups:
 - Flawed Tax Arguments to Avoid, Form #08.004
<http://sedm.org/Forms/FormIndex.htm>
 - Legal Deception, Propaganda, and Fraud, Form #05.014
<http://sedm.org/Forms/FormIndex.htm>
 - Rebutted Version of IRS “The Truth About Frivolous Tax Arguments, Form #08.005
<http://sedm.org/Forms/FormIndex.htm>
 - Rebutted Version of Congressional Research Service Report 97-59A “Frequently Asked Questions Concerning the Federal Income Tax”, Form #08.006
<http://sedm.org/Forms/FormIndex.htm>
 - Rebutted Version of Dan Evan’s “Tax Protester Frequently Asked Questions”, Form #08.007
<http://sedm.org/Forms/FormIndex.htm>
- You can find all the above and more in our Liberty University, Section 8 entitled Resources to Rebut Government, Legal and Tax Profession Lies and Propaganda available at:
<http://sedm.org/LibertyU/LibertyU.htm>

Sovereignty Education and Defense Ministry (SEDM)

- Founded in 2003
- A non-profit Christian/religious ministry
- Mission statement found at:
<http://sedm.org/Ministry/AboutUs.htm>
- Articles of Mission available at:
<http://sedm.org/Ministry/SEDMArticlesPublic.pdf>
- Managed by a board of ordained ministers
- Ministry offerings are completely consistent with materials found on the [Family Guardian Website](#)
- Educational course materials available only to “members”, who must be “non-resident non-persons” and “nontaxpayers” not engaged in a “[trade or business](#)” and who believe in God
- All educational materials obtained online only
- Signed [Member Agreement, Form #01.001](#) required to join or obtain any ministry offerings
- Based out of (but NOT domiciled in) Canada and outside of jurisdiction of United States government
- Focus exclusively on human beings and not businesses
- See the [“About Us” page](#) for further details on the ministry
- See our Frequently Asked Questions page, which answers most questions to or about us:
 - <http://sedm.org/FAQs/FAQs.htm>

Sovereignty Education and Defense Ministry (SEDM)

- **We are NOT:**
 - Anti-government, but pro SELF-government
 - “Tax protesters”, “tax deniers”, or “tax defiers”, but rather a legal education and law enforcement ministry
- **WE DO NOT:**
 - Offer any kind of investment or “[tax shelter](#)” or engage in any kind of commerce within the jurisdiction of the “United States”
 - Provide legal advice or representation (but do provide “assistance of counsel”).
 - Allow our materials or services to be used for any unlawful purpose
 - Make legal determinations about your status
 - Market, advertise, or “promote” anything or pursue any commercial purpose. Our goals are exclusively moral and spiritual and not financial.
 - Interact directly with the IRS on your behalf
 - Offer asset protection, trusts, or corporation soles
 - Make promises or assurances about the effectiveness of our materials or information
 - “Represent” anyone using IRS 2848 Power of Attorney forms
 - Prepare or advise in the preparation of tax returns for others

Sovereignty Education and Defense Ministry (SEDM)

- **WE DO NOT:**

- Allow our materials or services to be used to interact with the government or legal profession on behalf of “[taxpayers](#)”, “[U.S. citizens](#)”, “[U.S. persons](#)”, “U.S. residents”, or any instrumentality of the federal government, including especially “[public officers](#)”
- Connect ourselves with a “[trade or business in the United States](#)” or any government franchise
- Engage in factual or actionable speech. All of our offerings constitute religious beliefs and opinions that are not admissible as evidence pursuant to [Federal Rule of Evidence 610](#). Only you can make them admissible as evidence by signing them under penalty of perjury as part of an affidavit
- Advocate or endorse any of the flawed tax arguments identified by the courts in the following document:

Flawed Tax Arguments to Avoid, Form #08.004

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

- **For rebutted false arguments against this ministry, see:**

Policy Document: Rebutted False Arguments Against This Website, Form #08.011

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

Getting Connected: Resources

- **Ministries**
 - Family Guardian Website: <http://famguardian.org>
 - Sovereignty Education and Defense Ministry (SEDM): <http://sedm.org>
 - Nike Research: <http://nikeinsights.famguardian.org/>
 - Sheldon Emry Memorial Library: <http://sheldonemrylibrary.famguardian.org/>
 - John Weaver Library: <http://johnweaverlibrary.famguardian.org/>
 - Ben Williams Library: <http://www.benwilliamslibrary.com/>
- **Organizations:**
 - We the People Foundation for Constitutional Education:
<http://givemeliberty.org>
- **Freedom websites:**
 - USA the Republic: <http://www.usa-the-republic.com/>
- **Legal Research Sources**
 - Legal Research Sources:
<http://famguardian.org/TaxFreedom/LegalRef/LegalResrchSrc.htm>
 - Legal Research DVD-very complete legal reference library on one DVD. Includes all titles of U.S.C, regulations, organic documents, etc.
 - Cornell University Legal Information Institute (LII): <http://www4.law.cornell.edu/>
 - Code of Federal Regulations (CFR): <http://law.justia.com/us/cfr/>
 - Versus Law (case research, fee-based): <http://www.versuslaw.com/>
 - FindLaw: <http://www.findlaw.com/>

Questions?

