

July, 2001

Subject: **UPDATE #10**

Dear Friends,

The enclosed 2-hour video and accompanying documents (on hard copy or CD) contain the most recent information that we have available. Although some of the documents are difficult to read, these are the cleanest copies we have. In many cases, I merely point out a section on a page (which is underlined, has an arrow, or is blocked), so I'm not concerned with it's entire content.

My previous updates are available for those that are looking to learn all that they can. In fact, many of the documents and strategies that we use today are covered in them. There is no way to get all of this accumulated knowledge into one video.

Due to time constraints, I was unable to explain the significance of every document on the video. Please accept my apologies. However, I felt it was important for you to have them, so they are included in the hard copies and on the CD. Since CDs can hold numerous documents at no extra cost, we were able to include some additional information that is not in the hard copies.

As I have said before, until the IRS is done away with, this process of digging for the truth and perfecting our arguments will continue. We believe when our Father in Heaven determines that it is time, He will win the war for us. However, we must persist until then.

May God bless you,

A handwritten signature in black ink, appearing to read "Eddie Kahn". The signature is written in a cursive, flowing style with a long horizontal stroke at the end.

Eddie Kahn

“Having Fun With The Tax Man”



Eddie Kahn

Update #10

July 2001

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Introduction

Quote during the 1974 Watergate scandal:

“Yes, the president should resign. He has lied to the American people, time and time again, and betrayed their trust. He is no longer an effective leader. Since he has admitted guilt, there is no reason to put the American people through an impeachment. He will serve absolutely no purpose in finishing out his term; the only possible solution is for the president to save some dignity and resign.”

- William Jefferson Clinton, 1974



**CONGRESS DECLARES BIBLE
"THE WORD OF GOD"**

PUBLIC LAW 97-280—OCT. 4, 1982

Public Law 97-280
97th Congress

96 STAT. 1211

Joint Resolution

Authorizing and requesting the President to proclaim 1983 as the "Year of the Bible".

Whereas the Bible, the Word of God, has made a unique contribution in shaping the United States as a distinctive and blessed nation and people;

Whereas deeply held religious convictions springing from the Holy Scriptures led to the early settlement of our Nation;

Whereas Biblical teachings inspired concepts of civil government that are contained in our Declaration of Independence and the Constitution of the United States;

Whereas many of our great national leaders—among them Presidents Washington, Jackson, Lincoln, and Wilson—paid tribute to the surpassing influence of the Bible in our country's development, as in the words of President Jackson that the Bible is "the rock on which our Republic rests";

Whereas the history of our Nation clearly illustrates the value of voluntarily applying the teachings of the Scriptures in the lives of individuals, families, and societies;

Whereas this Nation now faces great challenges that will test this Nation as it has never been tested before; and

Whereas that renewing our knowledge of and faith in God through Holy Scripture can strengthen us as a nation and a people: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to designate 1983 as a national "Year of the Bible" in recognition of both the formative influence the Bible has been for our Nation, and our national need to study and apply the teachings of the Holy Scriptures.

Approved October 4, 1982.

Order of Authority

Free Country

**Our GOD Almighty
And Son Jesus Christ**

Creator of man. Source of all rights.

The Bible

Supreme Law Of
The Universe

GOD's covenant with man.

We, The People – The Body of Christ

Sovereign Free Men – creator And Master Party Of Government
By Constitution For The United States Of America. Source Of All
Government Rights.

The Constitution

Supreme Law Of
The Land

The People's Chain (Control) Of Our Government

Peoples Enforcement Controls

Electoral Vote Grand Jury Petit Jury

Government

Servant Of
We, The people

Sole Purpose Is Protection Of Individual Rights.
Power And Authority Enumerated In And Restricted By
Constitution

The Separate And Distinct Function Delegated To Governmental
Representatives

Executive

Law Enforcement

Legislative

Law Making

Judicial

Law Application

"Persons" Subject To Government Law And Regulation

Corporations (Government Created Persons),

And Sovereigns (Freemen) Who Exchange Their Birth Rights For
Government Privileges And Become Servants Controlled By
Government Rules And Regulations.

With GOD, all things are possible.

Look into the perfect law of liberty Obey them that rule over you,
James 1:25 Hebrew 13:17

The law of the LORD is perfect We ought to obey GOD rather
Palms 19:7 than man
Acts 5:29

Render...Unto Caesar, Caesars; unto GOD, GOD's Matt 22:21
and unto self, the remainder.

(Note: There Is No Caesar In This Nation).

Monarchy/Communism

King/Communist Party

His/Their Laws

Government

Executive

Law Enforcement

Legislative

Law Making

Judicial

Law Application

We, The People/ Corporations



the Newsletter

PO Box 21, Keene, TX 76059

Feb. 1997

Land of the Free and Home of the Brave

No, this is not some conservative kook or extreme alarmist report. What you are about to read comes from the United States Code and can be found at any legal library or federal law archive. If you want to verify it by computer type: <http://www.law.cornell.edu/uscode/50/1520.html> (E-Mail: 50uscsect.1520)

-CITE-
50 USC Sec. 1520

01/16/96

the expiration of the thirty-day period beginning on the date of such notification.

-EXPCITE-
TITLE 50 - WAR AND NATIONAL DEFENSE

(2) Paragraph (1) shall apply to tests and experiments conducted by Department of Defense personnel and tests and experiments conducted on behalf of the Department of Defense by contractors.

CHAPTER 32 - CHEMICAL AND BIOLOGICAL WARFARE PROGRAM

-HEAD-
Sec. 1520. Use of human subjects for testing of chemical or biological agents by Department of Defense; accounting to Congressional committees with respect to experiments and studies; notification of local civilian officials

-SOURCE-
(Pub. L. 95-79, title VIII, Sec. 808, July 30, 1977, 91 Stat. 334; Pub. L. 97-375, title II, Sec. 203(a)(1), Dec. 21, 1982, 96 Stat. 1822.)

CODIFICATION

Section was not enacted as part of Pub. L. 91-121, title IV, Sec. 409, Nov. 19, 1969, 83 Stat. 209, which comprises this chapter.

-STATUTE-
(a) Not later than thirty days after final approval within the Department of Defense of plans for any experiment or study to be conducted by the Department of Defense, whether directly or under contract, involving the use of human subjects for the testing of chemical or biological agents, the Secretary of Defense shall supply the Committees on Armed Services of the Senate and House of Representatives with a full accounting of such plans for such experiment or study, and such experiment or study may then be conducted only after the expiration of the thirty-day period beginning on the date such accounting is received by such committees.

-MISC3-

AMENDMENTS

1982 - Subsec. (a). Pub. L. 97-375 struck out par. (1) which directed the Secretary of Defense to supply not later than Oct. 1 of each year the Committees on Armed Services of the Senate and House with a full accounting of all experiments and studies conducted by the Department of Defense in the preceding twelve month period, whether directly or under contract, which involved the use of human subjects for the testing of chemical or biological agents, and designated par. (2) as subsec. (a).

(b)(1) The Secretary of Defense may not conduct any test or experiment involving the use of any chemical or biological agent on civilian populations unless local civilian officials in the area in which the test or experiment is to be conducted are notified in advance of such test or experiment, and such test or experiment may then be conducted only after

-CHANGE-

CHANGE OF NAME

Committee on Armed Services of House of Representatives treated as referring to Committee on National Security of House of Representatives by section 1(a) of Pub. L. 104-14, set out as a note preceding section 21 of Title 2, The Congress. ■

Carefully notice that no civilians are to be informed of these experiments, and no mention of which local authorities are to be notified of such experiments. It could just be a local federal bureau. Without recourse, the citizen is now in harms way.

The Communist Manifesto

- 1. Abolition of property in land and the application of all rents of land to public purposes.** (zoning laws are the first step to government property ownership)
- 2. A heavy progressive or graduated income tax.** (need we say anything!)
- 3. Abolition of all rights of inheritance.** (read inheritance taxes)
- 4. Confiscation of the property of all emigrants and rebels.** (read the accused, not the convicted - Asset forfeiture laws, DEA, IRS, ATF etc...)
- 5. Centralization of credit in the hands of the state, by means of a national bank with State capital and an exclusive monopoly.** (read Federal Reserve Bank, Fiat Paper Money and fractional reserve banking)
- 6. Centralization of the means of communications and transportation in the hands of the State.** (read DOT, FAA, FCC etc...)
- 7. Extension of factories and instruments of production owned by the state, the bringing into cultivation of waste lands, and the improvement of the soil generally in accordance with a common plan.** (read "controlled" rather than "owned," or subsidized)
- 8. Equal liability of all to labor. Establishment of industrial armies, especially for agriculture.** (read Minimum Wage and slave labor... You know like in China, our Most Favored Nation trade partner. Can you figure out why we are partnered with communists?)
- 9. Combination of agriculture with manufacturing industries, gradual abolition of the distinction between town and country, by a more equitable distribution of population over the country.** (read forced relocations and forced sterilization programs, you know, like in China.)
- 10. Free education for all children in public schools. Abolition of children's factory labor in its present form. Combination of education with industrial production.** (so that all children can be indoctrinated and inculcated with the government propaganda, like "majority rules," and "pay your fair share." I defy you to show me the words "fair share" anywhere in the Constitution, Bill of Rights or the Internal Revenue Code (Title 26). ANYWHERE!! The whole philosophical concept of "fair share" comes from the Communist maxim, "From each according to their ability, to each according to their need" - the very concept is pure socialism.)

Many small firms

C • SUNDAY, NOVEMBER 19, 21

have stopped paying tax

Flamboyant fringe companies are thumbing their noses at the IRS, which has even given some refunds.

By **DAVID LAY JOHNSTON**
THE NEW YORK TIMES

LAKE SHASTA, Calif. — Al Thompson squeezed most of his manufacturing company's 25 employees into a conference room last month to say he had good news: Income taxes have to be paid by only a few Americans, mostly those working for foreign-owned companies. So, he told the workers, they would not have to pay income taxes ever again. His business was exempt, too, he said.

No Social Security or Medicare taxes, either. The company was no longer withholding taxes from their paychecks, he said, or telling the Internal Revenue Service how much they made.

Thompson is part of a tiny but increasingly flamboyant fringe of American business. Arguing that the federal tax laws do not apply to them, these small companies are thumbing their noses at the IRS in a very public way. Not only have they stopped withholding taxes and turning them over, but they are bragging about it on Web sites and radio talk shows, and organizing seminars to promote the gospel of defiance.

They are boasting that they must be right because the IRS has not come after them, even though it knows what they are doing. Thompson noted that he had not sent a weekly tax payment to the IRS since July but, he said, "I have not been drug off to jail."

Indeed, the IRS not only has failed to pursue these businesses but has in some cases given refunds after they claimed they did not owe taxes that had been paid earlier. In at least two cases, the business said they even received apologetic letters from the IRS for not rescinding penalties and issuing the refunds sooner.

Clerks were rushed

Many tax experts express astonishment at the idea that the IRS is aware that legitimate businesses are cheating, yet is not pursuing them.

This undermines the principle on which the U.S. tax system is based, they say: People who do not pay their taxes will pay the consequences. And they say that the refunds and letters were probably issued in error by processing clerks rushing through thousands of returns.

How many businesses are taunting the IRS this way is impossible to know. At least 23 have made their decisions public. Sixty business owners and their advisers met on the weekend of Nov. 11 in California to plan how to persuade thousands of others to join them.

Over the years, a number of individuals have claimed to be out of reach of the tax laws, but experts including four former IRS commissioners said this wave was different. "This is tremendously significant because we have never before had responsible parties — employers — refuse to withhold," said Sheldon Cohen, a former IRS commissioner.

The IRS declined to comment on whether it was pursuing enforcement actions against the 23 employers, citing a law that protects taxpayer privacy. But there is no public record showing litigation or enforcement actions like liens against the companies' assets.

'Big mistake'

The failure of the IRS to act even against those who openly defy the tax laws raises questions about the agency's ability to stop tax cheating. Frank Kelth, senior IRS spokesman, said that "with limited resources the IRS must often choose which cases to pursue" and that it focuses on those that will generate the most revenue.

But Jerome Kurtz, another former commissioner, disagreed. "That's a nice pet line," he said, "but they don't go after only the people with the highest income — they audit hundreds of thousands of returns under \$25,000 that produce little or no revenue — and they can take resources from those."

Michael Graetz, a tax-policy adviser under President George Bush and now a professor at Yale, said

in not moving immediately against these employers. "They have to act," he said, "for this will get out of hand very, very quickly."

Commissioner Charles O. Rossotti of the IRS has warned Congress that the agency's enforcement resources have so shriveled that a growing number of people will think they can get away with not paying taxes, and the tax-collection system will be threatened.

Since the federal income tax began in 1913, there has been a steady, if small, current of individuals, who assert that the 16th Amendment, which authorized the income tax, was fraudulently adopted, or that no law makes anyone liable for taxes. The courts have rejected these assertions, and a few of the most prominent resisters have been sent to prison.

But how the resistance is under- going a big change. It is not just individuals who are refusing to obey the tax laws, so are a few business owners, on whom the government relies to withhold taxes from paychecks.

Irwin Schiff, owner of Freedom Books in Las Vegas and for three decades a promoter of the idea that the tax laws are a hoax, said he had noticed a shift five years ago when owners of small businesses began

seeking his advice on how to drop out of the tax system.

The IRS used to pursue enterprises that publicly declared that they would not withhold taxes.

In recent years, Congress has steadily reduced the effective resources available to the IRS, even as the number of taxpayers and the complexity of the tax laws have grown. Congress also imposed new rules that make it much more diffi-

cult to pursue tax cheats. Under Rossotti, enforcement actions have declined sharply as the agency has focused on "customer service." Seizures of property have fallen to an expected 156 this year from 10,000 annually in the early 1990s, and even prominent tax advisers have said that clients who owe large amounts of taxes are not being forced to pay.

Section 165-55

1 **165-55 Commissioner may disregard scheme in making declarations**

2 For the purposes of making a declaration under this Subdivision,
3 the Commissioner may:

- 4 (a) treat a particular event that actually happened as not having
5 happened; and
6 (b) treat a particular event that did not actually happen as having
7 happened and, if appropriate, treat the event as:
8 (i) having happened at a particular time; and
9 (ii) having involved particular action by a particular entity;
10 and
11 (c) treat a particular event that actually happened as:
12 (i) having happened at a time different from the time it
13 actually happened; or
14 (ii) having involved particular action by a particular entity
15 (whether or not the event actually involved any action
16 by that entity).

17 **165-60 One declaration may cover several tax periods and**
18 **importations**

19 To avoid doubt, statements relating to different tax periods and
20 different *taxable importations may be included in a single
21 declaration under this Subdivision.

22 **165-65 Commissioner must give copy of declaration to entity**
23 **affected**

- 24 (1) The Commissioner must give a copy of a declaration under this
25 Subdivision to the entity whose *net amount or GST liability is
26 stated in the declaration.
27 (2) A failure to comply with subsection (1) does not affect the validity
28 of the declaration.

*To find definitions of asterisked terms, see the Dictionary, starting at section 195-1.

Break Down Of Internal Revenue Code

Tax or Topic	Subtitle	Chapters	Sections
Income Taxes	A	1 to 6	1
Estate & Gift Taxes	B	11 to 13	2001
Employment Taxes	C	21 to 25	3101
Miscellaneous Excises	D	31 to 47	4041
Alcohol, Tobacco, and Certain Other Excises	E	51 to 54	5001
Procedure Administration	F	61 to 80	6001
Joint Committee on Taxation	G	91 to 92	8001
Financing Presidential Election Campaigns	H	95 to 96	9001
Trust Fund Code	I	98	9500

One of my assistants refers to policy and personnel, and of course, under this new structure, we are concerned here in Washington, as I pointed out, largely with policy and in administering the industry, rather than directing the personnel. That is left primarily to the district commissioners or, rather, the assistant district commissioners.

Mr. CURTIS. An alcohol tax matter that would go to the Appeals Section—

Mr. AVIS. There is just no such thing. That is where this structure differs.

Let me point this out now: Your income tax is 100 percent voluntary tax, and your liquor tax is 100 percent enforced tax. Now, the situation is as different as day and night. Consequently, your same rules just will not apply, and therefore the alcohol and tobacco tax has been handled here in this reorganization a little differently, because of the very nature of it, than the rest of the over-all tax problem.

Mr. CURTIS. In other words, the alcohol and tobacco tax setup, while it is a part of the Bureau generally, has more or less an autonomy of its own, with the power and authority vested in it; is that right?

Mr. AVIS. I think that is a fair statement; yes, sir, Mr. Curtis.

Chairman KEAN. How about legal matters; does the counsel of the Bureau advise with you?

Mr. AVIS. Well, we have an Alcohol and Tobacco Tax Division counsel, and he reports to the Chief Counsel of the Bureau, and he is part of the general counsel's setup in the Treasury. But for convenience, so that when I get a problem, for example, over the telephone and it is a question of whether a big factory or a plant's operations are to be set up, I can grab my lawyer across the hall and find out what the law is, don't you see; and he, for convenience, is located right in the adjoining suite to me here in Washington. And the same thing applies in the field. In other words, it is a specialized field, and the lawyers that service alcohol tax are generally attached to the assistant district commissioner's office, as far as space is concerned. They still report to their boss, who is the divisional counsel.

Chairman KEAN. There is a lawyer in every one of the 17 areas?

Mr. AVIS. Yes.

Chairman KEAN. He is under the lawyer who deals with you, who is under the man in Mr. Davis' office at the moment, who is under the man in the Treasury Department?

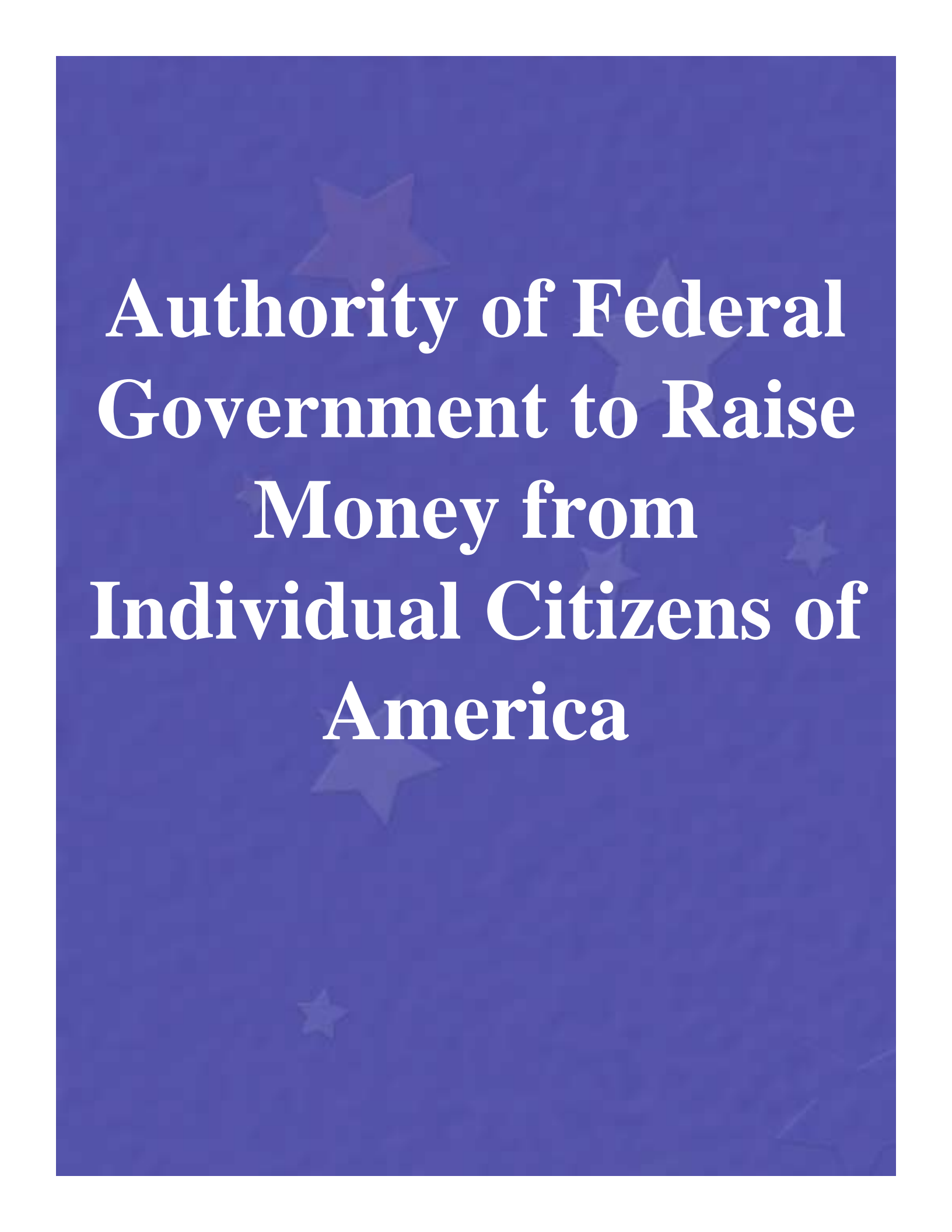
Mr. AVIS. That is Mr. Tuttle; I think he is the new man.

Mr. CURTIS. But your lawyers are confined to problems relating to alcohol tax and tobacco tax?

Mr. AVIS. Yes; because it is so highly specialized, sir.

Mr. Chairman, I think we have covered the rest of my statement, but I will read it.

The reorganization plan abolished the district supervisors and established in their place 17 assistant district commissioners, Alcohol and Tobacco Tax Division, who, subject to the general supervision of the district commissioners, have substantially the same functions, powers, and duties that the former district supervisors had. All tax and regulatory field functions, including the servicing of the industries,



**Authority of Federal
Government to Raise
Money from
Individual Citizens of
America**

United States is destitute of energy, they contend against conferring upon it those powers which are requisite to supply that energy. They seem still to aim at things repugnant and irreconcilable; at an augmentation of federal authority without a diminution of State authority; at sovereignty in the Union and complete independence in the members. They still, in fine, seem to cherish with blind devotion the political monster of an *imperium in imperio*. This renders a full display of the principal defects of the Confederation necessary in order to show that the evils we experience do not proceed from genuine or partial imperfections, but from fundamental errors in the structure of the building, which cannot be amended otherwise than by an alteration in the first principles and main pillars of the fabric.

The great and radical vice in the construction of the existing Confederation is in the principle of LEGISLATION for STATES or GOVERNMENTS, in their CORPORATE or COLLECTIVE CAPACITIES, and as contradistinguished from the INDIVIDUALS of whom they consist. Though this principle does not run through all the powers delegated to the Union, yet it pervades and governs those on which the efficacy of the rest depends. Except as to the rule of apportionment, the United States have an indefinite discretion to make requisitions for men and money, but they have no authority to raise either by regulations extending to the individual citizens of America. The consequence of this is that though in theory their resolutions concerning those objects are laws constitutionally binding on the members of the Union, yet in practice they are mere recommendations which the States observe or disregard at their option.

It is a singular instance of the capriciousness of the human mind that after all the admonitions we have had from experience on this head, there should still be found men who object to the new Constitution for deviating from a principle which has been found the base of the old and which is in itself evidently incompatible with the idea of GOVERNMENT; a principle, in short, which, if it is to be executed at all, must substitute the violent and sanguinary agency of the sword to the mild influence of the magistracy.

There is nothing absurd or impracticable in the idea of a league or alliance between independent nations for con-

work in order to live, as differentiated from those who, so to speak, are born with a gold spoon in their mouths and are simply living on the efforts of their ancestors—that I have considerable sympathy with the idea that there ought to be a difference at least in the rate of taxation. I am simply calling attention to the fact that the amendment of the Senator from South Dakota will exempt entirely from taxation every income derived from personal effort, because the expression "profession, trade, or vocation" includes every possible line of human effort. The amendment would exempt everything that was made by a stock gambler or a gambler in the wheat pit. It would exempt—

Mr. WILLIAMS. If the Senator will pardon me, there would be one thing, and one alone, that would not be exempt under it, and that would be an inheritance or a legacy. The idea of taxing inheritances and legacies has much soundness in it, as distinguished from income which one acquires by his own labor; but that is to be reached by an inheritance and legacy tax and is reached in nearly all countries in that way. That would be about all that would be exempt under that amendment, and inheritances and legacies are already quite generally taxed.

Mr. BRANDEGEE. Mr. President, what I said was that the amendment exempts absolutely everything that a man makes for himself. Of course, it would not exempt a legacy which somebody else made for him and gave to him. If a man's occupation or vocation—for vocation means nothing but a calling—if his calling or occupation were that of a financier it would exempt everything he made by underwriting and by financial operations in the course of a year that would be the product of his effort. Nothing can be imagined that a man can busy himself about with a view of profit which the amendment as drawn would not utterly exempt. I know it is the intention of the Senator from South Dakota not to seek to do that, but simply to impose a different rate of taxation.

In addition to what I have already said, it occurs to me that it is not, and probably would not be, the perfectly simple question that at first blush it may appear to be, to wit, to arrive at a proper differentiation of the various merits of the different kinds of professions, trades, and vocations, in order to ascertain at what rate they should be taxed. The country doctor works hard and makes very little compared with his efforts, and the efforts of the clergyman are more or less of a philanthropic character and he generally gets low pay. Many people would want to tax them at a lower rate than they would tax the income of the great corporation lawyer or of the financier.

So that even the products of the individual efforts of various men among themselves might, in the opinion of a legislative committee and of Congress, require various shadings of taxation. Whether there could be an agreement ultimately about a matter of that intricate character I do not know; but I am quite willing, although I do not suppose the committee would care to enter upon the investigation now—I am quite willing at the proper time to vote for the resolution requesting the committee to consider the question, and I will do so without any intention of being offensive to the committee or of asking them to consider anything out of their jurisdiction or that ought not to be considered at this time. I assume, however, that the committee would not have either the time or the inclination, perhaps, to take it up now, but simply to show the interest that I take in the subject and as an evidence of some degree of faith at least in the idea of trying to see if anything possibly could be evolved out of it, I should be happy to vote for the resolution introduced by the Senator from South Dakota.

Mr. LODGE. Mr. President, the income tax as a mode of taxation is well recognized by all economists as open to two very serious objections. One is the failure to differentiate between unearned and earned incomes. The other is the ease of evasion. It is one of the easiest taxes in the world to evade. It falls with absolute certainty very largely on trustees, who have to make returns, who in a majority of cases represent women and children, and who can not evade such a tax. The evasions of the income tax in England to-day are very large. The tax also falls with full force upon the people who are the most honest in the community, while the shifty and dishonest escape. In a word, it has all the objections that arise to any tax which in its nature is easy of evasion.

The other objection about earned and unearned incomes can be partially met, if not wholly overcome. At least it is so thought in England, and I am not sure that we may not be able to learn something from considering the systems of taxation of other countries, although my friend the Senator from Mississippi does not seem to think so. Speaking broadly, I believe it may be said that all economists recognize that a tax imposed

upon the earning capacity of a community is not theoretically the best tax. It is inferior, for example, to the inheritance tax, which does not place a burden upon earning capacity and is certain of collection, owing to the fact that an inheritance has to pass through probate offices and requires the assent of the Government before it can be distributed.

A burden on the earning capacity of a community is a very serious thing. The earning capacity of a community, which is the motive power of prosperity, is something which it is desirable under every civilized government to encourage. It is not wise to throw too heavy a proportion of the burden upon the earning capacity of any community. The men who draw the load should not be overweighted or disheartened. England has finally met this difficulty in a degree at least by differentiating between the tax derived from earned income and the tax derived from unearned income; and I think this point will have to be considered by us if we have adopted the income tax, as I believe we have, for a permanent source of national revenue. I think we must try to make the burden fall more heavily upon the income which is not earned than upon that which is earned, and the income, so called, which is not earned is very large, so large that there need be no fear of an insufficient return.

Mr. WILLIAMS. Does not the Senator momentarily lose sight of the fact that property is taxed in all the States?

Mr. LODGE. I understand that.

Mr. WILLIAMS. There is another consideration, too. The very people who will evade an income tax are for the most part not those who derive an income from rents or from other property, such as bonds or stocks. Everybody knows what a dividend is, and everybody knows what a rent is; but lawyers, doctors, and other people have uncertain incomes known only to themselves, so that there is naturally in the very working of the law when men are not fairly honest—the fairly honest man is going to act the same way in both capacities—already a discrimination against the man who has the property. He has to pay State and county taxes upon his property, so that the man whose property consists in dollars which he earns in a year is the least taxed of all men.

Mr. LODGE. The Senator, of course, understands that I am not advocating the exemption of earned incomes, but only that a heavier burden should rest on the unearned than on the earned income.

Mr. President, there is another question raised by the income tax, as provided for in the bill, which is to my mind far graver than that of differentiating between the earned and the unearned income, and that is making the exemption limit so high.

I think a high exemption is vicious in principle if it is made for any reason except that at the exemption point you go beyond the possibility of profitable collection. In theory, at least, everybody should pay his share of taxes, especially in a popular government. I know well the great objection to making a lower exemption than that established by this bill. The fatal objection is that to do so is unpopular. But I believe in the long run it will be seen that it has the best and only enduring grounds of popularity, which is justice.

Of course the men of small earnings and small incomes pay taxes to the Government of the United States in the indirect form, and one great objection to indirect taxes, so excellent economically, is that people do not realize fully that they are paying them. The tax which the man pays over the counter is the one he realizes. When he walks up to the taxgatherer in his town and finds that his rate has been raised he takes an interest in the administration of the business of the town. But as to the indirect tax, the tax that the man pays on alcoholic liquors, if he chooses to drink, or the tax that he pays on tobacco, are not only indirect but voluntary taxes, and he does not know, as a matter of fact, whether he pays them or not. He pays them, but he does not feel them. The difference, moreover, between what one man consumes and what another consumes in the way of food and drink and tobacco and raiment is not very great, for the power of consumption of the individual can not vary very largely, and he who lives and chooses most expensively pays most in taxation. But this tax which we are now imposing for the first time is a direct tax; and this country has hardly known direct taxes except in times of war.

A man who has \$1,000 income per annum and pays, as proposed by the Senator from North Dakota, \$1 a year as income tax to the United States Government is not, I think, bearing too heavy a burden, but he is realizing what his Government is doing, which is of enormous value and makes him thereby a better citizen. He realizes that he is responsible for the Government as never before. There has been no greater misfortune to this country than what we have seen in every great city, and that is that the men who pay no taxes spend the

(C) income derived by a foreign central bank of issue from bankers' acceptances;

(2) **DIVIDENDS.**—The amount received as dividends—

(A) from a domestic corporation other than a corporation entitled to the benefits of section 251, and other than a corporation less than 20 per centum of whose gross income is shown to the satisfaction of the Commissioner to have been derived from sources within the United States, as determined under the provisions of this section, for the three-year period ending with the close of the taxable year of such corporation preceding the declaration of such dividends (or for such part of such period as the corporation has been in existence), or

(B) from a foreign corporation unless less than 50 per centum of the gross income of such foreign corporation for the three-year period ending with the close of its taxable year preceding the declaration of such dividends (or for such part of such period as the corporation has been in existence) was derived from sources within the United States as determined under the provisions of this section; but only in an amount which bears the same ratio to such dividends as the gross income of the corporation for such period derived from sources within the United States bears to its gross income from all sources; but dividends from a foreign corporation shall, for the purposes of section 181 (relating to foreign tax credit), be treated as income from sources without the United States;

(3) **PERSONAL SERVICES.**—Compensation for labor or personal services performed in the United States, but in the case of a non-resident alien individual temporarily present in the United States for a period or periods not exceeding a total of ninety days during the taxable year, compensation received by such an individual (if such compensation does not exceed \$3,000 in the aggregate) for labor or services performed as an employee of or under a contract with a nonresident alien, foreign partnership, or foreign corporation, not engaged in trade or business within the United States, shall not be deemed to be income from sources within the United States;

(4) **RENTALS AND ROYALTIES.**—Rentals or royalties from property located in the United States or from any interest in such property, including rentals or royalties for the use of or for the privilege of using in the United States, patents, copyrights, secret processes and formulas, good will, trade-marks, trade brands, franchises, and other like property; and

(5) **SALE OF REAL PROPERTY.**—Gains, profits, and income from the sale of real property located in the United States.

(6) **SALE OF PERSONAL PROPERTY.**—

For gains, profits, and income from the sale of personal property, see subsection (e).

(b) **NET INCOME FROM SOURCES IN UNITED STATES.**—From the items of gross income specified in subsection (a) of this section there shall be deducted the expenses, losses, and other deductions properly apportioned or allocated thereto and a ratable part of any expenses, losses, or other deductions which can not definitely be allocated to some item or class of gross income. The remainder, if any, shall be included in full as net income from sources within the United States.

(c) **GROSS INCOME FROM SOURCES WITHOUT UNITED STATES.**—The following items of gross income shall be treated as income from sources without the United States:

(1) Interest other than that derived from sources within the United States as provided in subsection (a) (1) of this section;

(2) Dividends other than those derived from sources within the United States as provided in subsection (a) (2) of this section;

signed on the return shall be prima facie evidence that such partner is authorized to sign the return on behalf of the partnership.

SEC. 6064. SIGNATURE PRESUMED AUTHENTIC.

The fact that an individual's name is signed to a return, statement, or other document shall be prima facie evidence for all purposes that the return, statement, or other document was actually signed by him.

SEC. 6065. VERIFICATION OF RETURNS.

(a) **PENALTIES OF PERJURY.**—Except as otherwise provided by the Secretary or his delegate, any return, declaration, statement, or other document required to be made under any provision of the internal revenue laws or regulations shall contain or be verified by a written declaration that it is made under the penalties of perjury.

(b) **OATH.**—The Secretary or his delegate may by regulations require that any return, statement, or other document required to be made under any provision of the internal revenue laws or regulations shall be verified by an oath. This subsection shall not apply to returns and declarations with respect to income taxes made by individuals.

PART V—TIME FOR FILING RETURNS AND OTHER DOCUMENTS

Sec. 6071. Time for filing returns and other documents.

Sec. 6072. Time for filing income tax returns.

Sec. 6073. Time for filing declarations of estimated income tax by individuals.

Sec. 6074. Time for filing declarations of estimated income tax by corporations.

Sec. 6075. Time for filing estate and gift tax returns.

SEC. 6071. TIME FOR FILING RETURNS AND OTHER DOCUMENTS.

(a) **GENERAL RULE.**—When not otherwise provided for by this title, the Secretary or his delegate shall by regulations prescribe the time for filing any return, statement, or other document required by this title or by regulations.

(b) **SPECIAL TAXES.**—

For payment of special taxes before engaging in certain trades and businesses, see section 4901.

SEC. 6072. TIME FOR FILING INCOME TAX RETURNS.

(a) **GENERAL RULE.**—In the case of returns under section 6012, 6013, 6017, or 6031 (relating to income tax under subtitle A), returns made on the basis of the calendar year shall be filed on or before the 15th day of April following the close of the calendar year and returns made on the basis of a fiscal year shall be filed on or before the 15th day of the fourth month following the close of the fiscal year, except as otherwise provided in the following subsections of this section.

(b) **RETURNS OF CORPORATIONS.**—Returns of corporations under section 6012 made on the basis of the calendar year shall be filed on or before the 15th day of March following the close of the calendar year, and such returns made on the basis of a fiscal year shall be filed on or before the 15th day of the third month following the close of the fiscal year.

(c) **RETURNS BY CERTAIN NONRESIDENT ALIEN INDIVIDUALS AND FOREIGN CORPORATIONS.**—Returns made by nonresident alien in-



Understanding The Tax Forms

- (6) The completed research form may be sent via FAX to the EFTPS Accounting Technical Unit at (901)546-2990. Please provide as much of the requested information as possible to the unit when making a telephone call.

EFTPS DLN

Masterfile Processing of an EFTPS transaction is exactly the same as the current payment process. To aid in research, the DLN will contain unique identifying elements. The DLN is a pseudo number that is assigned by the financial agent and is configured as follows:

- (a) The first two digits consist of the Filing Location Code (Service Center or District). TCC Code 71 will be assigned to process and identify an Electronic Funds Transfer in the EFTPS system. Note: Effective January, 1997, the File Location Code will be 72.
- (b) The third digit is the Tax Class. This identifies the type of tax each transaction involves.
 - 0 = IRAF
 - 1 = Withholding and Social Security
 - 2 = Individual Income Tax
 - 3 = Corporate Income Tax
 - 4 = Excise Tax
 - 5 = Estate and Gift Tax
 - 7 = CT-1
 - 8 = FUTA
- (c) The 4th and 5th digits represents the Document Code - All EFTPS payments will be processed as a Revenue Receipt (Doc Code 19).
- (d) The 6th, 7th and 8th digits are the Julian Date.
- (e) The 9th, 10th and 11th are the Block Numbers. The Block Numbers identify groups of up to 1000 similar transactions. EFTPS will use 000-999 blocking series. The block numbers are randomly assigned and non-unique.
- (f) The 12th and 13th digits represent the Serial Number. The maximum number of records within a block is 100, and they are usually numbered from 00-99.
- (g) The 14th digit is the last digit of the year the DLN is assigned.

Electronic Funds Transfer (EFT) Number

Each payment transaction is assigned a 15-digit EFT number by the Financial Agent. The EFT number is used as the unique identifier to indicate that an electronic payment has been made. The EFT number is configured as follows:

- (a) The first digit is the Financial Agent Identifying Indicator (1 = First Chicago, 2 = Nations Bank).
- (b) The second digit identifies the Payment Method as follows: (1 = ACH Credit, 2 = ACH Debit, 3 = Fedwire, 4 = ETA/Fedline, 5 = DDIA, 6 = Credit Card, 7 = Debit Card).
- (c) The third digit identifies the Combined Payment Indicator as follows:
 - 1 = First record of split taxpayer payment.

Section 2. Tax Returns and Forms

1 List of Returns and Forms

(IRM 3(27)(68)0) Following is a list of tax returns and forms showing File Source, Tax Class, Master File Tax Account Codes, and Document Codes. *Non-Masterfile. Please refer to Publication 676 (Catalog No. 72060U) for a complete list of forms.

		B-BMF	E-EPMF	I-IMF	N-NMF	A-IRAF		
Form No.	Title	File Source	Tax Class	MFT Code	Doc. Code			
CP 2000	Proposed Changes to Income or Withholding Tax	I	2	30	54			
CT-1	Employer's Annual Railroad Retirement and Unemployment Return	B/N	7,6	09,*71	11			
CT-2	Employee Representatives Quarterly Railroad Retirement Tax Return	N	6	*72	02			
CTR	Currency Transaction	B	5		15,16,89			
SS-4	Application for Employer Tax Identification Number	E/B	0,9		04			
SS-10	Consent to Extend the Time to Assess Employment Taxes							
SS-16	Certificate of Election of Coverage Under the Federal Insurance Contributions Act							
TYD-14	Taxpayer Delinquency Investigation	I/B	2,6,9		14			
TY-15	Unidentified and Excess Collection Voucher		1,2,3,4,5,6,7,8		48			
TY-18	Statement of Payment Due	2	17					
TY-26	Statement of Tax Due IRS		1,2,3,4,5,6,7,8		17			
TYD-69	Taxpayer Delinquent Account	N	6		17,18			
W-2	Wage and Tax Statement		5		11,12,21			
W-2C	Statement of Corrected Income and Tax Amounts		5					
W-2CM	Commonwealth of the Northern Mariana Islands Wage and Tax Statement		5					
W-2GU	Guam Wage and Tax Statement		5					
W2-G	Statement of Gambling Winnings		5		32,88			
W-2VI	US Virgin Islands Wage and Tax Statement		5					
W-3	Transmittal of Income and Tax Statements	B	1	88	Any			
W-3(PR)	Transmittal of Income and Tax Statements (Puerto Rico)							
W-3C	Transmittal of Corrected Income & Tax Statements							

Form No.	Title	File Source	Tax Class	MFT Code	Doc. Code
W-3C(PR)	Transmittal of Corrected Income & Tax Statements (Puerto Rico)				
W-3SS	Transmittal of Wage and Tax Statements	B	1		32,33,34,35
W-4	Employee's Withholding Certificate		5		42
W-4E	Exemption from Withholding Allowance Certificate		5		42
W-4P	Withholding Certificate for Pension or Annuity payments		5		
W-4S	Request for Federal Income Tax Withholding from Sick Pay		5		
W-4V	Voluntary Withholding Request		5		
W-5	Earned Income Credit Advance Payment Cert.				
W7	Application for IRS Individual Taxpayer Identification Number		2		96
W7	Application for IRS Individual Taxpayer Identification Number- Magnetic Tape		2		94
W7	Application for IRS Individual Taxpayer Identification Number - Spanish		2		98
W7	Application for IRS Individual Taxpayer Identification Number - Magnetic Tape - Spanish		2		92
W7A	Application for Adoption Taxpayer Identification Number (ATIN)	I	6		96
W-8	Certificate of Foreign Status				
W-9	Request for Taxpayer Identification Number and certificate				
W-10	Dependent Care Provider's Identification & Cert.				
11C	Special Tax Return and Application for Registry-Wagering	B/N	4,*6	63,*96	03
56	Notice Concerning Fiduciary Relationship				
56F	Notice Concerning Fiduciary Relationship (Financial Institution)				
514-B	Tax Transfer Schedule		1,2,3,4,5,6,7,8		51
637	Application for Registration				
706	United States Estate Tax Return	B/N	5,*6	52,*53	06
706A	United States Additional Estate Tax Return	N	6	52,*53	*84
706B	Generation-Skipping Transfer Tax Return	B	6	52	85
706CE	Certificate of Payment of Foreign Death Tax				
706GS(D)	Generation-Skipping Transfer Tax Return for Distribution	B	5	78	59
706GS(T)	Generation-Skipping Transfer Tax Return for Terminations	B	5	77	29

Form No.	Title	File Source	Tax Class	MFT Code	Doc. Code
1024	Application for Recognition of Exemption				80
1025	No Application (Dummy Form Number) - IRC Sections 501(c)(01),(11),(14),(16),(18),(21),(22),(24), and 501(d) or 494(a)				
1026	Group Exemption - EDS Only - Any IRC Section				
1028	Application for Recognition of Exemption Under Section 501(a) or for Determination Under Section 120				
1040	U.S. Individual Income Tax Return	I/N	2,*6	30,*20	11,12, 21, 22
1040 (Telefile)	U.S. Individual Income Tax Return - Telefile	I	2	30	03
1040A (Telefile)	U.S. Individual Income Tax Return - Telefile	I	2	30	16
1040A	U.S. Individual Income Tax Return	I	2	30	09,10
1040C	U.S. Departing Alien Income Tax Return	I	2	30	61
1040ES	U.S. Declaration of Estimated Income Tax for Individuals	I	2	30	20
1040EZ	U.S. Individual Income Tax Return	I	2	30	07
1040EZ-TEL	US Individual Income Tax Return - Telefile	I	2	30	28
1040NR	U.S. Non-resident Alien Income Tax Return (PSC only)	I/N	2,*6	30,*20,*21	72,73
1040NR-EZ	US Non-resident Alien Income Tax Return (PSC only)	I	2	30	72
1040PC	U.S. Individual Income Tax Return (Personal Computer)	I	2	30	05,06
1040PR	U.S. Self-Employment Tax Return-Puerto Rico (PSC only)	I/N	2,*6	30,*22	27
1040SS	U.S. Self-Employment Tax Return-Virgin Islands, Guam, American Samoa (PSC only)	I	2	30	26
1040T	US Individual Income Tax Paper	I	2	30	05,06
1040 VITA/TCE OVRPRT	US Individual Income Tax return (VITA/TCE Overprint)			20	
1040X	Amended U.S. Individual Income Tax Return	I	2	30	11,54
1041	U.S. Fiduciary Income Tax Return (for Estates and Trusts)	B/N	2,*6	05,*21	44
1041	Magnetic Media U.S. Fiduciary Income Tax Return (for Estates and Trusts)	B	2	05	36
1041-A	U.S. Information Return—Trust Accumulation of Charitable Amounts	B/N	4,*6	36	81

Form No.	Title	File Source	Tax Class	MFT Code	Doc. Code
1041ES	Payment Voucher, Estimated Tax	B	2	05	17
1041ES	Payment Voucher, Estimated Tax, Lockbox Processing	B	2	05	19
1041-K1	Beneficiary's Share of Income, Credits, Deductions, Etc.		5		66
1041PF	(See Form 5227)				
1041QFT	Qualified Funeral Trust	I	2	05	39
1042	Annual Withholding Tax Return for US Source Income of Foreign Persons	B/N	1,*6	12	25
1042S	Foreign Persons US Source Income subject to Withholding	N	6	12	66
1045	Application for Tentative Refund				
1065	U.S. Partnership Return of Income	B/N	2,*6	06,*35	67
1065B	US. Return of Income for Electing Large Partnerships	B/N	2	06	68
1065PTP	Publicly Traded Partnerships	B	2	06	67
1065-K1	Partners Share of Income, Credits, Deductions, Etc.		5		65
1066	Real Estate Mortgage Investment Conduit Income Tax Return	B/N	3,*6	07	60
1066SC H Q	Quarterly Notice to Residual Interest Holder of Remic Taxable Income or Net Loss Allocation	B	3	07	60
1078	Certificate of Alien Claiming Residence in the United States				
1096	Annual Summary and Transmittal of US Information Returns		5	88	69
1098	Mortgage Interest Statement		5		81
1098E	Education Loan Interest Statement		5		82
1098T	Tuition Payment Statement		5		83
1099-A	Information Return for Acquisition or Abandonment of Secured Property		5		80
1099-B	Statement for Recipients of Proceeds From Real Estate Brokers and Barters Exchange Transactions.		5		79
1099-C	Cancellation of Debt		5		85
1099-DIV	Statement for Recipients of Dividends and Distributions		5		91
1099-G	Statement for Recipients of Certain Government Payments		5		86
1099-INT	Statement for Recipients of Interest Income		5		92
1099-LTC	Statement for Recipients - Long term care and accelerated health benefits		5		93
1099-MISC	Statement for Recipients of Miscellaneous Income		5		95

Form No.	Title	File Source	Tax Class	MFT Code	Doc. Code
1099-MSA	Statement of Receipts of Medical Savings Account		5		94
1099-OID	Statement for Recipients of Original Issue Discount		5		96
1099-PATR	Statement for Recipients of Taxable Distributions Received from Cooperatives		5		97
1099-R	Statement for Recipients of Retirement Plans		5		98
1099-S	Statement for Recipients of Proceeds from Real Estate Transactions		5		75
1116	Computation of Foreign Tax Credit—Individual, Fiduciary or Nonresident Alien Individual				
1118	Computation of Foreign Tax Credit—Corporations				
1120	U.S. Corporation Income Tax Return	B/N	3,*6	02,*32	10,11,*20
1120-A	U.S. Short Form Corporation Tax Return	B	3	02	09
1120SF	U.S. Income Tax Return for Designated Settlement Funds	B,	3	02	06
1120-F	U.S. Income Tax Return of Foreign Corporations	B/N	3,*6	02,*32	66,67
1120FSC	U.S. Income Tax Return of a Foreign Sales Corporation (PSC Only)	B/N	3,*6	02,*32	*69,07
1120-H	US Income Tax Return for Homeowner Associations	B	3	02	71
1120-IC-DISC	Interest Charge Domestic International Sales Corporation Return	N	6	*23	69,*20
1120S-K1	Shareholder's Share of Undistributed Taxable Income, Credits, Deductions, etc.	5	67		
1120L	U.S. Life Insurance Company Income Tax Return	B/N	3,*6	02,*32	11,*15
1120-ND	Return for Nuclear Decommissioning Trusts and Certain Related Persons	B/N	3,*6	02,*32	08,*20
1120PC	U.S. Property and Casualty Insurance Company Income Tax Return	B	3	02	13
1120-POL	U.S. Income Tax Return of Political Organization	B	3	02	20
1120 REIT	U.S. Income Tax Return for Real Estate Investment Trusts	B	3	02	12
1120RIC	U.S. Income Tax Return for Regulated Investment Companies	B	3	02	05
1120-S	U.S. Small Business Corporation Income Tax Return	B/N	3,*6	02,*31	16,*20
1120W	Estimated Tax for Corporation		3	02	10
1120W (FY)	Fiscal Year Corporation Estimated Tax		3	02	10

The background is a solid blue color with several faint, light blue stars scattered across it. The stars vary in size and are positioned at various angles, creating a subtle pattern.

Debt Collection Act of 1982

Employee Rights Under the Debt Collection Act of 1982

For Salary Offsets: The IRS, as your employer, is responsible for computing your pay and benefits based upon information provided by your immediate and servicing Personnel Office. Pursuant to 5 USC 5514, as amended by the Debt Collection Act of 1982, 5 CFR 550, Subpart K, and the Department of Treasury implementing regulations (31 CFR Part 5, Subpart B), we may initiate a salary offset upon determining that you are indebted to the United States or upon being notified by another agency of the same.

The Debt Collection Act of 1982 established special rules and procedures which govern the collection of these types of debts. The IRS, as the employer, and you, as the debtor, each have certain rights and responsibilities under this Act.

For the IRS, this means providing you with written notice 30 calendar days prior to instituting a salary offset. We are limited to offsetting no more than 15% of your "disposable pay" unless you authorize a greater amount. For debts owed to the Service, we must offer you repayment options in lieu of salary offset.

"Disposable pay" equals your gross pay minus all mandatory deductions. Mandatory deductions include Federal, state and local income taxes, Social Security taxes including Medicare, retirement contributions, health insurance premiums, "Basic Life" Federal Employee's Group Life Insurance premiums, and court ordered garnishments of wages and tax levies.

You are entitled to inspect and copy Government records relating to the indebtedness, or if you or your representative cannot personally inspect these records, you may request and receive a copy of these records. If the debt is owed to another Federal agency, you must make arrangements directly with that Agency to inspect or copy the appropriate documents.

You are entitled to file a petition for a hearing to question the existence and/or amount of the debt claimed or the repayment schedule (i.e., the percentage of disposable pay to be deducted each payperiod) if you notify the IRS in writing within 15 calendar days of your notification of indebtedness. This hearing would be conducted by an official arranged by the Service who is either an administrative law judge or an official not under the supervision or control of the Secretary, Treasury Department. If the debt is owed to another Federal agency, you must file your petition for a hearing directly with that Agency; the Service has no authority to intervene on your behalf.

If you timely file a petition for a hearing, we will suspend collection activity until a final decision is reached. This final decision will be made as soon as possible, and no later than 60 calendar days after filing your petition for a hearing, unless you request and the hearing official grants a delay in the proceedings. If the debt is owed to another Federal agency, we will suspend collection activity only upon said Agency's request.

After such a hearing, you would be entitled to a written decision on the following issues: (1) a determination of the existence and amount of the debt; and/or (2), the terms of your repayment schedule, including the percentage of your pay to be offset.

If you provide any knowingly false or frivolous evidence, statements, or representations at this hearing, you may be subject to disciplinary actions under Chapter 75, Title 5 USC; 5 CFR Part 752, and the IRS Rules of Conduct. You may also be liable for penalties under the False Claims Act, Title 31 USC or other statutes, and/or criminal penalties under Title 18 USC or other statutes.

I have been notified of an outstanding indebtedness to the Federal Government. The debt is for _____ in the amount of \$ _____ which was established as a debt on _____. I understand that I will receive additional information regarding the indebtedness and its repayment under separate cover.

I acknowledge that I have been notified of my due process rights pursuant to 5 USC 5514, as amended by the Debt Collection Act of 1982, 5 CFR 550, Subpart K, and the Department of Treasury implementing regulations (31 CFR Part 5, Subpart B). This acknowledgement of notification is not to be construed in any manner as a waiver of any or all of these rights.

Signature _____

FEDERAL
DEPOSITORY

Date of Signature _____

Indebtedness Account Number(s) (where applicable) _____

Employee Rights Under the Debt Collection Act of 1982

For Administrative Offsets: Pursuant to 31 U.S.C. 3716, as amended by the Debt Collection Act of 1982, 4 CFR Parts 101-105, and the Department of Treasury implementing regulations (31 CFR Part 5, Subpart D):

- ... We may initiate an administrative offset upon determining that you are indebted to the United States or upon being notified by another agency of the same and that you are owed monies by the United States as a result of transactions with a Federal agency. The debt may then be collected by administratively offsetting the debt against the amount due.
- ... Before the debt can be collected by administrative offset, we must provide you with written notice of the following:
 - a description of the nature and amount of the debt and our intention to collect the debt through administrative offset;
 - an opportunity to inspect and copy our records with respect to the debt (if this is requested, 10 business days will be granted for the review);
 - the option to enter into a written repayment agreement;
 - and, an opportunity for review within the Internal Revenue Service of our determination with respect to the debt. Such a request by a debtor to dispute the existence and/or amount of the debt or the terms of repayment must be submitted to the IRS official who provided the notification within 30 calendar days of receipt of this notice. Upon filing such a request, transactions in any of the debtor's account(s) may be temporarily suspended. Interest, penalties, and administrative costs will continue to accrue during this review period as authorized under the Federal Claims Collection Act of 1986, as amended.

1. I have been issued advance monies from the Imprest Fund. I understand that if supporting documentation (i.e. Travel Voucher, amended T&A Record, or cash receipts, in the case of a small purchase authorized with a Form 1334) is not timely submitted and processed to clear the outstanding balance of the advance, an offset may be initiated against any monies that are due me (e.g. net salary, final salary payment, terminal leave payments, my retirement funds deposited in the CSRS/FERS Fund).

I acknowledge that I have been notified of my due process rights pursuant to 31 U.S.C. 3716, as amended by the Debt Collection Act of 1982, 4 CFR Parts 101-105, and the Department of Treasury implementing regulations (31 CFR Part 5, Subpart D). This acknowledgement of notification is not to be construed in any manner as a waiver of any or all of these rights.

2. I have been notified that I have an outstanding indebtedness to the Federal Government. The debt is for _____ in the amount of \$ _____ which was established as a debt on _____. I understand that if I am leaving the Service, any final payments owed me may be offset to the extent possible to liquidate my indebtedness. If there is a balance remaining on the debt, I understand that I will receive additional information regarding the indebtedness and its repayment under separate cover.

I now acknowledge that I have been notified of my due process rights pursuant to 31 U.S.C. 3716, as amended by the Debt Collection Act of 1982, 4 CFR Parts 101-105, and the Department of Treasury implementing regulations (31 CFR Part 5, Subpart D). This acknowledgement of notification is not to be construed in any manner as a waiver of any or all of these rights.

Signature

Date of Signature

Indebtedness Account Number(s) (where applicable)

1. Table for Figuring Amount Exempt from Levy on Wages, Salary, and Other Income (Forms 668-W, 668-W(c), & 668-W(c)(DO)) 2000
(Amounts are for each pay period.)

Filing Status: Single								Filing Status: Married Filing Joint (and Qualifying Widow(er)s)							
Pay Period	Number of Exemptions Claimed on Statement							Pay Period	Number of Exemptions Claimed on Statement						
	1	2	3	4	5	6	More Than 6		1	2	3	4	5	6	More Than 6
Daily	27.69	38.46	49.23	60.00	70.77	81.54	16.92 plus 10.77 for each exemption	Daily	39.04	49.81	60.58	71.35	82.12	92.88	28.27 plus 10.77 for each exemption
Weekly	138.46	192.31	246.15	300.00	353.85	407.69	84.62 plus 53.85 for each exemption	Weekly	195.19	249.04	302.88	356.73	410.58	464.42	141.35 plus 53.85 for each exemption
Biweekly	276.92	384.62	492.31	600.00	707.69	815.38	169.23 plus 107.69 for each exemption	Biweekly	390.38	498.08	605.77	713.46	821.15	928.85	282.69 plus 107.69 for each exemption
Semi-monthly	300.00	416.67	533.33	650.00	766.67	883.33	183.33 plus 116.67 for each exemption	Semi-monthly	422.92	539.58	656.25	772.92	889.58	1006.25	306.25 plus 116.67 for each exemption
Monthly	600.00	833.33	1066.67	1300.00	1533.33	1766.67	366.67 plus 233.33 for each exemption	Monthly	845.83	1079.17	1312.50	1545.83	1779.17	2012.50	612.50 plus 233.33 for each exemption

Filing Status: Unmarried Head of Household								Filing Status: Married Filing Separate							
Pay Period	Number of Exemptions Claimed on Statement							Pay Period	Number of Exemptions Claimed on Statement						
	1	2	3	4	5	6	More Than 6		1	2	3	4	5	6	More Than 6
Daily	35.58	46.35	57.12	67.88	78.65	89.42	24.81 plus 10.77 for each exemption	Daily	24.90	35.67	46.44	57.21	67.98	78.75	14.13 plus 10.77 for each exemption
Weekly	177.88	231.73	285.58	339.42	393.27	447.12	124.04 plus 53.85 for each exemption	Weekly	124.52	178.37	232.21	286.06	339.90	393.75	70.67 plus 53.85 for each exemption
Biweekly	355.77	463.46	571.15	678.85	786.54	894.23	248.08 plus 107.69 for each exemption	Biweekly	249.04	356.73	464.42	572.12	679.81	787.50	141.35 plus 107.69 for each exemption
Semi-monthly	385.42	502.08	618.75	735.42	852.08	968.75	268.75 plus 116.67 for each exemption	Semi-monthly	289.79	386.46	503.13	619.79	736.46	853.13	153.13 plus 116.67 for each exemption
Monthly	770.83	1004.17	1237.50	1470.83	1704.17	1937.50	537.50 plus 233.33 for each exemption	Monthly	579.58	772.92	1006.25	1239.58	1472.92	1706.25	306.25 plus 233.33 for each exemption

2. Table for Figuring Additional Exempt Amount for Taxpayers at Least 65 Years Old and/or Blind

Filing Status	-	Daily	Wdy	Biweekly	Semi-mo	Monthly
Single or Head of Household	1	4.23	21.15	42.31	45.83	91.67
	2	8.46	42.31	84.62	91.67	183.33
Any Other Filing Status	1	3.27	16.35	32.69	35.42	70.83
	2	6.54	32.69	65.38	70.83	141.67
	3	8.81	49.04	98.08	106.25	212.50
	4	13.05	65.38	130.77	141.67	283.33

* ADDITIONAL STANDARD DEDUCTION claimed on Parts 3, 4, & 5 of levy.

Examples

These tables show the amount exempt from a levy on wages, salary, and other income. For example:

1. A single taxpayer who is paid weekly and claims three exemptions (including one for the taxpayer) has \$246.15 exempt from levy.
2. If the taxpayer in number 1 is over 65 and writes 1 in the ADDITIONAL STANDARD DEDUCTION space on Parts 3, 4, & 5 of the levy, \$267.30 is exempt from this levy (\$246.15 plus \$21.15).
3. A taxpayer who is married, files jointly, is paid bi-weekly, and claims two exemptions (including one for the taxpayer) has \$498.08 exempt from levy.
4. If the taxpayer in number 3 is over 65 and has a spouse who is blind, this taxpayer should write 2 in the ADDITIONAL STANDARD DEDUCTION space on Parts 3, 4, & 5 of the levy. Then, \$563.46 is exempt from this levy (\$498.08 plus \$65.38).

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IRS Regulations

(1) Regulations are written by the Legislative and Regulations Division or the Employee Plans, Exempt Organizations Division of the Office of Associate Chief Counsel (Technical), Internal Revenue Service, and are approved by the Department of the Treasury. There are three classes of regulations: proposed, temporary, and final.

a. **Proposed Regulations**—Proposed regulations provide guidance concerning Treasury's interpretation of a Code section, but do not have authoritative weight. The public is given an opportunity to comment on proposed regulations and public hearings may be held if sufficient written requests are received. Since proposed regulations have no authoritative weight, taxpayers and examiners are not bound by them. Proposed regulations become binding when adopted by a Treasury Decision and they become final regulations.

b. **Temporary Regulations**—Temporary regulations are often issued soon after a major change to provide guidance for the public and Internal Revenue Service employees with respect to procedural and computational matters. Unlike proposed regulations, temporary regulations are authoritative and have the same weight as final regulations. Public hearings are not held on temporary regulations.

c. **Final Regulations**—Final regulations are issued after public comments on proposed regulations are evaluated. They supersede both temporary and proposed regulations. A final regulation is effective the day it is published in the Federal Register as a Treasury Decision, unless otherwise stated.

4.2.7.2.3.4 (Approved 5-14-99)

Authority of the Regulations

(1) The Service is bound by the regulations. The courts are not.

(2) If both temporary and proposed regulations have been issued on the same Code section and the text of both are similar, examiners' positions should be based on the temporary regulations because it can be cited as an authority for proposing an adjustment.

(3) When no temporary or final regulations have been issued, examiners may use a proposed regulation to support a position. Indicate that the proposed regulation has no authoritative weight, but is the best interpretation of the Code section available.

4.2.7.2.3.5 (Approved 5-14-99)

Publication of the Regulations

(1) Regulations are printed in the following publications:

- a. Federal Register
- b. Code of Federal Regulations (CFR)
- c. Under the heading "Treasury Decisions" (T.D.) in the Internal Revenue Bulletins (I.R.B.) and the Cumulative Bulletin (C.B.)
- d. Tax services of commercial publishers, such as CCH Incorporated and Research Institute of America.

4.2.7.2.3.6 (Approved 5-14-99)

Citing the Regulations

(1) The citation for a regulation contains three basic organizational units:

- a. The part number,
- b. The Code section number, and
- c. The regulation section number.

(2) Treasury Regulation § 1.61-9(c) is illustrated below:

a. The first division is the CFR part number and indicates the subject of the regulation. The part number appears before the decimal point in a citation. In the citation *Treas. Reg. § 1.61-9(c)*, the number 1 refers to Part 1 of the CFR, which is income tax. If the regulation were on employment taxes, the number 31 would precede the decimal point.

b. The numbers immediately after the decimal point refer to the Code section to which the regulations apply. In the citation *Treas. Reg. § 1.61-9(c)*, the number 61 refers to IRC § 61. The regulations are sequenced by Code section numbers. For example, *Treas. Reg. § 31.6051* comes before § 31.6052 but after § 301.6047.

c. The section number of the regulation is separated from the Code section by a hyphen. Again, using the citation *Treas. Reg. § 1.61-9(c)*, the number 9 is the regulation section number and (c) is the subsection.

(3) References to regulations sections do not correspond to Code sections.

4.2.7.2.3.7 (Approved 5-14-99)

Outdated Regulations

Title 26 USC parts 61 - 80 Enforcement Regulations

Title 26 USC	Description	Location of Enforcement Regulations
§6020	Returns prepared for or executed by Secretary	27 CFR parts 53, 70
§6201	Assessment authority	27 CFR Part 70
§6203	Method of assessment	27 CFR Part 70
§6212	Notice of deficiency	No Regulations
§6213	Restrictions applicable to: deficiencies, petition to Tax Court	No Regulations
§6214	Determinations by Tax Court	No Regulations
§6215	Assessment of deficiency found by Tax Court	No Regulations
§6301	Collection authority	27 CFR Parts 24, 25, 53, 70, 250, 270, 275
§6303	Notice and demand for tax	27 CFR Parts 53, 70
§6321	Lien for taxes	27 CFR Part 70
§6331	Levy and Distraint	27 CFR Part 70
§6332	Surrender of property subject to levy	27 CFR Part 70
§6420	Gasoline used on farms	No Regulations
§6601	Interest on underpayment, nonpayment, or extensions for payment, of tax	27 CFR Parts 70, 170, 194, 296
§6651	Failure to file tax return or to pay tax	27 CFR Parts 24, 25, 70, 194
§6671	Rules for application of assessable penalties	27 CFR Part 70
§6672	Failure to collect and pay over tax, or attempt to evade or defeat tax	27 CFR Part 70
§6701	Penalties for adding and abetting understatement of tax liability	27 CFR Part 70
§6861	Jeopardy assessments of income, estate, and gift taxes	No Regulations
§6902	Provisions of special application to transferees	No Regulations
§7201	Attempt to evade or defeat tax	No Regulations
§7203	Willful failure to file return, supply information, or pay tax	No Regulations
§7206	Fraud and false statements	No Regulations
§7207	Fraudulent returns, statements and other documents	27 CFR Part 70
§7210	Failure to obey summons	No Regulations
§7212	Attempts to interfere with administration of Internal Revenue laws	27 CFR Parts 170, 270, 275, 290, 295, 296
§7342	Penalty for refusal to permit entry, or examination	27 CFR Parts 24, 25, 170, 270, 275, 290, 295, 296
§7343	Definition of term "person"	No Regulations
§7344	Extended application of penalties relating to officers of the Treasury Department	No Regulations
§7401	Authorization (judicial proceedings)	27 CFR Part 70
§7402	Jurisdiction of district courts	No Regulations
§7403	Action to enforce lien or to subject property to payment of tax	27 CFR Part 70
§7454	Burden of proof in fraud, foundation manager, and transferee cases	No Regulations
§7601	Canvass of districts for taxable persons and objects	27 CFR Part 70
§7602	Examination of books and witnesses	27 CFR Parts 70, 170, 296
§7603	Service of summons	27 CFR Part 70
§7604	Enforcement of summons	27 CFR Part 70
§7605	Time and place of examination	27 CFR Part 70
§7608	Authority of Internal Revenue enforcement officers	27 CFR Parts 70, 170, 296

Title 18 USC Criminal Investigations Enforcement Regulations

Title 18 USC	Description	Location of Enforcement Regulations
§2	Principals	No Regulations
§3	Accessory after the Fact	No Regulations
§4	Misprison of Felony	No Regulations
§101	Assaulting, Resisting, Impeding Certain Officers and Employees	No Regulations
§201	Bribery of Public Officials and Witnesses	19 Part 161; 24 CFR Part 0; 29 Parts 100; 2202; 32 CFR Part 1293
§285	Taking or Using Papers Relating to Claims	No Regulations
§286	Conspiracy to Defraud the Government with Respect to Claims	No Regulations
§287	False, Fictitious or Fraudulent Claims	No Regulations
§371	Conspiracy to Commit Offense or to Defraud United States	No Regulations
§372	Conspiracy to Impede or Injure Officer	No Regulations
§494	Contractor's Bonds, Bids, and Public Records	No Regulations
§495	Contracts, Deeds, and Powers of Attorney	No Regulations
§641	Public Money, Property or Records	12 CFR Part 4; 43 CFR Part 8200; 49 CFR Part 801
§1001	Statements or Entries Generally	7 CFR Part 1443; 32 CFR Part 525
§1002	Possession of False Papers to Defraud United States	No Regulations
§1073	Flight to Avoid Prosecution or Giving Testimony	No Regulations
§1114	Protection of Officers and Employees of the United States	28 CFR Part 64
§1501	Assault on Process Server	No Regulations
§1503	Influencing or Injuring Officer, Juror or Witness Generally	No Regulations
§1510	Obstruction of Criminal Investigations	No Regulations
§1621	Perjury Generally	No Regulations
§1622	Subordination of Perjury	No Regulations
§1623	False Declarations Before Grand Jury or Court	No Regulations
§1955	Prohibition of Illegal Gambling Businesses	No Regulations
§1956	Laundering of Monetary Instruments	39 CFR Part 233
§1962	Prohibited Activities of Racketeer Influenced and Corrupt Organizations	No Regulations
§1963	Criminal Penalties for Racketeer Influenced and Corrupt Organizations	No Regulations
§2071	Concealment , Removal or Multilation Generally	49 CFR Part 801
§2231	Assault or Resistance	No Regulations
§2232	Destruction or Removal of Property to Prevent Seizure	No Regulations
§2233	Rescue of Seized Property	No Regulations
§3290	Fugitives From Justice	No Regulations

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1040 Not Applicable to Individual Income Tax

Internal Revenue Service, Treasury

26 CFR Chapter 1

Normal taxes and surtaxes

Determination of Tax Liability

Tax on Individuals

§1.1-1 Income Tax on Individuals

FORM SF-83 Supporting Statement

1. Burden Estimation (cont.) We are asking for continued approval for these regulations that are associated with Form 1040. Please continue to assign ONE NUMBER 1845-0074 to them:

1.23-8	1.1-1 is MISSING	1.307-2	1.1385-1
1.31-8		1.333-1	1.1402(a)-2, 8, 11, 15, 16
1.37-2 and 3		1.351-3	1.1402(b)-2
1.41-4		1.383-1	1.1402(c)-(2)-1
1.41-4A		1.442-1	1.1402(f)-1
1.43-8		1.446-1	1.6001-1 - OWN. APPROVAL
1.44A-3		1.451-5 thru 7	1.6060-1
1.52-4		1.454-1	1.6072-1
1.51-18		1.461-1	1.6107-1
1.63-1	OPTIONS ONLY	1.466-1	1.6109-1 and 2
1.64(e) 6		1.551-4	1.6011-1 - OWN. APPROVAL
1.71-1		1.612-4	1.6012-2 - " "
1.72		1.642(c)-5 and 6	1.6013-1. 6. 7

We are asking for continued approval for these regulations that are associated with Form 1040.

1.162-24	1.852-7 and 9	1.861	1.6151-1
1.163-10T	1.931-1	1.862-4	1.6693-1
1.166-10	1.935-1	1.863	1.6696-1
1.170	1.1012-1	ARE MISSING	1.9100-1
1.170A	1.1041-1T		50.0
1.172	1.1081-11		7.0
1.180-2	1.1101-4		16A.126-2
1.182-6	1.1211-1		18.1-7
1.190-3	1.1212-1		31.6011(a)-1 and 7
1.213-1	1.1231-2		301.6110-3 and 8
1.215-1	1.1232-3		301.6316-4 thru 6
1.254-1	1.1248-7		301.6361-1 and 3
1.265-1	1.1251-2		301.6501
1.274-5T and 6T	1.1254-1 and 3		301.6501(d)
1.280A-3	1.1304-1 thru 5		301.6905-1
.280F-3T	1.1311(a)-1		301.7216-2
.302-4	1.1383-1		

The following are citations to 26 U.S.C.:

61	317	852
72	318	857
79	331	1012
83	332	1034(1)
126	351	1037
162(h)	403	1081
170	454	1101
172(b), (c), (h)	518(c)(18)	1232A
180	551	6011
182	613(g)	6012
	642(c)	6061
301	735	6107
307	736	7216

will have a short taxable year beginning January 1, 1956, and ending September 30, 1956. If on or before August 31, 1956, the taxpayer anticipates that it will have income of \$264,000 for the 9-month taxable year the estimated tax is computed as follows:

(1) Anticipated taxable income for 9 months	\$264,000
(2) Annualized income ($\$264,000 \times 12 \div 9$)	352,000
(3) Tax liability on item (2)	177,540
(4) Item (3) reduced by \$100,000 (there are no credits under part IV, subchapter A, chapter 1 of the Code)	77,540
(5) Estimated tax for 9-month period ($\$77,540 \times 9 \div 12$)	58,155

Since the tax liability on the annualized income is in excess of \$100,000, a declaration is required to be filed, reporting an estimated tax of \$58,155 for the 9-month taxable period. This paragraph has no application where the short taxable year does not result from a change in the taxpayer's annual accounting period.

[T.D. 6500, 25 FR 12106, Nov. 26, 1960, as amended by T.D. 6768, 29 FR 14922, Nov. 4, 1964]

§ 1.6017-1 Self-employment tax returns.

(a) In general. (1) Every individual, other than a nonresident alien, having net earnings from self-employment, as defined in section 1402, of \$400 or more for the taxable year shall make a return of such earnings. For purposes of this section, an individual who is a resident of the Virgin Islands, Puerto Rico, or (for any taxable year beginning after 1960) Guam or American Samoa is not to be considered a nonresident alien individual. See paragraph (d) of § 1.1402(b)-1. A return is required under this section if an individual has self-employment income, as defined in section 1402(b), even though he may not be required to make a return under section 6012 for purposes of the tax imposed by section 1 or 3. Provisions applicable to returns under section 6012(a) shall be applicable to returns under this section.

(2) Except as otherwise provided in this subparagraph, the return required by this section shall be made on Form 1040. The form to be used by residents of the Virgin Islands, Guam, or American Samoa is Form 1040SS. In the case of a resident of Puerto Rico who is not required to make a return of income

under section 6012(a), the form to be used is Form 1040SS, except that Form 1040PR shall be used if it is furnished by the Internal Revenue Service to such resident for use in lieu of Form 1040SS.

(b) Joint returns. (1) In the case of a husband and wife filing a joint return under section 6013, the tax on self-employment income is computed on the separate self-employment income of each spouse, and not on the aggregate of the two amounts. The requirement of section 6013(d)(3) that in the case of a joint return the tax is computed on the aggregate income of the spouses is not applicable with respect to the tax on self-employment income. Where the husband and wife each has net earnings from self-employment of \$400 or more, it will be necessary for each to complete separate schedules of the computation of self-employment tax with respect to the net earnings of each spouse, despite the fact that a joint return is filed. If the net earnings from self-employment of either the husband or the wife are less than \$400, such net earnings are not subject to the tax on self-employment income, even though they must be shown on the joint return for purposes of the tax imposed by section 1 or 3.

(2) Except as otherwise expressly provided, section 6013 is applicable to the return of the tax on self-employment income; therefore, the liability with respect to such tax in the case of a joint return is joint and several.

(c) Social security account numbers. (1) Every individual making a return of net earnings from self-employment for any period commencing before January 1, 1962, is required to show thereon his social security account number, or, if he has no such account number, to make application therefor on Form SS-5 before filing such return. However, the failure to apply for or receive a social security account number will not excuse the individual from the requirement that he file such return on or before the due date thereof. Form SS-5 may be obtained from any district office of the Social Security Administration or from any district director. The application shall be filed with a district office of the Social Security



Is the Internal Revenue Code Law?

Your correspondence also request copies of several documents. Under 44 U.S.C. Chapter 1505, the Federal Register publishes Presidential Proclamations and Executive Orders, other documents that have "general applicability and legal effect", and documents required to be published by Congress. That does not mean or imply that any portion of the Code must be published in the Federal Register. The Code is the Federal Tax Law, not a "document" or "order".

We hope this information is helpful.

Sincerely,



JH Joseph H. Cloonan
Director

PREFACE

THE CODE OF THE LAWS OF THE UNITED STATES

This Code is the official restatement in convenient form of the general and permanent laws of the United States in force December 7, 1925, now scattered in 25 volumes—i.e., the Revised Statutes of 1878, and volumes 20 to 43, inclusive, of the Statutes at Large. No new law is enacted and no law repealed. It is prima facie the law. It is presumed to be the law. The presumption is rebuttable by production of prior unrepealed Acts of Congress at variance with the Code. Because of such possibility of error in the Code and of appeal to the Revised Statutes and Statutes at Large, a table of statutes repealed prior to December 7, 1925, is published herein together with the Articles of Confederation; the Declaration of Independence; Ordinance of 1787; the Constitution with amendments and index; tables of cross-references to the Revised Statutes, the Statutes at Large, the United States Compiled Statutes, Annotated, of the West Publishing Co., and the Federal Statutes, Annotated, of the Edward Thompson Co.; an appendix with the general and permanent laws of the first session of the Sixty-ninth Congress; and finally an exhaustive index of the laws in the Code and appendix.

The first official codification of the general and permanent laws of the United States was made in 1874 and followed by a perfected edition in 1878. From 1897 to 1907 a commission was engaged in an effort to codify the great mass of accumulating legislation. The work of the commission involved an expenditure of over \$300,000, but was never carried to completion. More recently the task of codification was undertaken by the late Hon. Edward C. Little as chairman of the Committee on the Revision of the Laws of the House of Representatives, who labored indefatigably from 1919 to the day of his death, June 24, 1924. The volumes which represented the result of his labors were embodied in bills which passed the House of Representatives in three successive Congresses unanimously but failed of action in the Senate.

The Code now set forth has resulted from the hearty cooperation of the Committee of the House of Representatives on the Revision of the Laws, and the Select Committee of the United States Senate consisting of Richard P. Ernst, chairman, George Wharton Pepper, and William Cabell Bruce. Under the auspices of the committees of the House and the Senate the actual work of assembling and

PREFACE

classifying the mass of material has been done by the West Publishing Co. and the Edward Thompson Co. These two houses have subordinated their private interests to the public good and have produced a result which would have been impossible without them. Acknowledgment of valuable assistance is given to W. H. McClenon, of the Legislative Reference Division of the Library of Congress, and to the law officers and other representatives of the several departments, bureaus, and commissions of the Government. Appreciation is also expressed of the interest in the work taken by the Committee on the Revision of the Federal Statutes of the American Bar Association.

Scrutiny of this Code is invited. Constructive criticism is solicited. It is the ambition of the Committee on the Revision of the Laws of the House of Representatives gradually to perfect the Code by correcting errors, eliminating obsolete matter, and restating the law with logical completeness and with precision, brevity, and uniformity of expression.

Address criticisms to Chairman of the Committee on the Revision of the Laws of the House of Representatives, Washington, D.C.

ROY G. FITZGERALD, *Chairman*

Washington, D.C.
June 30, 1926



**Are you a
Taxpayer?**

STATE OF HAWAII

HAWAII REVISED STATUTES

TITLE 14 TAXATION

Please note that these are pdf files. You will need the Adobe Acrobat Reader to view these documents.

CHAPTER NUMBER	CHAPTER TITLE
<u>231</u>	Administration of Taxes
<u>232</u>	Tax Appeals
<u>232E</u>	Tax Review Commission
<u>233</u>	Tax Classification of Certain Business Relationships
<u>234</u>	Tax Relief for Natural Disaster Losses - Repealed
<u>235</u>	Income Tax Law
<u>236</u>	Inheritance and Estate Taxes Law - Repealed
<u>236A</u>	Revised Uniform Estate Tax Apportionment Act
<u>236D</u>	Estate and Transfer Tax
<u>237</u>	General Excise Tax
<u>237D</u>	Transient Accommodations Tax
<u>238</u>	Use Tax
<u>239</u>	Public Service Company Tax
<u>240</u>	Public Utilities: Franchise Tax
<u>241</u>	Taxation of Banks and Other Financial Corporations
<u>242</u>	Mortgage Loan Exemption - Repealed
<u>243</u>	Fuel Tax
<u>244</u>	Liquor Tax - Repealed
<u>244D</u>	Liquor Tax
<u>245</u>	Cigarette Tax and Tobacco Tax
<u>246</u>	Real Property Tax
<u>246A</u>	Transfer of Real Property Taxation Functions
<u>247</u>	Conveyance Tax
<u>248</u>	County Budgets; Tax Funds
<u>249</u>	County Vehicular Taxes
<u>251</u>	Rental Motor vehicle and Tour Vehicle Surcharge Tax
<u>255</u>	Multistate Tax Compact



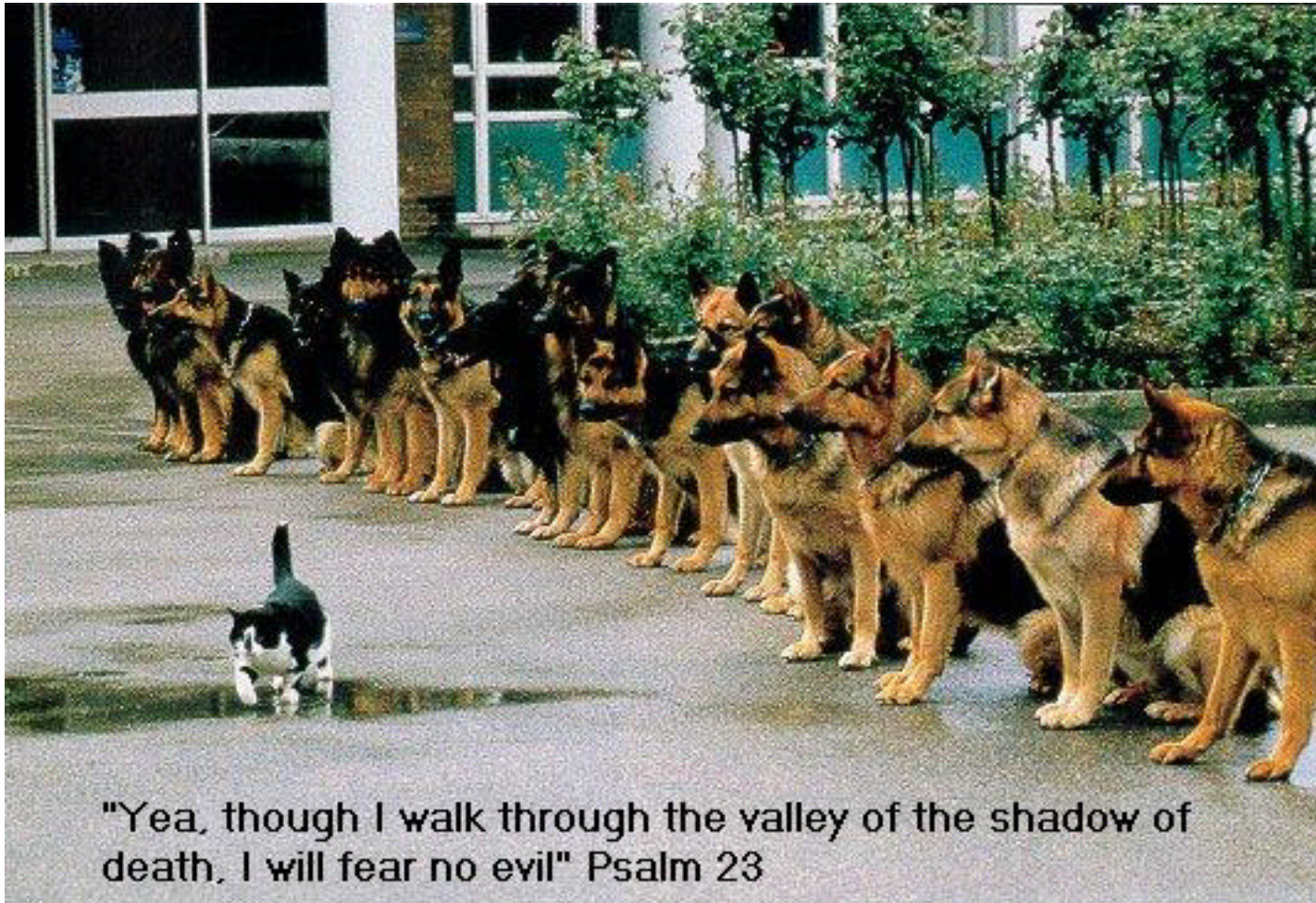
Quotes by Famous People

“Still, if you will not fight for the right when you can easily win without bloodshed; if you will not fight when your victory will be sure and not too costly; you may come to the moment when you will have to fight with all the odds against you and only a precarious chance of survival. There may even be a worse case. You may have to fight when there is no hope of victory, because it is better to perish than live as slaves.”

--- Winston Churchill

“Enlighten the people generally, and tyranny and oppressions of body and mind will vanish like evil spirits at the dawn of day.”

--- Thomas Jefferson



"Yea, though I walk through the valley of the shadow of death, I will fear no evil" Psalm 23

The background is a solid blue color with several white, five-pointed stars of varying sizes scattered across it. The stars are positioned around the central text, with some larger stars near the top and bottom, and smaller ones in between.

Administrative Procedures Act



DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

[REDACTED]
[REDACTED]
Greenwich, CT [REDACTED]

Person to Contact:
Carroll Field
Telephone Number:
(202) 622-5151
Refer Reply to:
OP:EX:GLD:F/1998-4477
Date: JUN 26 1998

Dear Mr. [REDACTED]

This is in response to your May 29, 1998, Freedom of Information Act request which was sent to the Headquarters Office. We apologize for the delay in responding to your request.

In response to item six of your request, please be advised that the Internal Revenue Service is subject to the Administrative Procedures Act.

Sincerely,

Carroll Field
Tax Law Specialist
Freedom of Information

In response to item six of your request, please be advised that the Internal revenue service **is** subject to the Administrative Procedures Act.

Administrative Procedures Act

5 USC § 556

(d) Except as otherwise provided by statute, the proponent of a rule or order has the burden of proof...

A sanction may not be imposed on a rule or order issued except on consideration of the whole record or those parts thereof cited by a party and supported by and in accordance with the reliable, probative, and substantial evidence...



Legislative Intent

Black's Law Dictionary 5th Edition

Legislative Intent. Such is looked to when court attempts to construe or interpret a statute which is ambiguous or inconsistent.

Florida State 1995 Income Tax Code Ch. 220

220.02 Legislative Intent

(1) It is the intent of the Legislature in enacting this code *to impose a tax upon all corporations, organizations, associations, and other artificial entities* which derive from this state or from any other jurisdiction permanent and inherent attributes not inherent to or available to natural person, such as perpetual life, transferable ownership represented by shares or certificates and limited liability for all owners. It is intended that limited liability companies be subject to the tax imposed by such corporations and other entities to taxation hereunder for the privilege of conducting business, deriving income, or existing within this state. This code is not intended to tax, and shall not be construed so as to tax any natural person who engages in a trade, business or profession in this state under his or her own or any fictitious name whether individually as a proprietorship or, in partnership with other: any estate of a decedent or incompetent: or any testamentary trust.

profession would, if not spent in like manner, become principal. If by professional effort any person should earn a given sum annually and he spends half of it, he saves the other half. The half so saved in turn becomes principal. That principal is property. The savings from the income by professional effort or by any form of skilled labor or unskilled by hand becomes property. At the end of any given period that saving is a principal, and any income derived from it is an income from property, not an income from the earning capacity or the personal ability of the taxpayer in question. So, in every instance it comes finally to the same result. I can see no criticism in the application of the principle embodied in this amendment because of that reason.

I believe in the classification that we have to make it is a just classification to distinguish between those who have incomes from fixed investments of property and those who have incomes from earning capacity. That is the point involved in the amendment offered by the Senator from South Dakota. That distinguishing difference consists in the source of the income. The one is a stable, fixed investment in the form of property, either in the form of credits or in the form of tangible property, either merchandise or realty, or any of the different forms that personality assumes. Those investments that produce an income from a property source I think are property to be distinguished from those arising from the earning capacity of the individual. A public officer, an employee, one who earns by professional ability, an architect, a musician, a lawyer, a doctor of divinity, a doctor of medicine, all are earning because of their personal ability.

I think the distinguishing line is as indicated in the amendment. When there is a perfect Government tax rate it will be very low or reduced to a point where none of us will complain. Every taxpayer is an involuntary victim of the necessities of government. That will continue until the time when government has become so perfected that a large portion of our expenses will be rendered unnecessary. That is a good way off. We will have to perfect human nature, and that is so far away that it is purely an academic question.

Here are the percentages on the estimates made by the report of the Senate Committee on Finance. If postal receipts be excluded, it is some \$710,000,000 at present on the estimate and on the actual collection of revenue. The greater part of the Government income is from internal revenue and is in the nature of a direct tax, because it operates directly to increase the cost of the commodity. The internal revenue on this estimate will be 41 per cent of the total income for the fiscal year ending the 30th day of June, 1914. Our customs duties will be 37 per cent, our income-tax revenue will be not quite 10 per cent. The corporation tax will be 5 per cent. Our income from the sales of public lands and from miscellaneous sources of all kinds constitute the other 7 per cent, making a total of 100 per cent, aggregating about \$710,000,000. The rest of the \$990,510,000 of the governmental income of the next fiscal year consists of \$280,000,000 estimated postal receipts.

So under this proposed plan of taxation there are now on the estimate barely 10 per cent to be raised by an income tax. That is a very small part. I think you might justly increase within certain limits of the classification the taxes to be levied, and you might decrease appropriately the income derived entirely from the earning capacity or, in other words, the personal efforts of the ability and industry of those who earn the income.

Mr. WILLIAMS. Now, Mr. President, let us go on with the bill.

The PRESIDING OFFICER. The reading will proceed.

The SECRETARY. The bill has been read down to the middle of line 13, on page 107, where the committee proposes the following amendment. On page 107, line 13, before the word "bequest," to insert the word "gift," so as to read:

B. That, subject only to such exemptions and deductions as are hereinafter allowed, the net income of a taxable person shall include gains, profits, and income derived from salaries, wages, or compensation for personal service of whatever kind and in whatever form paid, or from professions, vocations, businesses, trade, commerce, or sales or dealings in property, whether real or personal, growing out of the ownership or use of or interest in real or personal property, also from interest, rent, dividends, securities, or the transaction of any lawful business carried on for gain or profit, or gains or profits and income derived from any source whatever, including the income from but not the value of property acquired by gift, bequest, devise, or descent.

The amendment was agreed to.

The next amendment was, on page 107, line 13, after the word "contract," to insert "or upon surrender of the contract," so as to make the proviso read:

Provided, That the proceeds of life insurance policies paid upon the death of the person insured or payments made by or credited to the insured, on life insurance, endowment, or annuity contracts, upon the return thereof to the insured at the maturity of the term mentioned in the contract, or upon surrender of the contract, shall not be included as income.

Mr. CUMMINS. Mr. President, before we go further with the bill I want to make a suggestion to the Senator from Mississippi (Mr. WILLIAMS). I make it through the medium of an amendment, which I now propose.

I move that all that part of paragraph marked "B." under subdivision 2, on page 107, down to and including the word "descent," in line 13, be stricken out.

I want the Senator from Mississippi, the committee, and, indeed, all the Senators on the other side of the Chamber to understand that I offer this amendment in a friendly spirit. I am quite as much in favor of the income tax as any of them can possibly be.

It ought not to be forgotten, however—and I am now speaking to the lawyers on the other side; I want to make a lawyer's argument and not to raise at this moment any question of policy—that the authority of the Congress of the United States with regard to this subject is not unlimited. Our power is not like the power which Great Britain exercises over the subject. It is not like the power which the several States exercise over the subject. It is a power granted in article 16 of the Constitution, and I will read it:

Congress shall have power to lay and collect taxes on incomes, from whatever source derived, without apportionment among the several States, and without regard to any census or enumeration.

Our authority is to levy a tax upon incomes. I take it that every lawyer will agree with me in the conclusion that we can not levy under this amendment a tax upon anything but an income. I assume that every lawyer will agree with me that we can not legislatively interpret the meaning of the word "income." That is purely a judicial matter. We can not enlarge the meaning of the word "income." We need not levy our tax upon the entire income. We may levy it upon part of an income, but we can not levy it upon anything but an income; and what is an income must be determined by the courts of the country when the question is submitted to them.

I think there can be no controversy with regard to those propositions. I am very anxious that when this bill shall have passed it may be effective, that its operation may not be suspended or delayed through a resort to legal tribunals.

Mr. FLETCHER. Mr. President—

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Florida?

Mr. CUMMINS. I yield to the Senator.

Mr. FLETCHER. I should like to inquire whether the Senator means to state that Congress can not by statute define what shall be regarded as an income tax?

Mr. CUMMINS. I do not think so, Mr. President. The word "income" had a well-defined meaning before the amendment of the Constitution was adopted. It has been defined in all the courts of this country. When the people of the country granted to Congress the right to levy a tax on incomes, that right was granted with reference to the legal meaning and interpretation of the word "income" as it was then or as it might thereafter be defined or understood in legal procedure. If we could call anything income that we pleased, we could obliterate all the distinction between income and principal. Whenever this law comes to be tested in the courts of the country, it will be found that the courts will undertake to declare whether the thing upon which we levy the tax is income or whether it is something else, and therefore we ought to be in the highest degree careful in endeavoring to interpret the Constitution through a statutory enactment.

Now, let us see. Subdivision 1 says:

That there shall be levied, assessed, collected, and paid annually upon the entire net income—

And so forth.

That is a declaration which is fair, which is constitutional, which is complete. If we wanted to do it, we could levy a tax upon the gross income. The bill chooses to levy the tax upon the net income; and that is entirely within our power, because, as I said before, we can diminish the operation of the Constitution; that is to say, we need not levy the tax upon the entire income; but we can not enlarge the operation of the Constitution and levy a tax upon anything but income. Therefore, it seems to me that the bill ought to continue throughout its length in the language with which it begins, namely, that we levy a tax upon the entire net income of the citizens of the United States who fall within the provisions of the bill.

With these observations in view, I want to read that part of the bill which my amendment seeks to eliminate, on page 107. It is as follows:

B. That, subject only to such exemptions and deductions as are hereinafter allowed, the net income of a taxable person shall include gains, profits, and income derived from salaries, wages, or compensation for personal service of whatever kind and in whatever form paid, or from professions, vocations, businesses, trade, commerce, or sales or dealings in property, whether real or personal, growing out of the ownership or use of or interest in real or personal property, also from

Mr. SIMMONS. And, as the Senator from Mississippi very properly says, describe the property to be levied upon. The Senator from Iowa says, as I understand him, that it is not competent for the Congress to define what is income and what is not income. Then, the only conclusion from the Senator's argument is that we ought simply to levy a tax against incomes and stop. Suppose we should do that, who then can decide the question of what is income and what is not income, seeing that that question must be decided before the court can acquire the jurisdiction to determine the question of whether or not the thing taxed is income?

Are we to leave it to the officers of the taxing branch of the Government to determine what is income? Are we ourselves to hold that we have not the authority to define the word, but that the officer of the law has the authority to define and determine it? It seems to me that is what the Senator's argument would lead to. I may be mistaken about that; he may have some way in his mind by which we could reach a determination of what is income otherwise than through the definition of Congress or through the decision of the officer of the law, but I can not myself see how we would select the things upon which this tax is to operate except through a definition of the word "income" by Congress, or a definition of the meaning of that word by some subordinate officer of the law.

Mr. CUMMINS. Mr. President, the difficulty with the Senator from North Carolina is that he does not distinguish between a requirement in the law for a return to an administrative officer of the various matters included within this paragraph and a declaration that the income shall include these things.

Mr. SIMMONS. Yes; I do. The Senator is mistaken.

Mr. CUMMINS. Mr. President, there is a very great difference. I agree with the Senator from North Carolina that it is quite within the province of Congress to require the citizen to make a return, including his gains and profits and income from his sales and dealings of all kinds. That is entirely within our power; but it is not within our power to declare that these things shall be included in the income.

Mr. SIMMONS. The Senator is mistaken when he says I have not considered that. I have considered that as the third alternative. If Congress has not the power to decide, if the officers of the law charged with the enforcement of the law have not the power to determine, then the only other person who could have the power is the man who is to pay the tax. Would not the Senator's position, therefore, force him into the attitude of maintaining that the proper person, in the first instance, to determine what is income and what is not income is the man who pays the tax, and, next, the court?

Mr. CUMMINS. I do not think so, Mr. President, nor do I think my suggestion leads to that result. I have no doubt about the power of Congress in requiring those who are to make return to include their gains and profits and their dealings of all kinds, and from that return I have no doubt that it is within our power to give to the taxing officer the right to discover the amount of the net income, and, if his judgment be wrong, the taxpayer can question it, and finally the court must determine it. That is not what is sought to be done in this paragraph. We are attempting to define what "net income" is and of what it is composed, and what we may lawfully tax. But I want to read now what this means—

Mr. SIMMONS. Before the Senator leaves that point, does not the Senator think that it would be a great deal better for us, in the first instance, to indicate as best we can what the legislative judgment is as to what constitutes "income" and require the taxpayer to account for his income upon all of those particular things? If we make a mistake and include in our designation of what is "income" something which is not income, but is property, then, of course, the court would come in and settle that controversy. Does not the Senator think that is better than to leave it to the taxpayer to determine in the first instance what is "income," and then leave it to the officer to correct him if he should make an error, and bring it into court in that way?

Mr. CUMMINS. Mr. President, I do not think it is better. There is just this difference between the two courses: The course suggested by the Senator from North Carolina will end, if Congress makes a mistake, in the declaration that the law is unconstitutional and of no effect.

Mr. SIMMONS. Why, Mr. President—

Mr. CUMMINS. Just a moment. The other course will end in a correction of the report of the individual taxpayer, and the law will continue to be enforced according to the Constitution.

Mr. STERLING. Mr. President—

The VICE PRESIDENT. Does the Senator from Iowa yield to the Senator from North Dakota?

Mr. CUMMINS. I do.

Mr. STERLING. I should like to ask the Senator from Iowa if the courts, in construing the word "income," would not take into consideration the usual and ordinary signification of that word?

Mr. CUMMINS. I have no doubt of that, Mr. President.

Mr. STERLING. And the court would have recourse to a standard dictionary, would it not, in construing that word?

Mr. CUMMINS. Unquestionably; and not only so, but to the common acceptance of the word and to the judicial opinions, of which there have been very many, in which the word has been considered.

Mr. STERLING. If in the definition of the word "income" as given in a standard dictionary the words "gains and profits" are also given as synonymous with the term "income" would there be anything wrong in the use of those words in the section to which the Senator refers?

Mr. CUMMINS. I do not think there would be, although they would be wholly unnecessary. But, of course, the point I make has no reference to the use of the words "gains and profits."

Mr. CHILTON. Mr. President, will the Senator allow me?

The VICE PRESIDENT. Does the Senator from Iowa yield to the Senator from West Virginia?

Mr. CUMMINS. I do.

Mr. CHILTON. I agree with the Senator that the Congress can not add to nor take from the word "income"; but it seems to me the Senator has done injustice to the very language of the bill.

Mr. CUMMINS. I have not pointed out my objection to the clause I am seeking to strike out, for I have not been permitted to advance that far.

Mr. CHILTON. Well, so far as the Senator has gone. Let me offer this suggestion: On page 167, beginning in line 3, it is provided that the "income derived from salaries, wages," and so forth, shall be included. It has to be income before it can be taxed, no matter how it is derived. We could say that only income from salaries or income from property or income from interest should be taxed. We have simply mentioned certain things; but they must be income before they can be taxed. We use the very language of the Constitution.

Mr. CUMMINS. Of course, if that be true, Mr. President, then it is simply saying in another way that these words are entirely meaningless and useless; and I have never favored the introduction of words that can have no other effect than to confuse, even though they have no material bearing. The Senator from West Virginia (Mr. CHILTON), however, is not, as I view it, quite accurate when he says that "income" as used in this paragraph necessarily means such income as gains and profits, in view of what is subsequently found in the paragraph.

Now, allow me to read a little further:

Or from professions, vocations, businesses, trade, commerce, or sales or dealings in property, whether real or personal, growing out of the ownership or use of or interest in real or personal property.

I was led to offer this amendment largely on account of a colloquy I had with the Senator from Mississippi (Mr. WILLIAMS) the other day, who seems to have become indifferent and who does not regard the matter as worthy of his attention or presence. I recall, however, the Senate to the colloquy that I mentioned a moment ago. I asked this question:

The Senator from Mississippi must certainly understand what I am trying to say. If applied to a general business, in which purchases and sales take place and gains and profits are reckoned, I can very well understand that the Senator from Mississippi is right, under the language of this bill. But suppose 10 years ago I had bought a horse for \$900, and this year I had sold him for \$1,000, what would I do in the way of making a return?

Mr. WILLIAMS. I will tell the Senator precisely what he would do.

Mr. CUMMINS. I mean, what would other men do?

Mr. WILLIAMS. I know; but what I mean is precisely what the Senator would do, or precisely what he ought to do. He bought the horse 10 years ago and sold him this year for a thousand dollars. That thousand dollars is a part of the Senator's receipts for this year, and being a part of his receipts, that much will go in as part of his receipts, and from it would be deducted his disbursements and his exemptions and various other things.

Mr. CUMMINS. Would the price I paid for the horse originally be deducted?

Mr. WILLIAMS. No; because it was not a part of the transactions in that year; but if the Senator turned around and bought another horse that year, it would be deducted.

Mr. CUMMINS. Mr. President, the answer of the Senator from Mississippi has disclosed very clearly the weakness that I have been attempting to point out.

I am not sure, Mr. President, and I do not assert, that these modifying, qualifying, and explaining phrases will render the effort of Congress unavailing. I do not assert that they must necessarily be construed as unconstitutional. I do assert, however, that we are putting the law in a jeopardy which may easily be avoided. If the answer made by the Senator from

The background is a solid blue color with a subtle, repeating pattern of white stars of varying sizes, similar to the design of the United States flag. The stars are scattered across the page, with some appearing larger and more prominent than others.

Filing
Not-Liable
(112C Letter)

**SUBJECT: Applying for Refund of Withheld / Prepaid Taxes
 Form 1040 "NOT LIABLE"**

The Internal Revenue Code is quite clear that, for an individual to receive a refund of any tax withheld or prepaid, one must file a tax return. Thus, if you have prepaid taxes for the year 2000 or had taxes withheld from your wages or other payments and you've determined that you incurred no tax liability for 2000, you can claim a refund by filing an appropriate tax return.

If you have not yet filed a tax return then, according to IRS Form letter 112C, the proper way to claim such refunds is to sign and file a Form 1040 and write "NOT LIABLE" across the front of it.

Enclosed is a Form 1040 for the year 2000 and a copy of IRS Letter 112C. It might be wise to attach a copy of the 112C to any Form 1040 that you file to prevent any misunderstanding for your reason to have filed a "NOT LIABLE" Form 1040.

Only you can determine whether or not you incurred a tax liability once you've determined whether you derived gross income from taxable sources. If you have been able to make the determination that you in fact had no tax liability and are entitled to a refund of prepaid or withheld taxes, then this procedure appears to be appropriate for your circumstance.

If you do file the "NOT LIABLE" Form 1040, it would appear that you must complete Lines 1 through 6 and Lines 58 *and following* in order to calculate the amount a refund you claim. Also, you must fill in the information at the beginning of the Form as well as sign and date it.



Department of the Treasury
Internal Revenue Service

ATTACH TO IRS FORM 1040 "NOT LIABLE"

ANDOVER, MA 05501

In reply refer to: 0870620692
Mar. 01, 2000 **LTR 112C**
125-26-8956 199712 30 000 2
Input Op: 0870700241 00500

Taxpayer Identification Number:
Tax Period(s): Dec. 31, 1997

Form: 1040

Dear Taxpayer:

Our records show credits or payments totaling \$9,700.00 for the tax period ending Dec. 31, 1997.

Please let us know if you want your payment(s) applied to a different type of tax, tax period, or tax identification number, or if you want a refund.

To claim a REFUND OF PREPAID CREDITS, you must file your return within three years after its due date, including any approved extensions. (Prepaid credits are credits that are considered paid on the return due date. Examples are withheld tax, estimated tax payments, and federal tax deposits.)

To claim a refund (other than prepaid credits) when you AREN'T REQUIRED TO FILE A RETURN for the type of tax and tax period shown above, you must file your claim(s) within two years of the payment date(s). To make your claim, write "Not Liable" across the front of the enclosed Form 1040, sign and date the form, and return it.

To claim a refund (other than prepaid credits) when you ARE REQUIRED TO FILE A RETURN for the type of tax and tax period shown above, you must file your claim(s) within three years of the payment date(s).

If you have any questions, please call us toll free at 1-800-829-1040. If you prefer, you may write to us at the address shown at the top of the first page of this letter.

Whenever you write, please include this letter and, in the spaces below, give us your telephone number with the hours we can reach you. Also, you may want to keep a copy of this letter for your records.
Telephone Number () _____ Hours _____

For the year Jan. 1–Dec. 31, 2000, or other tax year beginning . 2000, ending . 20 OMB No. 1545-0074

Label

(See instructions on page 19.)

Use the IRS label. Otherwise, please print or type.

Presidential Election Campaign (See page 19.)

Form fields for name, address, and social security numbers.

Important! You must enter your SSN(s) above.

Note. Checking "Yes" will not change your tax or reduce your refund. Do you, or your spouse if filing a joint return, want \$3 to go to this fund? Yes No Yes No

Filing Status

Filing status options: 1 Single, 2 Married filing joint return, 3 Married filing separate return, 4 Head of household, 5 Qualifying widow.

Exemptions

Exemption section with checkboxes for self, spouse, and dependents, including a table for dependent information.

Income

Attach Forms W-2 and W-3G here. Also attach Form(s) 1099-R if tax was withheld.

If you did not get a W-2, see page 21.

Enclose, but do not attach, any payment. Also, please use Form 1040-V.

Main income section with lines 7 through 22, including a large 'NOT LIABLE' watermark.

Adjusted Gross Income

Adjusted gross income section with lines 23 through 33.

Tax and Credits

Standard Deduction for Most People

Single: \$4,400
Head of household: \$6,450
Married filing jointly or Qualifying widower: \$7,350
Married filing separately: \$3,675

34 Amount from line 33 (adjusted gross income)
35a Check if: You were 65 or older, Blind: Spouse was 65 or older, Blind.
36 Enter your itemized deductions from Schedule A, line 28, or standard deduction shown on the left.
37 Subtract line 36 from line 34.
38 If line 34 is more than \$2,000 by the total amount of tax-exempt interest earned on line 6d.
39 Taxable income. Subtract line 38 from line 37.
40 Tax (see page 32). Check if any tax is from a Form(s) 9814 b Form 4972
41 Alternative minimum tax. Attach Form 6251
42 Add lines 40 and 41.
43 Foreign tax credit. Attach Form 1116 if required
44 Credit for child and dependent care expenses. Attach Form 2441
45 Credit for the elderly or the disabled. Attach Schedule R
46 Education credits. Attach Form 8863
47 Child tax credit (see page 36)
48 Adoption credit. Attach Form 8839
49 Other. Check if from: a Form 3800 b Form 8396 c Form 8801 d Form (specify)
50 Add lines 43 through 49. These are your total credits
51 Subtract line 50 from line 42. If line 50 is more than line 42, enter -0-

NOT LIABLE

Other Taxes

52 Self-employment tax. Attach Schedule SE
53 Social security and Medicare tax on tip income not reported to employer. Attach Form 4137
54 Tax on IRAs, other retirement plans, and MSAs. Attach Form 5329 if required
55 Advance earned income credit payments from Form(s) W-2
56 Household employment taxes. Attach Schedule H
57 Add lines 51 through 56. This is your total tax

Payments

If you have a qualifying child, attach Schedule EIC.

58 Federal income tax withheld from Forms W-2 and 1099
59 2000 estimated tax payments and amount applied from 1999 return
60a Earned income credit (EIC)
60b Nonrefundable earned income credit amount and type
61 Excess social security and RRTA tax withheld (see page 50)
62 Additional child tax credit. Attach Form 8812
63 Amount paid with request for extension to file (see page 50)
64 Other payments. Check if from: a Form 2439 b Form 4136
65 Add lines 58, 59, 60a, and 61 through 64. These are your total payments

Refund

Have it directly deposited! See page 50 and fill in 57b, 57c, and 57d.

66 If line 65 is more than line 57, subtract line 57 from line 65. This is the amount you overpaid
67a Amount of line 66 you want refunded to you
67b Routing number
67c Type: Checking Savings
67d Account number
68 Amount of line 66 you want applied to your 2000 estimated tax

Amount You Owe

69 If line 57 is more than line 65, subtract line 66 from line 57. This is the amount you owe. For details on how to pay, see page 51
70 Estimated tax penalty. Also include on line 69

Sign Here

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature Date Your occupation Daytime phone number
Spouse's signature, if joint return, both must sign. Date Spouse's occupation May the IRS discuss this return with the preparer shown below (see page 32)? Yes No

Paid Preparer's Use Only

Preparer's signature Date Check if self-employed Preparer's SSN or PTIN
Firm's name (or yours if self-employed), address, and ZIP code EIN Phone no.



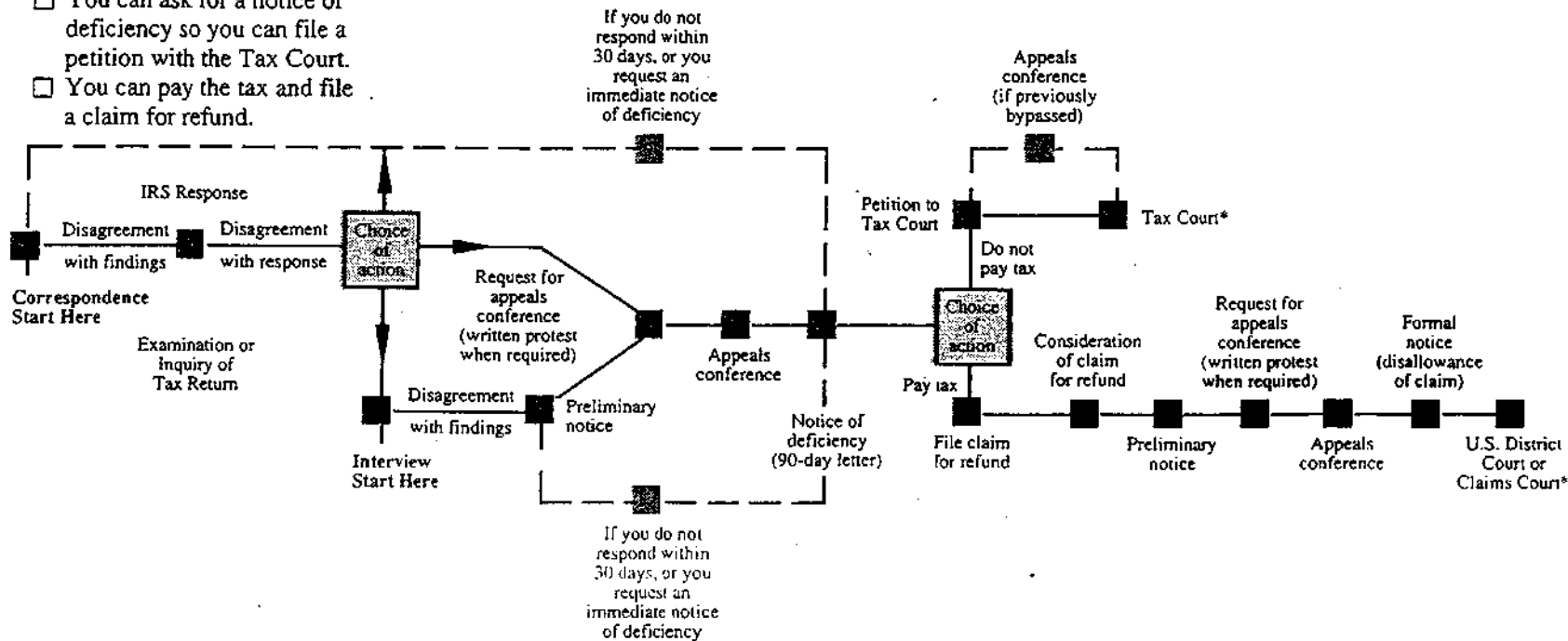
**When can I ask for
a hearing?**


Income Tax Appeal Procedure

At any stage

- You can agree and arrange to pay.
- You can ask for a notice of deficiency so you can file a petition with the Tax Court.
- You can pay the tax and file a claim for refund.

*Further appeals to the courts may be possible, except there is no appeal under the Tax Court's small tax case procedure.





Should I get a State Marriage License?

5 Reasons Why Christians Should *Not* Obtain a State Marriage License

by Pastor Matt Trehella

Every year thousands of Christians amble down to their local county courthouse and obtain a marriage license from the State in order to marry their future spouse. They do this unquestioningly. They do it because their pastor has told them to go get one, and besides, "everybody else gets one." This pamphlet attempts to answer the question - *why should we not get one?*

1. The definition of a "license" demands that we not obtain one to marry. Black's Law Dictionary defines "license" as, "The permission by competent authority to do an act which without such permission, would be illegal." We need to ask ourselves- why should it be illegal to marry without the State's permission? More importantly, why should we need the State's permission to participate in something which God instituted (Gen. 2:18-24)? We should not need the State's permission to marry nor should we grovel before state officials to seek it. What if you apply and the State says "no"? You must

understand that the authority to license implies the power to prohibit. A license by definition "confers a right" to do something. The State cannot grant the right to marry. It is a God-given right.

2. When you marry with a marriage license, you grant the State jurisdiction over your marriage.

When you marry with a marriage license, your marriage is a creature of the State. It is a corporation of the State! Therefore, they have jurisdiction over your marriage including the *fruit* of your marriage. What is the fruit of your marriage? Your children and every piece of property you own. There is plenty of case law in American jurisprudence which declares this to be true.

In 1993, parents were upset here in Wisconsin because a test was being administered to their children in the government schools which was very invasive of the family's privacy. When parents complained, they were shocked by the school bureaucrats who informed them that their children were required to take the test by law and that they would *have* to take the test because they (the government school) had jurisdiction over their children. When parents asked the bureaucrats what gave them jurisdiction, the bureaucrats answered, "your marriage license and their birth certificates." Judicially,

and in increasing fashion, practically, your state marriage license has far-reaching implications.

3. When you marry with a marriage license, you place yourself under a body of law which is immoral.

By obtaining a marriage license, you place yourself under the jurisdiction of Family Court which is governed by unbiblical and immoral laws. *Under these laws, you can divorce for any reason.* Often, the courts side with the spouse who is in rebellion to God, and castigates the spouse who remains faithful by ordering him or her not to speak about the Bible or other matters of faith when present with the children.

As a minister, I cannot in good conscience perform a marriage which would place people under this immoral body of laws. I also cannot marry someone with a marriage license because to do so I have to act as an agent of the State! I would have to sign the marriage license, and I would have to mail it into the State. Given the State's demand to usurp the place of God and family regarding marriage, and given its unbiblical, immoral laws to govern marriage, it would be an act of treason for me to do so.

4. The marriage license invades and removes God-given parental authority. When you read the Bible, you see that God intended for children to have

their father's blessing regarding whom they married. Daughters were to be *given* in marriage *by their fathers* (Dt. 22:16; Ex. 22:17; I Cor. 7:38). We have a vestige of this in our culture today in that the father takes his daughter to the front of the altar and the minister asks, "Who *gives* this woman to be married to this man?"

Historically, there was no requirement to obtain a marriage license in colonial America. When you read the laws of the colonies and then the states, you see only two requirements for marriage. First, you had to obtain your parents permission to marry, and second, you had to post public notice of the marriage 5-15 days before the ceremony.

Notice you had to obtain your *parents permission*. Back then you saw godly government displayed in that the State recognized the parents authority by demanding that the parents permission be obtained. Today, the all-encompassing ungodly State demands that *their* permission be obtained to marry.

By issuing marriage licenses, the State is saying, "You don't need your parents permission, you need *our* permission." If parents are opposed to their child's marrying a certain person and refuse to give their permission, the child can do an end run around the parents authority by obtaining the State's permission,

and marry anyway. This is an invasion and removal of God-given parental authority by the State.

5. When you marry with a marriage license, you are like a polygamist. From the State's point of view, when you marry with a marriage license, you are not just marrying your spouse, but you are also marrying the State.

The most blatant declaration of this fact that I have ever found is a brochure entitled "With This Ring I Thee Wed." It is found in county courthouses across Ohio where people go to obtain their marriage licenses. It is published by the Ohio State Bar Association. The opening paragraph under the subtitle "Marriage Vows" states, *"Actually, when you repeat your marriage vows you enter into a legal contract. There are three parties to that contract. 1. You; 2. Your husband or wife, as the case may be; and 3. the State of Ohio."*

See, the State and the lawyers know that when you marry with a marriage license, you are not just marrying your spouse, you are marrying the State! You are like a polygamist! You are not just making a vow to your spouse, but you are making a vow to the State *and* your spouse. You are also giving undue jurisdiction to the State.

When Does the State Have Jurisdiction Over a Marriage?

God intended the State to have jurisdiction over a marriage for two reasons - 1). in the case of divorce, and 2). when crimes are committed i.e., adultery, bigamy. etc. Unfortunately, the State now allows divorce for any reason, and it does not prosecute for adultery.

In either case, divorce or crime, a marriage license is *not* necessary for the courts to determine whether a marriage existed or not. What is needed are witnesses. This is why you have a best man and a maid of honor. They should sign the marriage certificate in your family Bible, and the wedding day guest book should be kept.

Marriage was instituted by God, therefore it is a God-given right. According to Scripture, it is to be governed by the family, and the State only has jurisdiction in the cases of divorce or crime.

History of Marriage Licenses in America

George Washington was married *without* a marriage license. Abraham Lincoln was married *without* a marriage license. So, how did we come to this place in

America where marriage licenses are issued?

Historically, all the states in America had laws outlawing the marriage of blacks and whites. In the mid-1800's, certain states began allowing interracial marriages or miscegenation as long as those marrying received a license from the state. In other words they had to receive *permission to do an act which without such permission would have been illegal*.

Blacks Law Dictionary points to this historical fact when it defines "marriage license" as, "*A license or permission granted by public authority to persons who intend to intermarry.*" "Intermarry" is defined in Black's Law Dictionary as, "*Miscegenation; mixed or interracial marriages.*"

Give the State an inch and they will take a 100 miles (or as one elderly woman once said to me "10,000 miles.") Not long after these licenses were issued, some states began requiring *all* people who marry to obtain a marriage license. In 1923, the Federal Government established the Uniform Marriage and Marriage License Act (they later established the Uniform Marriage and Divorce Act). By 1929, every state in the Union had adopted marriage license laws.

What Should We Do?

Christian couples should not be marrying with State marriage licenses, nor should ministers be marrying people with State marriage licenses. Some have said to me, "If someone is married without a marriage license, then they aren't really married." Given the fact that states may soon legalize same-sex marriages, we need to ask ourselves, "If a man and a man marry *with* a State marriage license, and a man and woman marry *without* a State marriage license - *who's really married?* Is it the two men *with* a marriage license, or the man and woman *without* a marriage license? In reality, this contention that people are not really married unless they obtain a marriage license simply reveals how Statist we are in our thinking. We need to think biblically.

You should not have to obtain a license from the State to marry someone anymore than you should have to obtain a license from the State to be a parent, which some in academic and legislative circles are currently pushing to be made law.

When I marry a couple, I always buy them a Family Bible which contains birth and death records, and a marriage certificate. We record the marriage in the Family Bible. What's recorded in a Family Bible will stand up as legal evidence in any court of law in America. Both George Washington and Abraham Lincoln were married without a marriage license. They

simply recorded their marriages in their Family Bibles. So should we.

(Pastor Trewhella has been marrying couples without marriage licenses for ten years. Many other pastors also refuse to marry couples with State marriage licenses.

This pamphlet is not comprehensive in scope. Rather, the purpose of this pamphlet is to make you think and give you a starting point to do further study of your own. **If you would like an audio sermon regarding this matter, just send a gift of at least five dollars in cash to: Mercy Seat Christian Church 10240 W. National Ave. PMB #129 Milwaukee, Wisconsin 53227.**

www.mercyseat.net)

[This pamphlet is available in print form. Click here to order.](#)



**Do We Have Two
“Department of the
Treasury?”**

TITLE 31

SUBTITLE 1

CHAPTER 3

-HEAD-

CHAPTER 3 – DEPARTMENT OF THE TREASURY

-MISC1-

SUBCHAPTER I – ORGANIZATION

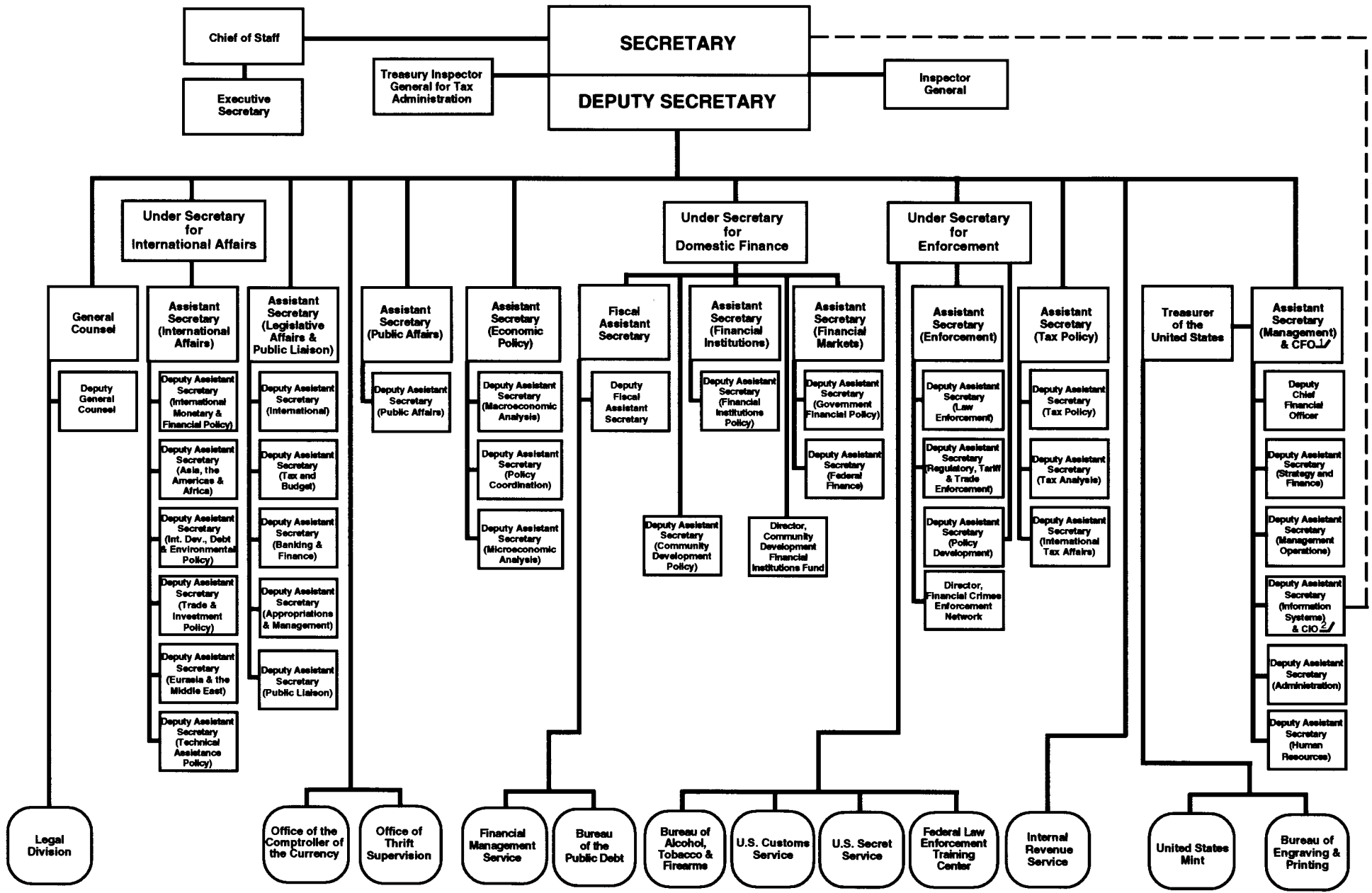
Sec.

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THE DEPARTMENT OF THE TREASURY



TREASURY BUREAUS



- ✓ Assistant Secretary (Management) and Chief Financial Officer is Treasury's Chief Operating Officer.
- ✓ Deputy Assistant Secretary (Information Systems) is the Chief Information Officer (CIO)

Approved: *Robert E. Rubin*
 Robert E. Rubin
 Secretary of the Treasury
 Date 01-07-99

§ 31.6011(b)-2 Employees' account numbers.

(a) Requirement of application. (1) *In general.* (i) Before November 1, 1962. Every employee who on any day after December 31, 1954, and before November 1, 1962, is in employment for wages subject to the taxes imposed by the Federal Insurance Contributions Act, but who prior to such day has neither secured an account number nor made application therefor, shall make an application on Form SS-5 for an account number.

(ii) On or after November 1, 1962. Every employee who on any day after October 31, 1962, is in employment for wages which are subject to the taxes imposed by the Federal Insurance Contributions Act or which are subject to the withholding of income tax from wages under section 3402, but who prior to such day has neither secured an account number nor made application therefor, shall make an application on Form SS-5 for an account number.

(iii) Method of application. The application shall be prepared in accordance with the form, instructions, and regulations applicable thereto, and shall set forth fully and clearly the data therein called for. The employee shall file the application with any district office of the Social Security Administration or, if the employee is not working within the United States, with the district office of the Social Security Administration at Baltimore, Maryland. Form SS-5 may be obtained from any district office of the Social Security Administration or from any district director. An account number will be assigned to the employee by the Social Security Administration in due course upon the basis of information reported on the application required under this section. A card showing the name and account number of the employee to whom an account number has been assigned will be furnished to the employee by the Social Security Administration.

(2) *Time for filing Form SS-5.* The application shall be filed on or before the seventh day after the occurrence of the first day of employment to which reference is made in subparagraph (1) of this paragraph, unless the employee leaves the employ of his employer before such seventh day, in which case the application shall be filed on or before the date on which the employee leaves the employ of his employer.

(3) *Changes and corrections.* Any employee may have his account number changed at any time by applying to a district office of the Social Security Administration and showing good reasons for a change. With that exception, only one account number will be assigned to an employee. Any employee whose name is changed by marriage or otherwise, or who has stated incorrect information on Form SS-5, should report such change or correction to a district office of the Social Security Administration. Copies of the form for making such reports may be obtained from any district office of the Administration.

(b) Duties of employee with respect to his account number. (1) *Information to be furnished to employer.* An employee shall, on the day on which he enters the employ of any employer for wages, comply with the provisions of subdivision (i), (ii), (iii), or (iv) of this subparagraph, except that, if the employee's services for the employer consist solely of agricultural labor, domestic service in a private home of the employer not on a farm operated for profit, or service not in the course of the employer's trade or business, the employee shall comply with such provisions on the first day on which wages are paid to him by such employer, within the meaning of § 31.3121(a)-2:

(i) Employee who has account number card. If the employee has been issued an account number card by the Social Security Administration and has the card available, the employee shall show it to the employer.

(ii) Employee who has number but card not available. If the employee does not have available the account number card issued to him by the Social Security Administration but knows what his account number is, and what his name is, exactly as shown on such such card, the employee shall advise the employer of such number and name. Care must be exercised that the employer is correctly advised of such number and name.

(iii) Employee who has receipt acknowledging application. If the employee does not have an account number card but has available a receipt issued to him by an office of the Social Security Administration acknowledging that an application for an account number has been received, the employee shall show such receipt to the employer.

(iv) Employee who is unable to furnish number or receipt. If an employee is unable to comply with the requirement of subdivision (i), (ii), or (iii) of this subparagraph, the employee shall furnish to the employer a statement in writing, signed by the employee, setting forth the date of the statement, the employee's full name, present address, date and place of birth, father's full name, mother's full name before marriage, and the employee's sex, including a statement as to whether the employee has previously filed an application on Form SS-5 and, if so, the date and place of such filing. The information required by this subdivision shall be furnished on Form SS-5, if a copy of Form SS-5 is available. The furnishing of such a Form SS-5 or other statement by the employee to the employer does not relieve the employee of his obligation to make an application on Form SS-5 and file it with a district office of the Social Security Administration as required by paragraph (a) of this section. The foregoing provisions of this subdivision are not applicable to an employee engaged exclusively in the performance of domestic service in a private home of his employer not on a farm operated for profit, or in the performance of agricultural labor, if the services are performed for an employer other than an employer required to file returns of the taxes imposed by the Federal Insurance Contributions Act with the office of the United States Internal Revenue Service in Puerto Rico. However, such employee shall advise the employer of his full name and present address. For provisions relating to the duties of an employer when furnished the information required by subdivision (i), (ii), (iii), or (iv) of this subparagraph, see paragraph (c) of this section.

(2) *Additional information to be furnished by employee to employer.* Every employee who, on the day on which he is required to comply with subdivision (i), (ii), (iii), or (iv) of subparagraph (1) of this paragraph, has an account number card but for any reason does not show such card to the employer on such day shall promptly thereafter show the card to the employer. An employee who does not have an account number card on such day shall, upon receipt of an account number card from the Social Security Administration, promptly show such card to the employer, if he is still in the employ of that employer. If the employee has left the employ of the employer when the employee receives an account number card from the Social Security Administration, he shall promptly advise the employer of his account number and name exactly as shown on such card. The account number originally assigned to an employee (or the number as changed in accordance with paragraph (a)(3) of this section)

shall be used by the employee as required by this paragraph even though he enters the employ of other employers.

(3) *Furnishing of account number by employee to employer.* See § 31.6109-1 for additional provisions relating to the furnishing of an account number by the employee to his employer.

(c) *Duties of employer with respect to employees account numbers.* (1) *Employee who shows account number.* Upon being shown the account number card issued to an employee by the Social Security Administration, the employer shall enter the account number and name, exactly as shown on the card, in the employer's records, returns, statements for employees, and claims to the extent required by the applicable forms, regulations, and instructions.

(2) *Employee who does not show account number card.* With respect to an employee who, on the day on which he is required to comply with subdivision (i), (ii), (iii), or (iv) of paragraph (b)(1) of this section, does not show the employer an account number card issued to the employee by the Social Security Administration, the employer shall request such employee to show him such card. If the card is not shown, the employer shall comply with the applicable provisions of subdivision (i), (ii), (iii), (iv), or (v) of this subparagraph:

(i) *Employee who has not applied for account number.* If the employee has not been assigned an account number and has not made application therefor with a district office of the Social Security Administration, the employer shall inform the employee of his duties under this section.

(ii) *Employee who has account number.* If the employee advises the employer of his number and name as shown on his account number card, as provided in paragraph (b)(1)(ii) of this section, the employer shall enter such number and name in his records.

(iii) *Employee who has receipt for application.* If the employee shows the employer, as provided in paragraph (b)(1)(iii) of this section, a receipt issued to him by an office of the Social Security Administration acknowledging that an application for an account number has been received from the employee, the employer shall enter in his records with respect to such employee the name and address of the employee exactly as shown on the receipt, the expiration date of the receipt, and the address of the issuing office. The receipt shall be retained by the employee.

(iv) *Employee who furnishes Form SS-5 or statement.* If the employee furnishes information to the employer as provided in paragraph (b)(1)(iv) of this section, the employer shall retain such information for use as provided in subparagraph (3)(ii) of this paragraph.

(v) *Household or agricultural employees.* If the employee advises the employer of his full name and present address in accordance with those provisions of paragraph (b)(1)(iv) of this section which are applicable in the case of employees engaged exclusively in the performance of domestic service in a private home of the employer not on a farm operated for profit, or agricultural labor, the employer shall enter such name and address in his record.


(3) *Account number unknown when return is filed.* In any case in which the employee's account number is for any reason unknown to the employer at the time the employer's return is filed for any return period with respect to which the employer is required to report the wages paid to such employee—

(i) If employee has shown receipt for application. If the employee has shown to the employer, as provided in paragraph (b)(1)(iii) of this section, a receipt issued to him by an

office of the Social Security Administration acknowledging that an application for an account number has been received from the employee, the employer shall enter on the return, with the entry with respect to the employee, the name and address of the employee exactly as shown on the receipt, the expiration date of the receipt, and the address of the issuing office.

(ii) If employee furnished Form SS-5 or statement. If the employee has furnished information to the employer as provided in paragraph (b)(1)(iv) of this section, the employer shall prepare a copy of the Form SS-5 or statement furnished by the employee and attach the copy to the return.

(iii) If employee did not furnish receipt, Form SS-5, or statement. If neither subdivision (i) nor (ii) of this subparagraph is applicable, the employer shall, except as provided in subparagraph (4) of this paragraph, attach to the return a Form SS-5 or statement, signed by the employer, setting forth as fully and clearly as practicable the employee's full name, his present or last known address, date and place of birth, father's full name, mother's full name before marriage, the employee's sex, and a statement as to whether an application for an account number has previously been filed by the employee and, if so, the date and place of such filing. The employer shall also insert in such Form SS-5 or statement an explanation of why he has not secured from the employee the information referred to in paragraph (b)(1)(iv) of this section, and shall insert the word "Employer" as part of his signature.

(4) *Household or agricultural employees.* The provisions of subparagraph (3)(iii) of this paragraph are not applicable with respect to an employee engaged exclusively in the performance of domestic service in a private home of his employer not on a farm operated for profit, or in the performance of agricultural labor, if the services are performed for an employer other than an employer required to file returns of the taxes imposed by the Federal Insurance Contributions Act with the office of the ~~United States Internal Revenue Service in Puerto Rico~~  If any such employee has not furnished to the employer the information required by paragraph (b)(1)(i), (ii), or (iii) of this section prior to the time the employer's return is filed for any return period with respect to which the employer is required to report wages paid to such employee, the employer shall enter the word "Unknown" in the account number column of the return and (i) file with the return a statement showing the employee's full name and present or last known address, or (ii) enter such address on the return form immediately below the name of the employee.

(5) *Where to obtain Form SS-5.* Employers may obtain copies of Form SS-5 from any district office of the Social Security Administration or from any district director.

(6) *Prospective employees.* While not mandatory, it is suggested that the employer advise any prospective employee who does not have an account number of the requirements of paragraphs (a) and (b) of this section.

T.D. 6472, 6/22/60, amend T.D. 6606, 8/24/62.

§ 1.6012-1 Individuals required to make returns of income.

Caution: The Treasury has not yet amended Reg § 1.6012-1 to reflect changes made by P.L. 100-647.

(a) *Individual citizen or resident.* (1) *In general.* Except as provided in subparagraph (2) of this paragraph, an income tax return must be filed by every individual for each taxable

(f) Failure to file. If a person fails to file an information return on magnetic media when required to do so by this section, the person is deemed to have failed to file the return. In addition, if a person making returns on a paper form under paragraph (c) of this section fails to file a return on machine-readable paper form when required to do so by this section, the person is deemed to have failed to file the return. See sections 6652, 6693, and 6721 for penalties for failure to file certain returns. See also section 6724 and the regulations under section 6721 for the specific rules and limitations regarding the penalty imposed under section 6721 for failure to file on magnetic media.

(g) Effective date. (1) [Reserved] For further guidance, see § 301.6011-2(g)(1).

(2) Paragraphs (a)(1), (b)(1) and (2), (c)(1)(i), (iii), and (iv), (c)(2), and (f) of this section are effective for information returns required to be filed after December 31, 1996. For information returns required to be filed after December 31, 1989, and before January 1, 1997, see section 6011(e) of the Internal Revenue Code and § 301.6011-2.

T.D. 8683, 10/9/96.

§ 1.6011-3 Requirement of statement from payees of certain gambling winnings.

(a) General rule. Except as provided in paragraph (c) of this section, any person receiving a payment with respect to a wager in a sweepstakes, wagering pool, lottery, or other wagering transaction (including a parimutuel pool with respect to horse races, dog races, or jai alai) shall make a statement to the payer of such winnings upon the payer's demand. Such statements shall accompany the payer's return made with respect to the payment as required pursuant to section 3402(q) or 6041, as the case may be.

(b) Contents of statement. The statement referred to in paragraph (a) shall contain information (in addition to that required under section 6041(c)) as to the amount, if any, of winnings from identical wagers to which the recipient is entitled. If any person other than the recipient is entitled to all or a portion of the payment, the statement shall also include information as to the amount, if any, of winnings from identical wagers to which each such person is entitled. The statement shall be provided on Form W-2G or, if persons other than the recipient are entitled to all or a portion of such payment, on Form 5754.

(c) Exception. The requirement of paragraph (a) of this section does not apply with respect to any payment of winnings—

(1) From a slot machine play, or a bingo or keno game,

(2) Which is subject to withholding under section 3402(q) without regard to the existence of winnings from identical wagers, or

(3) For which no return of information under section 6041 is required of the payer.

(d) Meaning of terms. For purposes of this section, the terms "sweepstakes", "wagering pool", "lottery", "other wagering transaction" and "identical wagers" shall have the same meanings as ascribed to them under § 31.3402(q)-1.

T.D. 7919, 10/11/83.

§ 31.6011(a)-1 Returns under Federal Insurance Contributions Act.

(a) Requirement. (1) In general. Except as otherwise provided in § 31.6011(a)-5, every employer required to make a

return under the Federal Insurance Contributions Act, as in effect prior to 1955, for the calendar quarter ended December 31, 1954, in respect of wages other than wages for agricultural labor, shall make a return for each subsequent calendar quarter (whether or not wages are paid in such quarter) until he has filed a final return in accordance with § 31.6011(a)-6. Except as otherwise provided in § 31.6011(a)-5, every employer not required to make a return for the calendar quarter ended December 31, 1954, shall make a return for the first calendar quarter thereafter in which he pays wages, other than wages for agricultural labor, subject to the tax imposed by the Federal Insurance Contributions Act as in effect after 1954, and shall make a return for each subsequent calendar quarter (whether or not wages are paid therein) until he has filed a final return in accordance with § 31.6011(a)-6. Except as otherwise provided in § 31.6011(a)-8 and in subparagraphs (3) and (4) of this paragraph, Form 941 is the form prescribed for making the return required by this subparagraph. Such return shall not include wages for agricultural labor required to be reported on any return prescribed by subparagraph (2) of this paragraph. The return shall include wages received by an employee in the form of tips only to the extent of the tips reported by the employee to the employer in a written statement furnished to the employer pursuant to section 6053(a).

(2) Employers of agricultural workers. (i) Quarterly returns for 1955. Every employer who, at any time before October 1 of the calendar year 1955, incurs liability of \$100 or more for the taxes imposed by the Federal Insurance Contributions Act with respect to wages paid in such year for agricultural labor shall make a return—

(a) For the first calendar quarter of such year if the liability for such taxes incurred in such quarter is \$100 or more,

(b) For the period consisting of the first and second calendar quarters of such year if the liability for such taxes incurred in those quarters totals \$100 or more, except that such return shall be made only for the second calendar quarter if a return was required under (a) of this subdivision and if the liability for such taxes incurred in the second calendar quarter is \$100 or more, and

(c) For the period consisting of the first, second, and third calendar quarters of such year if the liability for such taxes incurred in those quarters totals \$100 or more, except that such return shall be made (1) only for the period consisting of the second and third calendar quarters if a return was required under (a) of this subdivision but not under (b) of this subdivision, and if the total liability for such taxes incurred in the second and third calendar quarters totals \$100 or more; or (2) only for the third calendar quarter if a return was required under (b) of this subdivision, and if the liability for such taxes incurred in the third calendar quarter is \$100 or more.

Form 943A is the form prescribed for making the return required by this subdivision, except that, if the return is required to be filed with the office of the ~~United States Internal Revenue Service in Puerto Rico~~, the return shall be made on Form 943A-PR if the Internal Revenue Service furnishes Form 943A-PR to the employer for use in lieu of Form 943A (see § 31.6090-1).

(ii) Annual returns for 1955 and subsequent years. Every employer who pays wages after 1954 for agricultural labor with respect to which taxes are imposed by the Federal Insurance Contributions Act shall make a return for the first calendar year in which he pays such wages and for each calendar year thereafter (whether or not wages are paid therein)

until he has filed a final return in accordance with § 31.6011(a)-6. Form 943 is the form prescribed for making the annual return required by this subdivision, except that, if the return is required to be filed with the office of the ~~United States Internal Revenue Service in Puerto Rico~~, the return shall be made on Form 943PR if the Internal Revenue Service furnishes Form 943PR to the employer for use in lieu of Form 943 (see § 31.6091-1).

(3) *Employers of domestic workers.* Form 942 is the form prescribed for use by every employer in making a return as required under subparagraph (1) of this paragraph in respect of wages, as defined in the Federal Insurance Contributions Act, paid by him in any calendar quarter for domestic service in a private home of the employer not on a farm operated for profit. If, however, the employer is required under subparagraph (1) of this paragraph to make a return on Form 941 for such calendar quarter, such employer, at his election, may—

(i) Report all wages on Form 941, or

(ii) Report on Form 942 the wages for domestic service in a private home of the employer not on a farm operated for profit and omit such wages from the return on Form 941.

An employer entitled to make the election referred to in the preceding sentence who has chosen one method shall not change to the other method without first notifying the internal revenue office with which he is required to file his returns that he will thereafter use such other method. See, however, § 31.6011(a)-6, relating to final returns on Form 942 pursuant to this section shall submit as part of such return for a period ending December 31, or for any period for which such return is made as a final return, the Internal Revenue Service copy of a Form W-2 for each employee with respect to whose wages tax is reported thereon. The provisions of this subparagraph shall not apply to any employer filing a return on Forms 941PR or 942PR (see § 31.6091-1).

(4) *Employers in Puerto Rico or the Virgin Islands.* Form 941PR is the form prescribed for use in making the return required under subparagraph (1) of this paragraph in the case of every employer who is required to file such return with the office of the ~~United States Internal Revenue Service in Puerto Rico~~, except that the return shall be made on Form 941VI if the Internal Revenue Service furnishes Form 941VI to the employer for use in lieu of Form 941PR. However, Form 941 is the form prescribed for making such return in the case of every such employer who is required pursuant to § 31.6011(a)-4 to make a return of income tax withheld from wages.

(b) *When to report wages.* Wages with respect to which taxes are imposed by the Federal Insurance Contributions Act shall be reported in the return of such taxes required under this section or § 31.6011(a)-5 for the return period in which they are actually paid unless they were constructively paid in a prior return period, in which case such wages shall be reported only in the return for such prior period. However, if such wages are deemed to be paid in a later return period, they shall be reported only in the return for such later period. See § 31.3121(a)-2 relating to the time when wages are paid or deemed to be paid.

(c) *Correction of returns or schedules.* If in a return required under this section or § 31.6011(a)-5, or in any other manner, the employer fails to report, or incorrectly reports, the name, account number, or wages of an employee, the employer shall furnish to the internal revenue office with which he is required to file his returns a written statement fully explaining the omission or error; except that such state-

ment is not required by this paragraph if correction of the omission or error is made in connection with a supplemental return, adjustment, credit, refund, or abatement. The employer shall include in such statement his identification number (except that an identification number need not be included if the omission or error is with respect to information required to be reported on a return on Form 942), each return period for which the data were omitted or for which the incorrect data were furnished, the data incorrectly reported for each period, and the data which should have been reported. A copy of such statement shall be retained by the employer as a part of his records under § 31.6001-2. No particular form is prescribed for making such statement, but if printed forms are desired, any internal revenue office will supply copies of Form 941c or Form 941c PR, whichever is appropriate, upon request.

(d) *Returns by employees in respect of tips.* If—

(1) An employee, during a calendar year, is paid wages in the form of tips which are subject to the tax under section 3101, and

(2) Any portion of the tax under section 3101 in respect of such wages cannot be collected by the employer from wages (exclusive of tips) of such employee or from funds turned over by the employee to the employer,

the employee shall make a return for the calendar year in respect of the employee tax not collected by the employer. Except as otherwise provided in this subparagraph, the return shall be made on Form 1040. The form to be used by residents of the Virgin Islands, Guam, or American Samoa is Form 1040SS. In the case of a resident of Puerto Rico who is not required to make a return of income under section 6012(a), the form to be used is Form 1040SS, except that Form 1040PR shall be used if it is furnished by the Internal Revenue Service to such resident for use in lieu of Form 1040SS.

(e) *Time and place for filing returns.* For provisions relating to the time and place for filing returns, see §§ 31.6071(a)-1 and 31.6091-1, respectively.

(f) *Wages paid in nonconvertible foreign currency.* For provisions relating to returns filed by certain employers who pay wages in nonconvertible foreign currency, see § 301.6316-7 of this chapter (Regulations on Procedure and Administration).

T.D. 6354, 1/13/59, amend T.D. 6872, 1/5/66, T.D. 7001, 1/17/69, T.D. 7200, 2/15/72, T.D. 7351, 4/16/75, T.D. 7396, 1/12/76.

§ 40.6011(a)-1 Returns.

(a) *In general.* (1) *Return required.* The return of any tax to which this part 40 applies must be made on Form 720, Quarterly Federal Excise Tax Return, according to the instructions applicable to the form. The requirement for filing a return under this part 40 applies separately to each tax listed by IRS Number on Form 720. Except as provided in this paragraph (a)(1), an entry must be made on the line for the IRS Number in order to file a return of the tax corresponding to that number. The entry on an IRS Number line of the word "none," "zero," or comparable entry clearly indicating a denial of liability constitutes a return of that tax. The entry of the word "none" across the return or in the summary portion, provided it clearly indicates a denial of liability for all taxes, constitutes a return of all taxes listed on Form 720.

(2) *Period covered by return.* (i) In general. Except as provided in paragraph (b) of this section, the return must be made for a period of one calendar quarter. A return must be

**Do you
understand
your rights?**

**(State and Federal
Constitutions)**

PREAMBLE

We, the people of the State of Florida, being grateful to Almighty God for our constitutional liberty, in order to secure its benefits, perfect our government, insure domestic tranquility, maintain public order, and guarantee equal civil and political rights to all, do ordain and establish this constitution.

ARTICLE I

DECLARATION OF RIGHTS

Sec.

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5. Right to assemble.
6. Right to work.
7. Military power.
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9. Due process.
10. Prohibited laws.
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15. Prosecution for crime; offenses committed by children.
16. Rights of accused and of victims.
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18. Administrative penalties.
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22. Trial by jury.
23. Right of privacy.
24. Access to public records and meetings.
25. Taxpayers' Bill of Rights.

SECTION 1. Political power.—All political power is inherent in the people. The enunciation herein of certain rights shall not be construed to deny or impair others retained by the people.

SECTION 2. Basic rights.—All natural persons are equal before the law and have inalienable rights, among which are the right to enjoy and defend life and liberty, to pursue happiness, to be rewarded for industry, and to acquire, possess and protect property; except that the ownership, inheritance, disposition and possession of real property by aliens ineligible for citizenship may be regulated or prohibited by law. No person shall be deprived of any right because of race, religion or physical handicap.

History.—Am. S.J.R. 917, 1974; adopted 1974.

SECTION 3. Religious freedom.—There shall be no law respecting the establishment of religion or pro-

hibiting or penalizing the free exercise thereof. Religious freedom shall not justify practices inconsistent with public morals, peace or safety. No revenue of the state or any political subdivision or agency thereof shall ever be taken from the public treasury directly or indirectly in aid of any church, sect, or religious denomination or in aid of any sectarian institution.

SECTION 4. Freedom of speech and press.—Every person may speak, write and publish his sentiments on all subjects but shall be responsible for the abuse of that right. No law shall be passed to restrain or abridge the liberty of speech or of the press. In all criminal prosecutions and civil actions for defamation the truth may be given in evidence. If the matter charged as defamatory is true and was published with good motives, the party shall be acquitted or exonerated.

SECTION 5. Right to assemble.—The people shall have the right peaceably to assemble, to instruct their representatives, and to petition for redress of grievances.

SECTION 6. Right to work.—The right of persons to work shall not be denied or abridged on account of membership or non-membership in any labor union or labor organization. The right of employees, by and through a labor organization, to bargain collectively shall not be denied or abridged. Public employees shall not have the right to strike.

SECTION 7. Military power.—The military power shall be subordinate to the civil.

SECTION 8. Right to bear arms.—

(a) The right of the people to keep and bear arms in defense of themselves and of the lawful authority of the state shall not be infringed, except that the manner of bearing arms may be regulated by law.

(b) There shall be a mandatory period of three days, excluding weekends and legal holidays, between the purchase and delivery at retail of any handgun. For the purposes of this section, "purchase" means the transfer of money or other valuable consideration to the retailer, and "handgun" means a firearm capable of being carried and used by one hand, such as a pistol or revolver. Holders of a concealed weapon permit as prescribed in Florida law shall not be subject to the provisions of this paragraph.

(c) The legislature shall enact legislation implementing subsection (b) of this section, effective no later than December 31, 1991, which shall provide that anyone vio-

lating the provisions of subsection (b) shall be guilty of a felony.

(d) This restriction shall not apply to a trade in of another handgun.

History.—Am. C.S. for S.J.R. 43, 1989; adopted 1990.

SECTION 9. Due process.—No person shall be deprived of life, liberty or property without due process of law, or be twice put in jeopardy for the same offense, or be compelled in any criminal matter to be a witness against himself.

SECTION 10. Prohibited laws.—No bill of attainder, ex post facto law or law impairing the obligation of contracts shall be passed.

SECTION 11. Imprisonment for debt.—No person shall be imprisoned for debt, except in cases of fraud.

SECTION 12. Searches and seizures.—The right of the people to be secure in their persons, houses, papers and effects against unreasonable searches and seizures, and against the unreasonable interception of private communications by any means, shall not be violated. No warrant shall be issued except upon probable cause, supported by affidavit, particularly describing the place or places to be searched, the person or persons, thing or things to be seized, the communication to be intercepted, and the nature of evidence to be obtained. This right shall be construed in conformity with the 4th Amendment to the United States Constitution, as interpreted by the United States Supreme Court. Articles or information obtained in violation of this right shall not be admissible in evidence if such articles or information would be inadmissible under decisions of the United States Supreme Court construing the 4th Amendment to the United States Constitution.

History.—Am. H.J.R. 31-H, 1982; adopted 1982.

SECTION 13. Habeas corpus.—The writ of habeas corpus shall be grantable of right, freely and without cost. It shall be returnable without delay, and shall never be suspended unless, in case of rebellion or invasion, suspension is essential to the public safety.

SECTION 14. Pretrial release and detention.—Unless charged with a capital offense or an offense punishable by life imprisonment and the proof of guilt is evident or the presumption is great, every person charged with a crime or violation of municipal or county ordinance shall be entitled to pretrial release on reasonable conditions. If no conditions of release can reasonably protect the community from risk of physical harm to persons, assure the presence of the accused at trial, or assure the integrity of the judicial process, the accused may be detained.

History.—Am. H.J.R. 43-H, 1982; adopted 1982.

SECTION 15. Prosecution for crime; offenses committed by children.—

(a) No person shall be tried for capital crime without presentment or indictment by a grand jury, or for other felony without such presentment or indictment or an

information under oath filed by the prosecuting officer of the court, except persons on active duty in the militia when tried by courts martial.

(b) When authorized by law, a child as therein defined may be charged with a violation of law as an act of delinquency instead of crime and tried without a jury or other requirements applicable to criminal cases. Any child so charged shall, upon demand made as provided by law before a trial in a juvenile proceeding, be tried in an appropriate court as an adult. A child found delinquent shall be disciplined as provided by law.

SECTION 16. Rights of accused and of victims.—

(a) In all criminal prosecutions the accused shall, upon demand, be informed of the nature and cause of the accusation against him, and shall be furnished a copy of the charges, and shall have the right to have compulsory process for witnesses, to confront at trial adverse witnesses, to be heard in person, by counsel or both, and to have a speedy and public trial by impartial jury in the county where the crime was committed. If the county is not known, the indictment or information may charge venue in two or more counties conjunctively and proof that the crime was committed in that area shall be sufficient; but before pleading the accused may elect in which of those counties he will be tried. Venue for prosecution of crimes committed beyond the boundaries of the state shall be fixed by law.

(b) Victims of crime or their lawful representatives, including the next of kin of homicide victims, are entitled to the right to be informed, to be present, and to be heard when relevant, at all crucial stages of criminal proceedings, to the extent that these rights do not interfere with the constitutional rights of the accused.

History.—Am. S.J.R. 135, 1967; adopted 1968.

SECTION 17. Excessive punishments.—Excessive fines, cruel or unusual punishment, attainder, forfeiture of estate, indefinite imprisonment, and unreasonable detention of witnesses are forbidden.

SECTION 18. Administrative penalties.—No administrative agency shall impose a sentence of imprisonment, nor shall it impose any other penalty except as provided by law.

SECTION 19. Costs.—No person charged with crime shall be compelled to pay costs before a judgment of conviction has become final.

SECTION 20. Treason.—Treason against the state shall consist only in levying war against it, adhering to its enemies, or giving them aid and comfort, and no person shall be convicted of treason except on the testimony of two witnesses to the same overt act or on confession in open court.

SECTION 21. Access to courts.—The courts shall be open to every person for redress of any injury, and

justice shall be administered without sale, denial or delay.

SECTION 22. Trial by jury.—The right of trial by jury shall be secure to all and remain inviolate. The qualifications and the number of jurors, not fewer than six, shall be fixed by law.

SECTION 23. Right of privacy.—Every natural person has the right to be let alone and free from governmental intrusion into his private life except as otherwise provided herein. This section shall not be construed to limit the public's right of access to public records and meetings as provided by law.

History.—Added, C.S. for H.J.R. 387, 1980; adopted 1980.

SECTION 24. Access to public records and meetings.—

(a) Every person has the right to inspect or copy any public record made or received in connection with the official business of any public body, officer, or employee of the state, or persons acting on their behalf, except with respect to records exempted pursuant to this section or specifically made confidential by this Constitution. This section specifically includes the legislative, executive, and judicial branches of government and each agency or department created thereunder; counties, municipalities, and districts; and each constitutional officer, board, and commission, or entity created pursuant to law or this Constitution.

(b) All meetings of any collegial public body of the executive branch of state government or of any collegial public body of a county, municipality, school district, or special district, at which official acts are to be taken or at which public business of such body is to be transacted or discussed, shall be open and noticed to the public and meetings of the legislature shall be open and noticed as provided in Article III, Section 4(e), except with respect to meetings exempted pursuant to this section or specifically closed by this Constitution.

(c) This section shall be self-executing. The legislature, however, may provide by general law for the exemption of records from the requirements of subsection (a) and the exemption of meetings from the requirements of subsection (b), provided that such law shall state with specificity the public necessity justifying the exemption and shall be no broader than necessary to accomplish the stated purpose of the law. The legislature shall enact laws governing the enforcement of this section, including the maintenance, control, destruction, disposal, and disposition of records made public by this section, except that each house of the legislature may adopt rules governing the enforcement of this section in relation to records of the legislative branch. Laws enacted pursuant to this subsection shall contain only exemptions from the requirements of subsections (a) or (b) and provisions governing the enforcement of this section, and shall relate to one subject.

(d) All laws that are in effect on July 1, 1993 that limit public access to records or meetings shall remain in force, and such laws apply to records of the legislative

and judicial branches, until they are repealed. Rules of court that are in effect on the date of adoption of this section that limit access to records shall remain in effect until they are repealed.

History.—Added, C.S. for C.S. for H.J.R.'s 1727, 863, 2035, 1992; adopted 1992.

SECTION 25. Taxpayers' Bill of Rights.—By general law the legislature shall prescribe and adopt a Taxpayers' Bill of Rights that, in clear and concise language, sets forth taxpayers' rights and responsibilities and government's responsibilities to deal fairly with taxpayers under the laws of this state. This section shall be effective July 1, 1993.

History.—Proposed by Taxation and Budget Reform Commission, Revision No. 2, 1992, filed with the Secretary of State May 7, 1992; adopted 1992.

Note.—This section, originally designated section 24 by Revision No. 2 of the Taxation and Budget Reform Commission, 1992, was redesignated section 25 by the editors in order to avoid confusion with section 24 as contained in H.J.R.'s 1727, 863, 2035, 1992.

ARTICLE II

GENERAL PROVISIONS

Sec.

1. State boundaries.
2. Seat of government.
3. Branches of government.
4. State seal and flag.
5. Public officers.
6. Enemy attack.
7. Natural resources and scenic beauty.
8. Ethics in government.
9. English is the official language of Florida.

SECTION 1. State boundaries.—

(a) The state boundaries are: Begin at the mouth of the Perdido River, which for the purposes of this description is defined as the point where latitude 30°16'53" north and longitude 87°31'06" west intersect; thence to the point where latitude 30°17'02" north and longitude 87°31'06" west intersect; thence to the point where latitude 30°18'00" north and longitude 87°27'08" west intersect; thence to the point where the center line of the Intracoastal Canal (as the same existed on June 12, 1953) and longitude 87°27'00" west intersect; the same being in the middle of the Perdido River; thence up the middle of the Perdido River to the point where it intersects the south boundary of the State of Alabama, being also the point of intersection of the middle of the Perdido River with latitude 31°00'00" north; thence east, along the south boundary line of the State of Alabama, the same being latitude 31°00'00" north to the middle of the Chattahoochee River; thence down the middle of said river to its confluence with the Flint River; thence in a straight line to the head of the St. Marys River; thence down the middle of said river to the Atlantic Ocean; thence due east to the edge of the Gulf Stream or a distance of three geographic miles whichever is the greater distance; thence in a southerly direction along the edge of the Gulf Stream or along a line three geographic miles

Supreme Court Cases

Defending Your
Constitutional
Rights

CONSTITUTIONAL DEFENSE OF RIGHTS

Supreme Court cases:

Marbury v. Madison 5 U.S. 137

The Constitution of these United States is the supreme law of the land. Any law that is repugnant to the Constitution is null and void of law.

Mudock v. Penn. 319 U.S. 105

No state shall convert a liberty into a privilege, license it, and attach a fee to it.

Shuttlesworth v. Birmingham 373 U.S. 262

If the state converts a liberty into a privilege the citizen can engage in the right with impunity.

U.S. v. Bishop 412 U.S. 346

If you've relied on prior decisions of the Supreme Court you have a perfect defense for willfulness.

→ **Owen v. Independence 100 S.C.T. 1398**

Officers of the court have no immunity, when violating a constitutional right, from liability for they are deemed to know the law.

Byars v. U.S. 273 U.S. 28

Unlawful search and seizure. Rights must be interpreted in favor of the citizen.

Boyd v. U.S. 116 U.S. 616

The court is to protect against any encroachment of constitutionally secured liberty.

Miranda v. Arizona 384 U.S. 436

Where rights secured by the Constitution are involved, there can be no rule (law) or legislation which would abrogate (abolish) them.

Norton v. Shelby County 118 U.S. 425

An unconstitutional act is not law; it confers no rights; it imposes no duties; affords no protection; it creates no office; it is in legal contemplation as (an) inoperative as though it had never been passed.



Definitions

7703. Determination of marital status.

7704. Certain publicly traded partnerships treated as corporations.

In 1996, P.L. 104-191, Sec. 321(e), added item 7702B.

In 1988, P.L. 100-647, Sec. 5012(c)(2), added item 7702A.

In 1987, P.L. 100-203, Sec. 10211(b), added item 7704.

In 1986, P.L. 99-514, Sec. 1301(j)(2)(B), added item 7703.

In 1984, P.L. 98-369, Sec. 221(c), added item 7702.

Sec. 7701. Definitions.

(a) When used in this title, where not otherwise distinctly expressed or manifestly incompatible with the intent thereof—

(1) **Person.** The term "person" shall be construed to mean and include an individual, a trust, estate, partnership, association, company or corporation.

(2) **Partnership and partner.** The term "partnership" includes a syndicate, group, pool, joint venture, or other unincorporated organization, through or by means of which any business, financial operation, or venture is carried on, and which is not, within the meaning of this title, a trust or estate or a corporation; and the term "partner" includes a member in such a syndicate, group, pool, joint venture, or organization.

(3) **Corporation.** The term "corporation" includes associations, joint-stock companies, and insurance companies.

(4) **Domestic.** The term "domestic" when applied to a corporation or partnership means created or organized in the United States or under the law of the United States or of any State unless, in the case of a partnership, the Secretary provides otherwise by regulations.

(5) **Foreign.** The term "foreign" when applied to a corporation or partnership means a corporation or partnership which is not domestic.

(6) **Fiduciary.** The term "fiduciary" means a guardian, trustee, executor, administrator, receiver, conservator, or any person acting in any fiduciary capacity for any person.

(7) **Stock.** The term "stock" includes shares in an association, joint-stock company, or insurance company.

(8) **Shareholder.** The term "shareholder" includes a member in an association, joint-stock company, or insurance company.

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

(10) **State.** The term "State" shall be construed to include the District of Columbia, where such construction is necessary to carry out provisions of this title.

(11) **Secretary of the Treasury and Secretary.**

(A) **Secretary of the Treasury.** The term "Secretary of the Treasury" means the Secretary of the Treasury, personally, and shall not include any delegate of his.

(B) **Secretary.** The term "Secretary" means the Secretary of the Treasury or his delegate.

(12) **Delegate.**

(A) In general. The term "or his delegate"—

(i) when used with reference to the Secretary of the Treasury, means any officer, employee, or agency of the Treasury Department duly authorized by the Secretary of the Treasury directly, or indirectly by one or more redelegations of authority, to perform the function mentioned or described in the context; and

(ii) when used with reference to any other official of the United States, shall be similarly construed.

(B) Performance of certain functions in Guam or American Samoa. The term "delegate," in relation to the performance of functions in Guam or American Samoa with respect to the taxes imposed by chapters 1, 2, and 21, also includes any officer or employee of any other department or agency of the United States, or of any possession thereof, duly authorized by the Secretary (directly, or indirectly by one or more redelegations of authority) to perform such functions.

(13) **Commissioner.** The term "Commissioner" means the Commissioner of Internal Revenue.

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

(15) **Military or naval forces and armed forces of the United States.** The term "military or naval forces of the United States" and the term "Armed Forces of the United States" each includes all regular and reserve components of the uniformed services which are subject to the jurisdiction of the Secretary of Defense, the Secretary of the Army, the Secretary of the Navy, or the Secretary of the Air Force, and each term also includes the Coast Guard. The members of such forces include commissioned officers and personnel below the grade of commissioned officers in such forces.

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

(17) **Husband and wife.** As used in sections 152(b)(4), 682, and 2516, if the husband and wife therein referred to are divorced, wherever appropriate to the meaning of such sections, the term "wife" shall be read "former wife" and the term "husband" shall be read "former husband"; and, if the payments described in such sections are made by or on behalf of the wife or former wife to the husband or former husband instead of vice versa, wherever appropriate to the meaning of such sections, the term "husband" shall be read "wife" and the term "wife" shall be read "husband."

(18) **International organization.** The term "international organization" means a public international organization entitled to enjoy privileges, exemptions, and immunities as an international organization under the International Organizations Immunities Act (22 U.S.C. 288-288f).

(19) **Domestic building and loan association.** The term "domestic building and loan association" means a domestic building and loan association, a domestic savings and loan association, and a Federal savings and loan association—

(A) which either (i) is an insured institution within the meaning of section 401(a) of the National Housing Act (12 U.S.C., sec. 1724(a)), or (ii) is subject by law to supervision and examination by State or Federal authority having supervision over such associations;

(B) the business of which consists principally of acquiring the savings of the public and investing in loans; and

(C) at least 60 percent of the amount of the total assets of which (at the close of the taxable year) consists of—

(i) cash,

(ii) obligations of the United States or of a State or political subdivision thereof, and stock or obligations of a corporation which is an instrumentality of the United States or of a State or political subdivision thereof, but not including obligations the interest on which is excludable from gross income under section

103,

(iii) certificates of deposit in, or obligations of, a corporation organized under a State law which specifically authorizes such corporation to insure the deposits or share accounts of member associations,

(iv) loans secured by a deposit or share of a member,

(v) loans (including redeemable ground rents; as defined in section 1055) secured by an interest in real property which is (or, from the proceeds of the loan, will become) residential real property or real property used primarily for church purposes, loans made for the improvement of residential real property or real property used primarily for church purposes, provided that for purposes of this clause, residential real property shall include single or multifamily dwellings, facilities in residential developments dedicated to public use or property used on a nonprofit basis for residents, and mobile homes not used on a transient basis,

(vi) loans secured by an interest in real property located within an urban renewal area to be developed for predominantly residential use under an urban renewal plan approved by the Secretary of Housing and Urban Development under part A or part B of title I of the Housing Act of 1949, as amended, or located within any area covered by a program eligible for assistance under section 103 of the Demonstration Cities and Metropolitan Development Act of 1966, as amended, and loans made for the improvement of any such real property,

(vii) loans secured by an interest in educational, health, or welfare institutions or facilities, including structures designed or used primarily for residential purposes for students, residents, and persons under care, employees, or members of the staff of such institutions or facilities,

(viii) property acquired through the liquidation of defaulted loans described in clause (v), (vi), or (vii),

(ix) loans made for the payment of expenses of college or university education or vocational training, in accordance with such regulations as may be prescribed by the Secretary,

(x) property used by the association in the conduct of the business described in subparagraph (B), and

(xi) any regular or residual interest in a REMIC, and any regular interest in a FASIT, but only in the proportion which the assets of such REMIC or FASIT consist of property described in any of the preceding clauses of this subparagraph; except that if 95 percent or more of the assets of such REMIC or FASIT are assets described in clauses (i) through (x), the entire interest in the REMIC or FASIT shall qualify.

At the election of the taxpayer, the percentage specified in this subparagraph shall be applied on the basis of the average assets outstanding during the taxable year, in lieu of the close of the taxable year, computed under regulations prescribed by the Secretary. For purposes of clause (v), if a multifamily structure securing a loan is used in part for nonresidential purposes, the entire loan is deemed a residential real property loan if the planned residential use exceeds 80 percent of the property's planned use (determined as of the time the loan is made). For purposes of clause (v), loans made to finance the acquisition or development of land shall be deemed to be loans secured by an interest in residential real property if, under regulations prescribed by the Secretary, there is reasonable assurance that the property will become residential real property within a pe-

riod of 3 years from the date of acquisition of such land; but this sentence shall not apply for any taxable year unless, within such 3-year period, such land becomes residential real property. For purposes of determining whether any interest in a REMIC qualifies under clause (xi), any regular interest in another REMIC held by such REMIC shall be treated as a loan described in a preceding clause under principles similar to the principles of clause (xi); except that, if such REMIC's are part of a tiered structure, they shall be treated as 1 REMIC for purposes of clause (xi).

(20) **Employee.** For the purpose of applying the provisions of section 79 with respect to group-term life insurance purchased for employees, for the purpose of applying the provisions of sections 104, 105, and 106 with respect to accident and health insurance or accident and health plans, and for the purpose of applying the provisions of subtitle A with respect to contributions to or under a stock bonus, pension, profit-sharing, or annuity plan, and with respect to distributions under such a plan, or by a trust forming part of such a plan, and for purposes of applying section 125 with respect to cafeteria plans, the term "employee" shall include a full-time life insurance salesman who is considered an employee for the purpose of chapter 21, or in the case of services performed before January 1, 1951, who would be considered an employee if his services were performed during 1951.

(21) **Levy.** The term "levy" includes the power of distraint and seizure by any means.

(22) **Attorney General.** The term "Attorney General" means the Attorney General of the United States.

(23) **Taxable year.** The term "taxable year" means the calendar year, or the fiscal year ending during such calendar year, upon the basis of which the taxable income is computed under subtitle A. "Taxable year" means, in the case of a return made for a fractional part of a year under the provisions of subtitle A or under regulations prescribed by the Secretary, the period for which such return is made.

(24) **Fiscal year.** The term "fiscal year" means an accounting period of 12 months ending on the last day of any month other than December.

(25) **Paid or incurred, paid or accrued.** The terms "paid or incurred" and "paid or accrued" shall be construed according to the method of accounting upon the basis of which the taxable income is computed under subtitle A.

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

(27) **Tax Court.** The term "Tax Court" means the United States Tax Court.

(28) **Other terms.** Any term used in this subtitle with respect to the application of, or in connection with, the provisions of any other subtitle of this title shall have the same meaning as in such provisions.

(29) **Internal Revenue Code.** The term "Internal Revenue Code of 1986" means this title, and the term "Internal Revenue Code of 1939" means the Internal Revenue Code enacted February 10, 1939, as amended.

(30) **United States person.** The term "United States person" means—

- (A) a citizen or resident of the United States,
- (B) a domestic partnership,
- (C) a domestic corporation,
- (C) a domestic corporation,
- (D) any estate (other than a foreign estate, within the meaning, of paragraph (31)), and

TITLE 5
PART I
CHAPTER 5
SUBCHAPTER II

-HEAD-

Sec. 552a. Records maintained on individuals

-STATUTE-

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

(1) the term 'agency' means agency as defined in section 552(e)

(FOOTNOTE 1) of this title;

(FOOTNOTE 1) See References in Text note below.

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

(3) the term 'maintain' includes maintain, collect, use, or disseminate;

(4) the term 'record' means any item, collection, or grouping of information about an individual that is maintained by an agency, including, but not limited to, his education, financial transactions, medical history, and criminal or employment history and that contains his name, or the identifying number, symbol, or other identifying particular assigned to the individual, such as a finger or voice print or a photograph;

(5) the term 'system of records' means a group of any records under the control of any agency from which information is retrieved by the name of the individual or by some identifying number, symbol, or other identifying particular assigned to the individual;

(6) the term 'statistical record' means a record in a system of records maintained for statistical research or reporting purposes only and not used in whole or in part in making any determination about an identifiable individual, except as provided by section 8 of title 13;

(7) the term 'routine use' means, with respect to the disclosure of a record, the use of such record for a purpose which is compatible with the purpose for which it was collected;

(8) the term 'matching program' -

(A) means any computerized comparison of -

(i) two or more automated systems of records or a system of records with non-Federal records for the purpose of

(I) establishing or verifying the eligibility of, or continuing compliance with statutory and regulatory requirements by, applicants for, recipients or beneficiaries of, participants in, or providers of services with respect to, cash or in-kind assistance or payments under Federal benefit programs, or

(II) recouping payments or delinquent debts under such Federal benefit programs, or

(ii) two or more automated Federal personnel or payroll systems of records or a system of Federal personnel or payroll records with non-Federal records,

(B) but does not include -

(i) matches performed to produce aggregate statistical data without any personal identifiers;

(ii) matches performed to support any research or statistical project, the specific data of which may not be used to make decisions concerning the rights, benefits, or privileges of specific individuals;

(iii) matches performed, by an agency (or component thereof) which performs as its principal function any activity pertaining to the enforcement of criminal laws, subsequent to the initiation of a specific criminal or civil law enforcement investigation of a named person or persons for the purpose of gathering evidence against such person or persons;

(iv) matches of tax information (I) pursuant to section 6103(d) of the Internal Revenue Code of 1986, (II) for purposes of tax administration as defined in section 6103(b)(4) of such Code, (III) for the purpose of intercepting a tax refund due an individual under authority granted by section 464 or 1137 of the Social Security Act; or

(IV) for the purpose of intercepting a tax refund due an individual under any other tax refund intercept program authorized by statute which has been determined by the Director of the Office of Management and Budget to contain verification, notice, and hearing requirements that are substantially similar to the procedures in section 1137 of the Social Security Act;

(v) matches -

(I) using records predominantly relating to Federal personnel, that are performed for routine administrative purposes (subject to guidance provided by the Director of the Office of Management and Budget pursuant to subsection

(v)); or

(II) conducted by an agency using only records from systems of records maintained by that agency; if the purpose of the match is not to take any adverse financial, personnel, disciplinary, or other adverse action against Federal personnel; or

(vi) matches performed for foreign counterintelligence purposes or to produce background checks for security clearances of Federal personnel or Federal contractor personnel;

(9) the term 'recipient agency' means any agency, or contractor thereof, receiving records contained in a system of records from a source agency for use in a matching program;

(10) the term 'non-Federal agency' means any State or local government, or agency thereof, which receives records contained in a system of records from a source agency for use in a matching program;

(11) the term 'source agency' means any agency which discloses records contained in a system of records to be used in a matching program, or any State or local government, or agency thereof, which discloses records to be used in a matching program;

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

(13) the term 'Federal personnel' means officers and employees of the Government of the United States, members of the uniformed services (including members of the Reserve Components), individuals entitled to receive immediate or deferred retirement benefits under any retirement program of the Government of the United States (including survivor benefits).

(b) Conditions of Disclosure. - No agency shall disclose any record which is contained in a system of records by any means of communication to any person, or to another agency, except pursuant to a written request by, or with the prior written consent of, the individual to whom the record pertains, unless disclosure of the record would be -

(1) to those officers and employees of the agency which maintains the record who have a need for the record in the performance of their duties;

(2) required under section 552 of this title;

(3) for a routine use as defined in subsection (a)(7) of this section and described under subsection (e)(4)(D) of this section;

(4) to the Bureau of the Census for purposes of planning or carrying out a census or survey or related activity pursuant to the provisions of title 13;

(5) to a recipient who has provided the agency with advance adequate written assurance that the record will be used solely as a statistical research or reporting record, and the record is to be transferred in a form that is not individually identifiable;

(6) to the National Archives and Records Administration as a record which has sufficient historical or other value to warrant its continued preservation by the United States Government, or for evaluation by the Archivist of the United States or the designee of the Archivist to determine whether the record has such value;

(7) to another agency or to an instrumentality of any governmental jurisdiction within or under the control of the United States for a civil or criminal law enforcement activity if the activity is authorized by law, and if the head of the agency or instrumentality has made a written request to the agency which maintains the record specifying the particular portion desired and the law enforcement activity for which the record is sought;

(8) to a person pursuant to a showing of compelling circumstances affecting the health or safety of an individual if upon such disclosure notification is transmitted to the last known address of such individual;

(9) to either House of Congress, or, to the extent of matter within its jurisdiction, any committee or subcommittee thereof, any joint committee of Congress or subcommittee of any such joint committee;

(10) to the Comptroller General, or any of his authorized representatives, in the course of the performance of the duties of the General Accounting Office;

(11) pursuant to the order of a court of competent jurisdiction; or

(12) to a consumer reporting agency in accordance with section 3711(f) of title 31.

(c) Accounting of Certain Disclosures. - Each agency, with respect to each system of records under its control, shall

(1) except for disclosures made under subsections (b)(1) or (b)(2) of this section, keep an accurate accounting of -

Which Secretary of The Treasury?

27 CFR Sec. 250.11

Definitions:

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

Secretary: The Secretary of the Treasury of **Puerto Rico.**

26 USC 7701(a)

(22) **Attorney General:** The term ‘Attorney General’ means the Attorney General of the **United States.**

(27) **Tax Court:** The term ‘Tax Court’ means the **United States Tax Court.**

(30) **United States Person:** The term ‘United States Person’ means -

(A) a citizen or resident of the **United States...**

Nowhere in the IRS Code is the term ‘Secretary’ defined as the Secretary of the Treasury of the United States or the United States Secretary of the Treasury.

visions of applicable laws shall be considered personal property.

Commercial crimes. Any of the following types of crimes (Federal or State): Offenses against the revenue laws; burglary; counterfeiting; forgery; kidnapping; larceny; robbery; illegal sale or possession of deadly weapons; prostitution (including soliciting, procuring, pandering, white slaving, keeping house of ill fame, and like offenses); extortion; swindling and confidence games; and attempting to commit, conspiring to commit, or compounding any of the foregoing crimes. Addiction to narcotic drugs and use of marihuana will be treated as if such were commercial crime.

Contraband cigarettes. Any quantity of cigarettes in excess of 60,000, if:

(a) The cigarettes bear no evidence of the payment of applicable State cigarette taxes in the State where the cigarettes are found;

(b) The State in which the cigarettes are found requires a stamp, impression, or other indication to be placed on packages or other containers of cigarettes to evidence payment of cigarette taxes; and

(c) The cigarettes are in the possession of any person other than any person who is:

(1) Holding a permit issued under 26 U.S.C. Chapter 52 as a manufacturer of tobacco products or as an export warehouse proprietor;

(2) Operating a customs bonded warehouse under 19 U.S.C. 1311 or 1555;

(3) An agent of a tobacco products manufacturer, an export warehouse proprietor, or an operator of a customs bonded warehouse;

(4) A common or contract carrier transporting the cigarettes involved under a proper bill of lading or freight bill which states the quantity, source, and destination of the cigarettes;

(5) Licensed or otherwise authorized by the State where the cigarettes are found to account for and pay cigarette taxes imposed by that State; and who has complied with the accounting and payment requirements relating to the license or authorization with respect to the cigarettes involved; or

(6) An agent of the United States, of an individual State, or of a political

subdivision of a State and having possession of cigarettes in connection with the performance of official duties.

(7) Operating within a foreign-trade zone, established under 19 U.S.C. 81b, when the cigarettes involved have been entered into the foreign-trade zone under zone-restricted status or when foreign cigarettes have been admitted into the foreign-trade zone but have not been entered into the United States.

Contraband firearm. A firearm with respect to which there has been committed a violation of the National Firearms Act (26 U.S.C., Chapter 53) or any regulation issued thereunder.

Director. The Director, Bureau of Alcohol, Tobacco, and Firearms, the Department of the Treasury, Washington, D.C.

Equity. As used in administrative action on petitions for remission or mitigation of forfeitures, shall mean that interest which a petitioner has in the personal property or carrier petitioned for at the time of final administrative action on the petition, but such interest shall not be considered to include any unearned finance charges from the date of seizure or the date of default, if later; any amount rebatable on account of paid insurance premiums; attorney's fees for collection; any amount identified as dealer's reserve; or any amount in the nature of liquidated damages that may have been agreed upon by the buyer and the petitioner.

Person. An individual, trust, estate, partnership, association, company or a corporation.

Re-appraisal. An up-to-date statutory appraisal to determine the present value of the property or carrier involved in a petition for remission or mitigation of forfeiture made in the same manner as the original appraisal, and performed at the written request of the petitioner whose petition in regard to the property or carrier has been allowed and who, for reasonable cause, is not satisfied that the original appraisal represents the present value of the property or carrier.

Region. A Bureau of Alcohol, Tobacco, and Firearms Region.

U.S.C. The United States Code.

March 15, 2001

[REDACTED]
[REDACTED]
[REDACTED]

Bureau of Alcohol, Tobacco & Firearms
Department of the Treasury
Washington, D. C. 20021

Dear Bureau,

This is a request under the Freedom of Information Act 5 USC §552, and regulations thereunder. This is my firm promise to pay fees and costs for locating the information requested below. If costs are expected to exceed \$5.00, please send me an estimate of the costs.

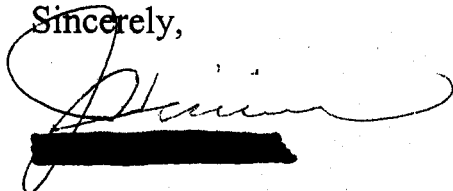
Should portions of this request be exempt from release, please furnish me with those portions reasonable segregable. I am a category E requester and attest under penalty of perjury that I have a right to the information requested.

I am requesting a definition and clarification of the term “Commercial Crime” as listed in 27 CFR §72.11. Specifically, what are the essential elements that constitute a “Commercial Crime”?

I understand the penalties provided in 5 USC §552(a)(1)(3) for requesting or obtaining access to records under false pretense. The information being sought is for private information purposes only.

Thank you for your response to this request in the time period prescribed in the statutes.

Sincerely,


[REDACTED]



DEPARTMENT OF THE TREASURY
BUREAU OF ALCOHOL, TOBACCO AND FIREARMS
WASHINGTON, DC 20226

APR 19 2001

REFER TO: 122000
PJC/01-1298

J.R. Williamson
1217 South Grove Street
Eustis, Fl 32726

Dear Mr. Williamson:

This is in response to your Freedom of Information Act (FOIA) request to the Bureau of Alcohol, Tobacco and Firearms (ATF).

Please be advised that under the FOIA, we are not required to perform research in order to respond to a request, nor are we obliged to answer questions to respond to a request.

You have requested documents that "identify the elements of a commercial crime as listed in 27 CFR 72.11." The elements of commercial crime are listed in 27 CFR 72.11.

Sincerely,

Peter J. Chisholm
Disclosure Specialist

Commercial Crime Team

"We aim to successfully defend our clients by offering high calibre representation at all Our goal is to gain acquittals where possible. If conviction seems inevitable, we aim to full mitigation of sentence".

In an emergency use our 24 hour helpline 01893 264023

Successfully defending Commercial Crime investigations

This is a specialist area requiring an expert defence. Many prosecutions can be stopped they get to court with expert advice and representation. We know the practice and procedure and can advise on evidence and conduct during investigation and make representation to avoid, reduce or mitigate prosecutions.

David Colyer is the Partner who heads the Commercial Crime department at Warren & Solicitors. He is assisted by a dedicated team of in-house solicitors and paralegals. This has a number of high profile successes to its name.

Call our Nottingham office to speak to David or alternatively  [e-mail David](#)

What are Commercial Crimes?

Our services include representation in investigations and lawsuits commenced by administrative agencies such as The Police, The Crown Prosecution Service, HM Customs & Excise, Health & Safety Executive, the Department of Trade and Industry, the Inland Revenue, Local Authorities, various Environmental Agencies and other Professional and Regulatory Bodies.

David and his team specialise in the defence of:

- ⊕ Forgery and false accounting
- ⊕ Tax Evasion
- ⊕ Obstructing Justice
- ⊕ Fraud and Fraudulent Trading



Freedom of Information Act (FOIA)

The Freedom of Information Act permits any individual (a natural person or legal entity) to request information in the possession of the U.S. Government. The information is to be released to the individual except when the information is subject to withholding under any one of nine exceptions such as national security, personal privacy and certain law enforcement information. The Act permits the government to charge the requester search, review and duplication fees as appropriate.

The Privacy Act of 1974, on the other hand, provides safeguards against unwarranted invasions of privacy through the misuse of records by Federal agencies by restricting disclosure of personally identifiable records maintained by agencies and establishing a code of "fair information practices" which require agencies to comply with statutory norms for collection, maintenance, use and dissemination of records.

↙
If a request is for information that is not about an individual's personal records, then the request should be made under the FOIA. If an individual asks for access to records about themselves which a Federal agency maintains on that individual, then the request needs to be made under the Privacy Act.

More information about the FOIA and the PA can be found on the Dept. of Justice's web site: http://www.usdoj.gov/foia/04_7.html.

October 2, 2000

Office of Organizational Improvement
Room 2454
Department of the Treasury
Washington, D.C. 20220

Subject: Freedom of Information Act

Dear Sir:

This is a request under 5 USC § 552, or regulations thereunder. This is my firm promise to pay fees and costs for locating and duplicating the documents/records requested below. If costs are expected to exceed \$0.00, please send an estimate of costs. Please expedite this request within the time prescribed by statute.

1. If some of this request is exempt from release, please furnish me with those portions reasonably segregable.
2. Please provide true and correct copies of the documents that evidence the authority of the U.S. Attorney General's Office to defend IRS personnel, including but not limited to, employees, agents, and officers, in civil and criminal court proceedings.

Respectfully,

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]



U.S. Department of Justice

JMK:jk:145-FOI-5450

Washington, D.C. 20530

November 2, 2000

[REDACTED]
[REDACTED]
[REDACTED]

Dear Mr. [REDACTED]:

This letter is in response to your October 2, 2000 Freedom of Information Act request for copies of documents that evidence the authority of the Attorney General to represent Internal Revenue Service personnel. Your request was received by this office on October 12, 2000.

We are unaware of any Civil Division document responsive to your request; we can however refer you to 50 CFR 50.15. Enclosed is a copy of the regulation for your convenience.

If you have any questions regarding this response, please contact Jean Kornblut of my staff at (202) 514-2319.

Sincerely,

A handwritten signature in cursive script that reads "James M. Kovakas".

James M. Kovakas
Attorney In Charge
FOI/PA Office, Civil Division

Enclosure



DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

Mr. Michael Buskin
825-A4 Village Qtr. Road
Dundee, IL 60118

Contact Person: Ms. Leslie Haywood
Contact Number: 202-622-3196
Badge Number: 50-03172
Refer Reply to: 99-1651
Date: August 2, 1999

Dear Mr. Buskin:

This is in further response to your Freedom of Information Act request dated December 18, 1998, for documents that evidence the authority of the U. S. Attorney General's Office to defend IRS agents in a civil or criminal matter.

A search was performed with the Office of Tax Crimes (Criminal Investigation) and with the Assistant Chief Counsel (Disclosure Litigation) and we have no documents responsive to your request. However, you may forward a copy of your request to the U. S. Attorney General's Office within the Department of the Justice.

Notice 393 is enclosed explaining your appeal rights. It has been our pleasure to assist you with this matter.

Sincerely,

A handwritten signature in cursive script that reads "Leslie Haywood".

Leslie Haywood
Disclosure Program Assistant
Freedom of Information

Enclosure
As stated



U.S. Department of Justice

Criminal Division

Washington, D.C. 20530

JAN 11 2000

CRM-199901416F

Michael Bufkin, Esq.
825-A4 Village Qtr. Road
Dundee, Illinois 60118

Dear Mr. Bufkin:

This is in response to your Freedom of Information Act request of September 21, 1999, for access to "...records that evidence the authority of the U.S. Attorney General's Office to defend Internal Revenue Service agents in civil and criminal court proceedings."

We have conducted a search of the appropriate indices to Criminal Division records and did not locate any records responsive to your request.

You have a right to an administrative appeal of this determination. Department regulations provide that such appeals must be filed within sixty days of your receipt of this letter. 28 C.F.R. 16.9. Your appeal should be addressed to: The Office of Information and Privacy, United States Department of Justice, Flag Building, Suite 570, Washington, D.C. 20530. Both the envelope and the letter should be clearly marked with the legend "FOIA Appeal." If you exercise this right and your appeal is denied, you also have the right to seek judicial review of this action in the federal judicial district (1) in which you reside, (2) in which you have your principal place of business, (3) in which the records denied are located, or (4) for the District of Columbia.

Sincerely,

Thomas J. McIntyre

Thomas J. McIntyre, Chief
Freedom of Information/Privacy Act Unit
Office of Enforcement Operations
Criminal Division

The background is a solid blue color with several faint, light blue stars scattered across it. The stars vary in size and are positioned at various angles, some pointing upwards and others downwards.

Unexpected Visit by Government Agent

(how to handle it)

Logan County Jury Acquits Harrell 5/26/00

Lincoln - Gaylon "Whitey" Harrell of rural Latham was acquitted by a 12 person jury of the 4 count criminal felony charges of willful failure to file an Illinois State Income Tax form. The actual trial began on Wednesday May 24th in the Logan County Circuit Court room, presided over by Senior Judge David "Slick" Coogan ("Slick is how the judge identifies himself) and closed on Friday after four hours of deliberation when the jury returned with four consecutive "not guilty" verdicts.

"We were in a heated debate" reported one unnamed juror, "but when the court refused, after our specific written request, to furnish us copies of the actual statutes, (that imposed the obligation on the defendant,) it didn't take long for all of us to see that something was wrong with the State's case.

"That was not all the court refused to let the jury see."

added Jerry Barringer, Harrell's attorney. "The court, at the request of the Illinois State's attorney, denied the jury access to evidence that already had been introduced and accepted." "Astoundingly, even the Bill of Indictment was denied to the jury." chimed in Barringer's legal assistant Lindsey Springer, "Also denied were jury instructions sanctioned by the Supreme Court and even a VCR recorder to play the video tape that Whitey had made of his meeting with the CID agent."

"I've seen a lot of tyranny in the courts, but never anything so blatant as what I saw here over the last two days," added Bob Minark, an Indiana friend of Harrell's.

The 4 criminal felony charges had been brought against Harrell in 1997 and just came to trial this past week. Harrell had submitted numerous motions in a case that saw both assigned judges and assigned state's attorneys resign or recuse themselves. All Harrell's motions were denied.

The case started back in early 1997 when Harrell was approached by Illinois Dept. of Revenue Criminal Investigation Division (CID) agent Robert Craner, who asked him for an interview. The testimony was that Harrel refused until he had witnesses present and a video camera set up at the local library where he later video taped a 45 minute meeting with Craner. On the video, which was shown to the jury at the trial, Harrel specifically pointed out that he could find no section of the Illinois statutes that obligated him to file an Illinois income tax return. He presented Craner with numerous documents which he identified as outlines of statutes and regulations and "administrative code" which he said he searched to no avail in finding any obligation that would apply to him. Craner accepted the documents. The tape showed that Craner promised Harrell at least five different times, to produce the statutes that made Harrell liable and get answers to Harrell's questions.

The testimony later showed that Craner didn't do that and instead went back to the Grand Jury to testify that Harrell was a resident of Logan County who failed to file Illinois state income tax forms. Unknownst to Harrel, at the time of the interview, Craner was also acting as a Grand Jury investigator. "He never told me," said Harrell. "He never read me a Miranda warning. He just promised to get me the information, but instead went back to the Grand Jury to get an indictment." Grand Jury Transcripts show that Craner testified that Harrel, at the library meeting, had nothing to offer in his defense of why he didn't file a tax return, but the video tape brought Craner's credibility into serious question.

Harrell testified in his own defense and verified his many efforts to obtain the law that made him liable for the income tax or how his activity was privledged. The prosecution brought out on cross examination that Harrell had filed many law suits in the past and that those suits were dismissed in both the state and federal courts. In an attempt to prove knowledge, the state also elicited that Harrell had previously filed tax returns previously. Harrell's Attorney Barringer likened that to believing in Santa Claus when you were a child and then gaining knowledge of the fact that Santa Claus is a fantasy as you got older and wiser. Barringer's questioning of Agent Craner as to his belief in Santa Claus brought an objection from the State's attorney which was sustained by the judge without any recognition of humor. Harrel, 62, had worked for the United States Post Office as a rural mail carrier and also received a pension from Caterpillar from where he retired in 1990.

Asked if his case will set a preccedent, Harrel said, "Legally, No, but I certainly hope it sets the precedent that more people question the loss of their rights and property whenever government claims its the law. I feel sure this jury will be thinking twice."

Interestingly, even after the specific request of the jury, neither the state or the court ever did produce any statute showing Harrel had any obligation. "We don't have anything to say at this time other than Mr. Harrell was very lucky and we will be watching his activities carefully," stated an assistant State's Attorney who asked not to be identified.

Harrel plans to keep up his efforts to expose, what he says, is the one of the largest frauds ever committed on the people of Illinois. "Al Capone couldn't hold a candle to these guys," Harrell commented when talking about the State's claim of a requirement for wage earners and independent contractors to file a state income tax form.

Harrell's bail bond has been released and the funds obtained from Harrell to gurantee the bond will be returned. No further court actions are pending against Harrell at this time, but Harrell anticipates further actions by himself against both the state Department of Revenue and the federal Internal Revenue Service.

1040 INSTRUCTION BOOKLET

Privacy Act and Paperwork Reduction Act Notice

...Please keep this notice with your records. It may help you if we ask you for other information. If you have questions about the rules for filing and giving information, please call or visit any Internal Revenue Service office...

(This is the last paragraph of the Notice)



Privacy Act

Internal Revenue Service
Internal Revenue Mid-Atlantic Region
Service Center Philadelphia, PA

Department of the Treasury

Person to Contact:

Telephone number:

Refer reply to:

Joann M. Hoverale
XXXXXXXXXXXX
XXXXXXXXXXXX

Dear Mrs. Hoverale:

This is in response to your **Privacy Act request** dated December 12, 1995.

The Internal Revenue Code is not positive law, it is special law. It applies to specific persons in the United States, who choose to make themselves subject to the requirements of the special laws in the Internal Revenue Code by entering into an employment agreement within the U.S. Government.

The law is that income from sources not effectively connected with the conduct of a trade or business within the U.S. Government is not subject to any tax under subtitle "A" of the Internal Revenue Code.

This concludes our response to your request.

Sincerely yours,

Signature on File

Cynthia J. Mills
Disclosure Officer

Internal Revenue Service
District Director
210 E. Earl Drive
Phoenix, AZ 85012-2623

Department of the Treasury

Thomas W. Roberts
2390 Old U.S. Hwy 441, Suite 1
Mount Dora, FL 32757

Person to Contact:
G. O'Malley
Telephone Number:
(602) 207-8455
Refer Reply to:
86-1998-3039
Date:
August 5, 1998

Dear Mr. Roberts:

This is in response to your Privacy Act request dated July 14, 1998, filed on behalf of your client.

The Treasury Department procedures for making a Privacy Act request have been published in the Code of Federal Regulations at 31 C.F.R. part I, subpart C, subsec. 1.26. The IRS's form of a request is set forth at 31 C.F.R. part I, subpart C, Appendix B, paragraph 3.(b)(p.101,7/1/97 edition). Subparagraph (v) specifically provides:

“Such request shall specify the name and location of the particular system of records (as set forth in the Notice of Systems) for which the individual is seeking notification and access...”

The Service's systems of records are published in the Federal Register at 60 Fed. Reg. 56648 et. Seq. (November 9, 1995)....

DEPARTMENT OF TREASURY

Treasury/IRS 26.008

SYSTEM NAME

IRS AND Treasury Employee Delinquency—
Treasury/IRS. System location: National Office,
Regional Offices, District Offices, Internal Revenue
Service Centers, and the Austin Compliance Center.
(See IRS appendix A for addresses.) Categories of
individuals covered by the system: **IRS and
Treasury employees who are shown on the
Master File as delinquent in meeting Federal tax
requirements...**

DEPARTMENT OF TREASURY

Treasury/IRS 26.009

SYSTEM NAME

Lien Files (Open and Closed)—
Treasury/IRS...Categories of individuals covered by
the system: **Taxpayers on whom Federal Tax
liens have been filed...Exemptions claimed
for the system: None.**



**DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224**

**Office of Governmental Liaison
And Disclosure**

MAY 30 2001

**Romeo Corpuz
47-406 Hui lo Street
Kaneohe, HI 96744**

**Regarding: CM 70000600002193119258
Disclosure Case Number: 33-2001-01817**

Dear Mr. Corpuz:

This is in response to your Privacy Act request dated May 19, 2001.

A search of our records indicates that there are no records concerning you for 1997 through 2001 in the System of Records known as "IRS 26.009 Liens (Open or Closed)".

Should you have any questions, please contact D. Kozarovich (33-07053), at (949) 389-4379, or write to the Laguna Niguel Disclosure Office, Post Office Box 30207, Laguna Niguel, CA 92607-0207. Please refer to the above shown case number.

Sincerely,

A handwritten signature in black ink, appearing to read "Gary T. Prutsman".

**Gary T. Prutsman
Disclosure Officer**

Enclosure(s)



Public Servant's Questionnaire

PUBLIC SERVANT'S QUESTIONNAIRE

The following questions are based on my Right to Privacy that is enumerated in the UNITED STATES OF AMERICA Constitution and are necessary in order that this individual may make a reasonable determination concerning divulgence of information to this agency.

1. Name of public servant: _____

2. Name of department, bureau, or agency of government by which the public servant is employed: _____

Supervisor's name: _____

3. Their mailing address: _____
City, State, Zip: _____

4. Has public servant taken an oath to uphold the U.S.A. Constitution? • Yes • No

5. Did public servant furnish proof of identity? • Yes • No

6. What was the nature of proof? I.D. _____
No. _____
Badge No. _____

7. Will public servant furnish a copy of the law and regulation that authorizes public servant's action? • Yes • No

8. Will the public servant read aloud the portion of the law authorizing the questions he will ask? • Yes • No

9. Are the questions to be asked based upon a specific law or regulation? _____

10. Are the answers voluntary? • or mandatory? •

11. What other uses may be made of this information? _____

12. What other agencies may gain access to this information? _____

13. What will be the effect upon me if I should choose to not answer any part, or all of these questions? _____

14. Name of the person in government authorizing this investigation: _____

15. Is this investigation 'general'? _____ Or is it 'special'? _____

Note: by 'general,' it means any kind of blanket investigations in which a number of persons are involved because of geography, type of business income, etc. By 'special,' it means any investigation of an individual nature in which others are not involved.

16. Have you consulted, questioned, interviewed, or received information from a third party, which led to this investigation? • Yes • No

17. If yes, please identify the third parties: _____

18. Do you reasonably anticipate either a civil or criminal action to be initiated or pursued based upon any of the information that you seek? • Yes • No

19. Is there a file of records, information or correspondence relating to me being maintained by this agency? • Yes • No

20. Is this agency using any information pertaining to me, which was supplied by another agency or the government? • Yes • No

If Yes,

21. Will the public servant guarantee that the information in these files will not be used by any other department other than the one by whom he is employed? • Yes • No

AFFIRMATION BY PUBLIC SERVANT

I swear (or affirm) that the answers I have given to the forgoing questions are complete and correct in every particular.

Signed: _____

Print Name: _____



Alternative to Privacy Act Request

[Code of Federal Regulations]
[Title 31, Volume 1, Parts 0 to 199]
[Revised as of July 1, 2000]
From the U.S. Government Printing Office via GPO Access
[CITE: 31CFR1]

[Page 33-117]

TITLE 31--MONEY AND FINANCE: TREASURY

PART 1--DISCLOSURE OF RECORDS--Table of Contents

Subpart C--Privacy Act

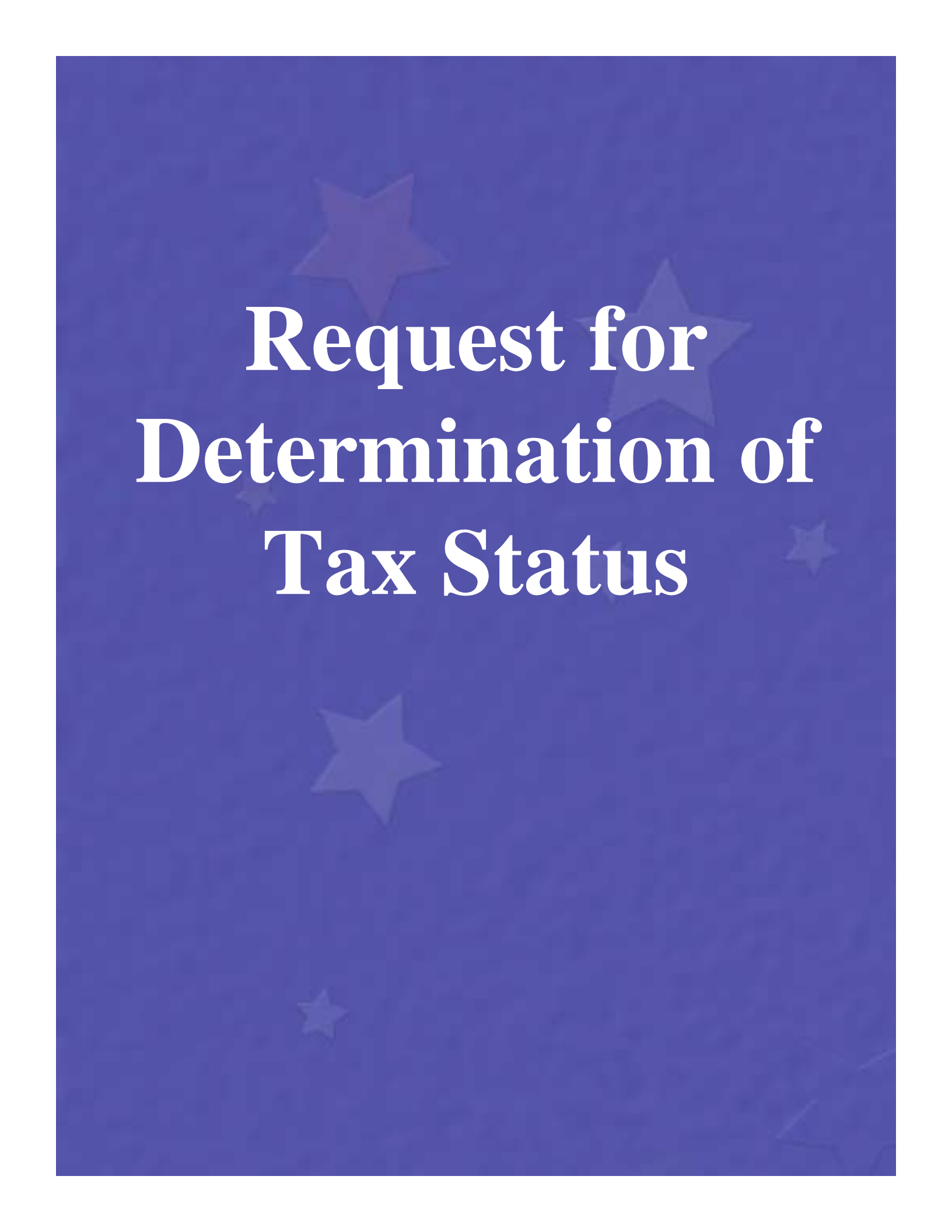
Appendix B--Internal Revenue Service

1. Purpose. The purpose of this section is to set forth the procedures that have been established by the Internal Revenue Service for individuals to exercise their rights under the Privacy Act of 1974 (88 Stat. 1896) with respect to systems of records maintained by the Internal Revenue Service, including the Office of the Chief Counsel. The procedures contained in this section are to be promulgated under the authority of 5 U.S.C. 552a(f). The procedures contained in this section relate to the following:

(a) The procedures whereby an individual can be notified in response to a request if a system of records named by the individual contains a record pertaining to such individual (5 U.S.C. 552a(f)(1))...

(d) The procedures for reviewing a request from an individual concerning the amendment of any record or information pertaining to the individual, for making a determination on the request, for an appeal within the Internal Revenue Service of an initial adverse agency determination, and for whatever additional means may be necessary for individuals to be able to exercise fully their right under 5 U.S.C. 552a (5 U.S.C. 552a (f)(4)).

2. Access to and amendment of tax records. The provisions of the Privacy Act of 1974 may not be used by an individual to amend or correct any tax record. The determination of liability for taxes imposed by the Internal Revenue Service Code, the collection of such taxes, and the payment (including credits or refunds of overpayments) of such taxes are governed by the provisions of the Internal Revenue Service Code and by the procedural rules of the Internal Revenue Service. These provisions set forth the established procedures governing the determination of liability for tax, the collection of such taxes, and the payment (including credits or refunds of overpayments) of such taxes. In addition, these provisions set forth the procedures (including procedures for judicial review) for resolving disputes between taxpayers and the Internal Revenue Service involving the amount of tax owed, or the payment or collection of such tax. These procedures are the exclusive means available to an individual to contest the amount of any liability for tax or the payment or collection thereof. See, for example, 26 CFR 601.103 for summary of general tax procedures. Individuals are advised that Internal Revenue Service procedures permit the examination of tax records during the course of an investigation, audit, or collection activity. Accordingly, individuals should contact the Internal Revenue Service employee conducting an audit or effecting the collection of tax liabilities to gain access to such records, rather than seeking access under the provisions of the Privacy Act. Where, on the other hand, an individual desires information or records not in connection with an investigation, audit, or collection activity, the individual may follow these procedures.

The background is a solid blue color with several white, five-pointed stars of varying sizes scattered across it. The stars are positioned around the central text, with some appearing larger and more prominent than others.

Request for Determination of Tax Status

**RULINGS, DETERMINATION LETTERS,
AND CLOSING AGREEMENTS AS TO SPECIFIC ISSUES**

P-(11)-23 (Approved 6-14-67)

Rulings and determination letters in general

Rulings and determination letters are issued to individuals and organizations upon written requests, whenever appropriate in the interest of wise and sound tax administration, as to their status for tax purposes and as to the tax effect of their acts or transactions, prior to their filing of returns or reports as required by the revenue laws. Rulings are issued only by the National Office. Determination letters are issued only by District Directors and the Director of International Operations. Reference to District Director or district office in these policy statements also includes the office of the Director of International Operations.

Take note:

This I. R. Manual states that individuals can make written inquiry for a determination of their status for tax purposes. Below is an example of a request letter.

EXAMPLE OF REQUEST LETTER

Dear Director:

My research of your Internal Revenue Code and your Regulations has me confused as to what my status is for Federal Income Tax.

Pursuant to I.R. Manual P-(11)-23 "upon written request" I can request a determination of my status from your office for Federal Income Tax purposes.

This is my written formal request for a determination letter as to my status for Federal Income Tax purposes.

If this is not the proper format for making this request, please send that format with instructions to me.

Please respond within 30 days.

Sincerely,

Send a letter to your local DISTRICT DIRECTOR and also send a letter to the DIRECTOR OF INTERNAL OPERATIONS, Dept. of the Treasury, 15th and Pennsylvania Ave., Washington, D.C. 20224

1.2.1.10.5

Justice for a prosecutive opinion if the indicated violation involves the Service. If the indicated violation involves a Federal Criminal Statute for which authority to investigate and take action is vested in another agency, the information will be promptly referred to the agency having the jurisdiction and liaison will be maintained with that agency when it is necessary to protect the interests of the Service.

1.2.1.10.6 (Approved 8-11-1967)

P-10-46

1. **Advising employee in criminal case of right to counsel and right against self-incrimination:** Where there is evidence that an employee has committed a crime against the Government of such nature that it is contemplated the case will be referred to a U.S. Attorney for prosecutive consideration, the Inspector will first advise the employee of his/her right to consult counsel before answering any question and to have counsel present during the interview, and of his/her right against self-incrimination, including his/her right to remain silent.

2. **Legal counsel also permitted in other cases:** If an employee requests permission to consult or to have counsel present at an interview in a case in which there is no reasonable expectation of prosecution for violation of a Federal Criminal Statute, the Director, Internal Security Division or Regional Inspector will permit such representation as he/she deems in the best interests of both the Service and the employee.

3. **Counsel must be attorney not employed by Service:** When an employee retains counsel for an inspection interview, such counsel must be an attorney and member of the bar in good standing who is not employed in any capacity by the Internal Revenue Service.

1.2.1.11 (3-15-2000)

Technical

1. The policy statements within the "P-11-X" series fall under the category of Technical policies.

1.2.1.11.1 (Approved 4-10-1967)

P-11-12

PART I—ADMINISTRATION

1. **Assistance in development of tax returns solicited:** Assistance and suggestions in the development of tax return forms will be solicited, where appropriate, from Governmental agencies and professional, trade, industry and other outside groups. Suggestions received will be evaluated and utilized according to their merits.

2. **Coordination maintained with other Government agencies:** Coordination will be maintained with the Social Security Administration, and other Governmental agencies, and with State tax officials in matters of mutual concern involving the technical content of tax return forms and instructions.

1.2.1.11.2 (Approved 6-14-1967)

P-11-23

1. **Rulings and determination letters in general:** Rulings and determination letters are issued to individuals and organizations upon written requests, whenever appropriate in the interest of wise and sound tax administration, as to their status for tax purposes and as to the tax effect of their acts or transactions, prior to their filing of returns or reports as required by the revenue laws. Rulings are issued only by the National Office. Determination letters are issued only by District Directors and the Director of International Operations. Reference to District Director or district office in these policy statements also includes the office of the Director of International Operations.

1.2.1.11.3 (Approved 2-24-1960)

P-11-26

1. **Rulings in absence of regulations issued under certain circumstances:** Requests for rulings on Code provisions under which regulations have not yet been issued are treated as follows:

a. If the answer to the question raised is clearly covered in the Code, an unconditional ruling is made only after Committee reports are examined to make sure there is no ambiguity in the statute.

b. If the answer in the statute is not entirely free from doubt, but is reasonably certain, a ruling is made but only after it is established that a business emergency requires a ruling or that unusual hardship will result from failure to obtain a ruling. If doubt

retary may dispose of such determination and any related background file document in accordance with such procedures but such disposal shall not occur earlier than 3 years after such written determination is first made open to public inspection if funds are appropriated for such purpose before January 20, 1979, or not earlier than January 20, 1979, if funds are not appropriated before such date. The Secretary shall not dispose of any reference written determinations and related background file documents.

(3) **Precedential status.** Unless the Secretary otherwise establishes by regulations, a written determination may not be used or cited as precedent. The preceding sentence shall not apply to change the precedential status (if any) of written determinations with regard to taxes imposed by subtitle D of this title.

(l) Section not to apply.

This section shall not apply to—

- (1) any matter to which section 6104 applies, or
- (2) any—

(A) written determination issued pursuant to a request made before November 1, 1976, with respect to the exempt status under section 501(a) of an organization described in section 501(c) or (d), the status of an organization as a private foundation under section 509(a), or the status of an organization as an operating foundation under section 4942(j)(3),

(B) written determination described in subsection (g)(5)(B) issued pursuant to a request made before November 1, 1976,

(C) determination letter not otherwise described in subparagraph (A), (B), or (E) issued pursuant to a request made before November 1, 1976,

(D) background file document relating to any general written determination issued before July 5, 1967, or

(E) letter or other document described in section 6104(a)(1)(B)(iv) issued before September 2, 1974.

(m) Exclusive remedy.

Except as otherwise provided in this title, or with respect to a discovery order made in connection with a judicial proceeding, the Secretary shall not be required by any Court to make any written determination or background file document open or available to public inspection, or to refrain from disclosure of any such documents.

In 1999, P.L. 106-170, Sec. 521(a)(2), added a sentence at the end of para. (b)(1), effective 12/17/99.

In 1998, P.L. 105-206, Sec. 3509(a), substituted "technical advice memorandum, or Chief Counsel advice" for "or technical advice memorandum" in para. (b)(1). . . Sec. 3509(h), redesignated subsecs. (i), (j), (k) and (l) as subsecs. (j), (k), (l) and (m) and added new subsec. (i). . . Sec. 3509(c)(1), substituted "Except as otherwise provided by subsection (i), the Secretary" for "The Secretary" in para. (b)(1). . . Sec. 3509(c)(2), substituted "subsection (g) or (i)-(k)(B)" for "subsection (g)" each place it appeared in subpara. (j)(1)(B) and para. (j)(2). . . Sec. 3509(c)(3), substituted "subsection (c)(1) or (i)(3)" for "subsection (c)" in subpara. (k)(1)(B) [as redesignated by Sec. 3509(b) of this Act], effective for any Chief Counsel advice issued more than 90 days after 7/22/98. For special rules, see Sec. 3509(d)(2)-(4) of this Act, which reads as follows:

"(2) **Transition rules.** The amendments made by this section shall apply to any Chief Counsel advice issued after December 31, 1985, and before the 91st day after the date of the enactment of this Act by the offices of the associate chief counsel for domestic, employee benefits and exempt organizations, and international, except that any such Chief Counsel advice shall be treated as made available on a timely basis if such advice is made available for public inspection not later than the following dates:

"(A) One year after the date of the enactment of this Act, in the case of all litigation guideline memoranda, service center advice, tax litigation bulletins, criminal tax bulletins, and general litigation bulletins.

"(B) Eighteen months after such date of enactment, in the case of field service advice and technical assistance to the field issued on or after January 1, 1994.

"(C) Three years after such date of enactment, in the case of field service advice and technical assistance to the field issued on or after January 1, 1992, and before January 1, 1994.

"(D) Six years after such date of enactment, in the case of any other Chief Counsel advice issued after December 31, 1985.

"(3) Documents treated as Chief Counsel advice. If the Secretary of the Treasury by regulation provides pursuant to section 6110(k)(2) of the Internal Revenue Code of 1986, as added by this section, that any additional advice or instruction issued by the Office of Chief Counsel shall be treated as Chief Counsel advice, such additional advice or instruction shall be made available for public inspection pursuant to section 6110 of such Code, as amended by this section, only in accordance with the effective date set forth in such regulation.

"(4) Chief Counsel advice to be available electronically. The Internal Revenue Service shall make any Chief Counsel advice issued more than 90 days after the date of the enactment of this Act and made available for public inspection pursuant to section 6110 of such Code, as amended by this section, also available by computer telecommunications within 1 year after issuance."

In 1992, P.L. 102-572, Sec. 902(h), effective 10/29/92, relating to Court designation provides as follows:

"(b) Other provisions of law. Reference in any other Federal law or documents to—

"(1) the 'United States Claims Court' shall be deemed to refer to the 'United States Court of Federal Claims'; and

"(2) the 'Claims Court' shall be deemed to refer to the 'Court of Federal Claims'."

In 1987, P.L. 100-203, Sec. 10511, provides rules for fees for requests for ruling, determination, and similar letters. Sec. 10511 of P.L. 100-203 is reproduced in note following Code Sec. 7805.

In 1984, P.L. 98-620, Sec. 10328(B), deleted "and the Court of Appeals shall expedite any review of such decision in every way possible" after "praxis date" in para. (b)(5), effective 11/8/84 except for cases pending on 11/8/84.

In 1982, P.L. 97-144, Sec. 1(b)(9), substituted "United States Claims Court" for "Court of Claims" in para. (a)(1), effective 10/1/82.

In 1976, P.L. 94-455, Sec. 1201(a), redesignated Code Sec. 6110 as Code Sec. 6111 and added new Code Sec. 6110, effective 11/1/76. Sec. 1201(b) of this Act provides:

"(b) **Effect upon pending requests.** Any written determination or background file document which is the subject of a judicial proceeding pursuant to section 552 of title 5, United States Code, commenced before January 1, 1976, shall not be treated as a written determination subject to subsection (b)(1), but shall be available to the complainant along with the background file document, if requested, as soon as practicable after July 1, 1976."

Sec. 6111. Registration of tax shelters.

(a) Registration.

(1) **In general.** Any tax shelter organizer shall register the tax shelter with the Secretary (in such form and in such manner as the Secretary may prescribe) not later than the day on which the first offering for sale of interests in such tax shelter occurs.

(2) **Information included in registration.** Any registration under paragraph (1) shall include—

(A) information identifying and describing the tax shelter,

(B) information describing the tax benefits of the tax shelter represented (or to be represented) to investors, and

(C) such other information as the Secretary may prescribe.

(b) Furnishing of tax shelter identification number; inclusion on return.

(1) **Sellers, etc.** Any person who sells (or otherwise transfers) an interest in a tax shelter shall (at such times and in such manner as the Secretary shall prescribe) furnish to each investor who purchases (or otherwise acquires) an interest in such tax shelter from such person the identification number assigned by the Secretary to such tax shelter.

(2) **Inclusion of number on return.** Any person claiming any deduction, credit, or other tax benefit by reason of a tax shelter shall include (in such manner as the Secretary may prescribe) on the return of tax on which such deduc-

APPENDIX A

SCHEDULE OF USER FEES

NOTE: Checks or money orders must be in U.S. dollars

(A) FEE SCHEDULE

<i>CATEGORY</i>	<i>FEE FOR REQUESTS POSTMARKED AFTER 1-14-2001, AND BEFORE 3-1-2001</i>	<i>FEE FOR REQUESTS POSTMARKED ON OR AFTER 3-1-2001</i>
(1) <u>User fee for a request for a determination letter from a director.</u> The user fee for each determination letter request governed by Rev. Proc. 2001-1 (this revenue procedure).	<u>\$275</u>	<u>\$275</u>
(2) User fee for a request for an advance pricing agreement or a renewal of an advance pricing agreement.	See Rev. Proc. 96-53	See Rev. Proc. 96-53
(3) User fee for a request for a letter ruling or closing agreement. Except for the user fees for advance pricing agreements and renewals, the reduced fees provided in paragraph (A)(4) of this appendix, the user fees provided in paragraph (A)(5) of this appendix, and the exemptions provided in section 15.04 of Rev. Proc. 2001-1 (this revenue procedure), the user fee for each request for a letter ruling or closing agreement under the jurisdiction of the Associate Chief Counsel (Corporate), the Associate Chief Counsel (Financial Institutions & Products), the Associate Chief Counsel (Income Tax & Accounting), the Associate Chief Counsel (International), the Associate Chief Counsel (Passthroughs & Special Industries), the Associate Chief Counsel (Procedure and Administration), or the Division Counsel/Associate Chief Counsel (Tax Exempt and Government Entities) is as follows:		
(a) Accounting periods		
(i) Form 1128 (except as provided in paragraph (A)(4)(a) or (b) of this appendix)	\$600	\$600
(ii) Requests made on Part II of Form 2553 to use a fiscal year based on a business purpose (except as provided in paragraph (A)(4)(a) or (b) of this appendix)	\$600	\$600
(iii) Letter ruling requests for extensions of time to file Form 1128, Form 8716, or Part II of Form 2553 under § 301.9100-3 (except as provided in paragraph (A)(4)(a) or (b) of this appendix)	\$700	\$1,200
(b) Changes in Accounting Methods		
(i) Form 3115 (except as provided in paragraph (A)(4)(a) or (b), or (5)(b) of this appendix)	\$1,200	\$1,200
(ii) Letter ruling requests for extensions of time to file Form 3115 under § 301.9100-3 (except as provided in paragraph (A)(4)(a) or (b), or (5)(c) of this appendix)	\$700	\$1,200



**Where to find the
record you're
looking for**



DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

CHIEF COMMUNICATIONS
AND LIAISON

Date: MAR 19 2001

> [REDACTED]
[REDACTED]
[REDACTED]

SSN(S): 130-44-8457

Dear Mr. [REDACTED]

This is in response to your Freedom of Information Act (FOIA) request dated March 8, 2001, that was received in this office on March 16, 2001, copy enclosed.

Also enclosed is Document 6036, Examination Division Reporting System Codes Booklet, which contains Examination (audit) activity codes. We hope this is what you intended to receive. If not, please re-submit your request with a clear and specific explanation of what you are seeking so that we will know where to search. Please know further that the Internal Revenue Service does not maintain a central file on taxpayers. Instead, each tax year has its own separate file and within each separate file the following basic files may be found:


District Office Jurisdiction:

- 1) Examinations (audits)
 - a. Extensive
- 2) Collection
 - a. Liens
 - b. Revenue Officer's records
- 3) Criminal Investigations
 - a. Case files

Service Center Jurisdiction:

- 1) Examinations
 - a. Simple mail-resolved
- 2) Collection
 - a. Automated notices
- 3) Criminal Investigations
 - a. Support records
- 4) Accounting Assessment Records
- 5) Transcripts of Account
- 6) Tax Returns

To help us search for records, a request must include specific references to the types of records, the tax year or years involved, the type of tax, or the type and location of any investigation conducted by the Service.



IRS Notices

26 USC 6001

owned directly by one or more corporations which are component members of the group on such December 31.

[T.D. 7181, 37 FR 8071, Apr. 25, 1972]

Procedure and Administration

INFORMATION AND RETURNS

RETURNS AND RECORDS

SOURCE: Sections 1.6001-1 to 1.6091-4 contained in T.D. 6500, 25 FR 12108, Nov. 26, 1960, unless otherwise noted.

RECORDS, STATEMENTS, AND SPECIAL RETURNS

§ 1.6001-1 Records.

(a) *In general.* Except as provided in paragraph (b) of this section, any person subject to tax under subtitle A of the Code (including a qualified State individual income tax which is treated pursuant to section 6361(a) as if it were imposed by chapter 1 of subtitle A), or any person required to file a return of information with respect to income, shall keep such permanent books of account or records, including inventories, as are sufficient to establish the amount of gross income, deductions, credits, or other matters required to be shown by such person in any return of such tax or information.

(b) *Farmers and wage-earners.* Individuals deriving gross income from the business of farming, and individuals whose gross income includes salaries, wages, or similar compensation for personal services rendered, are required with respect to such income to keep such records as will enable the district director to determine the correct amount of income subject to the tax. It is not necessary, however, that with respect to such income individuals keep the books of account or records required by paragraph (a) of this section. For rules with respect to the records to be kept in substantiation of traveling and other business expenses of employees, see § 1.162-17.

(c) *Exempt organizations.* In addition to such permanent books and records as are required by paragraph (a) of this section with respect to the tax imposed by section 511 on unrelated business income of certain exempt organizations,

every organization exempt from tax under section 501(a) shall keep such permanent books of account or records, including inventories, as are sufficient to show specifically the items of gross income, receipts and disbursements. Such organizations shall also keep such books and records as are required to substantiate the information required by section 6033. See section 6033 and §§ 1.6033-1 through 1.6033-3.

(d) *Notice by district director requiring returns statements, or the keeping of records.* The district director may require any person, by notice served upon him, to make such returns, render such statements, or keep such specific records as will enable the district director to determine whether or not such person is liable for tax under subtitle A of the Code, including qualified State individual income taxes, which are treated pursuant to section 6361(a) as if they were imposed by chapter 1 of subtitle A.

(e) *Retention of records.* The books or records required by this section shall be kept at all times available for inspection by authorized internal revenue officers or employees, and shall be retained so long as the contents thereof may become material in the administration of any internal revenue law.

[T.D. 6500, 25 FR 12108, Nov. 26, 1960, as amended by T.D. 7122, 36 FR 11025, June 8, 1971; T.D. 7577, 43 FR 59357, Dec. 20, 1978; T.D. 8308, 55 FR 35593, Aug. 31, 1990]

§ 1.6001-2 Returns.

For rules relating to returns required to be made by every individual, estate, or trust which is liable for one or more qualified State individual income taxes, as defined in section 6362, for a taxable year, see paragraph (b) of § 301.6361-1 of this chapter (Regulations on procedure and Administration).

[T.D. 7577, 43 FR 59357, Dec. 20, 1978]

TAX RETURNS OR STATEMENTS

§ 1.6011-1 General requirement of return, statement, or list.

(a) *General rule.* Every person subject to any tax, or required to collect any tax, under Subtitle A of the Code, shall make such returns or statements as are required by the regulations in this chapter. The return or statement shall

of the Internal Revenue Code of 1954, as amended, 26 U.S.C. Section 1 et seq. (the "Code"). Both Mobil and IRS have moved for summary judgment.

The dispute leading to this suit began during an IRS audit of Mobil. The IRS requested information from Mobil concerning the number of exemptions claimed by Mobil's employees on their tax withholding forms. Mobil resisted the request, insisting upon a summons. The IRS has declined to issue and seek enforcement of a summons. It seeks instead to obtain an inspection of certain records under 26 U.S.C. § 6001. That is, IRS seeks a judicial declaration of

2. The records are described in the affidavit of Loren E. Thomas of Mobil as follows:

Records kept by Mobil Oil

18. For the years 1978 and 1979, [Mobil Administrative Services Company, Inc.] MASCI has kept records containing the information required to be kept by Treas.Reg. § 31.6001-5. These records include the following for each person who was employed by Mobil Oil at any time during such years and who was paid through a payroll system maintained by MASCI:

(a) The name, address, and social security account number of the employee.

(b) The total amount and date of each payment of remuneration (including any sum withheld therefrom as tax or for any other reason) and the period of services covered by such payment.

(c) The amount of any remuneration payment which constitutes wages subject to withholding.

(d) The amount of tax collected with respect to such remuneration.

(e) The amount of payments made to each employee under a wage continuation plan and the beginning and ending dates of each period of absence from work for which each such payment was made.

(f) The withholding exemption certificates (Forms W-4) filed with Mobil Oil by the employee.

19. For 1978 and 1979 the official records of the information described in Paragraph 18(a) above are the original Forms W-4 signed by each employee that were effective at the time, except that the official record of an employee's then-current address in cases in which the employee's address changed after his most recent Form W-4 had been filed is the internal form 1454 or form 1454 (supplement) kept in the employee's personnel file and on which the address change was made.

20. For 1978 and 1979 the official record of the information described in Paragraphs 18(b), (c), and (d) above, other than the period of services covered by the payment, are the mi-

its right to demand inspection without resort to the procedures for issuance of a summons. See 26 U.S.C. § 7602-7610.

The following facts are undisputed:

1. The identity of the records which the IRS is presently seeking is not in dispute.²

2. The specific records which the IRS wishes to inspect are microfiche copies of salary checks and stubs for each payment of compensation and Forms W-4 for each employee.³

3. The IRS has not identified specific Mobil employees whose tax liability is being investigated.

crofiche copies of the payroll checks and stubs for each payment of compensation. The period of services covered by any payment of regularly scheduled wages can be determined from the microfiche copies of the payroll checks and stubs, but the period covered by payments of overtime or other extraordinary amounts can be determined only by reviewing variation reports and the documents from which such reports were prepared.

21. For 1978 and 1979 the official record of the information described in Paragraph 18(e) above is the Form CO Annual Attendance Record (includes date of absence only) which is maintained within each section of each department of Mobil Oil.

22. For 1978 and 1979 the official record described in Paragraph 18(f) above is the Form or Forms W-4 that were effective at the time, which are kept in the individual payroll personnel file maintained for each employee. The personnel files for all individuals employed by Mobil Oil during 1978 and 1979 (other than those individuals employed by Mobil Oil's Plastics Division), are maintained at the offices of MASCI in Dallas, Texas.

3. The form of the information sought by the IRS has changed during the course of this action. Originally, the IRS requested access to magnetic computer tapes or hard copies of Forms W-2 and W-4. Mobil's decision to resist the original IRS request appears to have been based in large part on the fact that there was a considerable amount of information about its personnel on the computer tapes which was unrelated to its employees' tax liability. At a later point, Mobil offered to compromise the suit by giving the IRS access to its employees' W-2 and W-4 forms, but due to a breakdown in communication the IRS did not accept this compromise. Consequently, the court must decide whether the IRS is entitled to inspect the information in the form currently requested—Forms W-4 and microfiche copies of salary checks.

UNITED STATES of America,
Petitioner,

v.

MOBIL CORPORATION and Mobil Oil
Corporation, Respondents.

Civ. A. No. CA-3-80-0438-G.

United States District Court,
N. D. Texas,
Dallas Division.

Dec. 18, 1981.

Internal Revenue Service brought an action seeking a permanent injunction compelling employer to allow inspection of employer's records concerning its employees' tax withholding. Upon cross motions for summary judgment, the District Court, Patrick E. Higginbotham, J., held that section of Internal Revenue Code requiring taxpayers to keep records did not give the IRS authority to unilaterally inspect employer's records concerning its employees' tax withholding; rather, Congress intended to authorize such inspections only by resort to other statutorily created procedural schemes such as the summons procedures.

Employer's motion granted; IRS' cross motion denied.

1. Since the action is brought on behalf of the IRS, the petitioner will be referred to herein as either the USA or the IRS.

The shifts in the contentions of Mobil and IRS ought to be noted in order to place this court's earlier discovery order in perspective. See *United States v. Mobil Corp.*, 499 F.Supp. 479 (N.D.Tex.1980). At that juncture of the suit, Mobil's argument as to the limited role of § 6001 was more modest. It resisted production of documents that were not required to be maintained by § 6001. Mobil then made no claim that the § 7602-7610, summons procedure was the exclusive enforcing mechanism for IRS inspection of documents required to be kept by § 6001. At the same time, Mobil sought discovery that was allowable only if a summons had issued, arguing that the *United States v. Powell*, 379 U.S. 48, 85 S.Ct. 248, 13 L.Ed.2d 112 (1964), standards ought to be applied by analogy. I then, in response, reasoned

1. Internal Revenue Code ←4495

Section of Internal Revenue Code requiring taxpayers to keep records did not give the IRS authority to unilaterally inspect employer's records concerning its employees' tax withholding; rather, Congress intended to authorize such inspections only by resort to other statutorily created procedural schemes such as the summons procedures. 26 U.S.C.A. § 6001.

2. Constitutional Law ←48(1)

If selection of one of alternative constructions of a statute would involve serious constitutional difficulties, that is reason to reject that construction in favor of another.

Kenneth J. Mitchell, U. S. Atty., Martha Joe Stroud, Asst. U. S. Atty., Dallas, Tex., Michael E. Greene, Tax Division, Dallas, Tex., for petitioner.

Chas. R. Haworth, R. Hunter Summers, Hewett, Johnson, Swanson & Barbee, Dallas, Tex., for respondents.

MEMORANDUM ORDER

PATRICK E. HIGGINBOTHAM, District Judge.

The United States of America ("USA") seeks a permanent injunction compelling Mobil Corporation and Mobil Oil Corporation (collectively "Mobil") to allow inspection of certain records by the Internal Revenue Service ("IRS").¹ USA claims its right to inspect is conferred by Section 6001

that the reach of a production under § 6001 as then read by both Mobil and IRS did not require the same protection as the broader sweep of inspection under § 7602 et seq. My point is that the discovery ruling accepted Mobil's concession of an obligation to produce records required to be kept under § 6001 and did not address the more basic question of whether § 6001 was a source of any inspection right. The reasoning of that discovery order is a seeming invitation for the IRS argument which followed. As I point out in this opinion, the court's footnote in *Marshall v. Barlow's*, 436 U.S. 307, 98 S.Ct. 1816, 56 L.Ed.2d 305 (1978), to the extent it recognizes a privacy interest in a record created only for government inspection, gives me pause. I only say here that, given *Barlow's*, the IRS view of § 6001 at the least poses sufficiently serious constitutional problems that, coupled with the other indices of congressional purpose, it cannot be adopted.

by § 6001. Regardless, the exercise demonstrates that so interpreting § 6001 is permissible, at the least, if indeed it is not more plausible than any other.

Relying upon the understanding of one Senator in plumbing for congressional intent or purpose is a hazardous enterprise. Moreover, we must keep in mind that Senator Haskell was expressing his understanding of § 6001 in the context of the intended purpose of amendments to § 7609. Thus, his view sheds light upon the congressional purpose behind § 7609, but not § 6001. At the same time, we do know that Congress was then concerned with potential abuse by the tax collectors, and while the means of achieving its purpose are not conclusively stated, its purpose is. In this sense the history, although lean in specifics, is nonetheless helpful. This is so because it necessarily follows that a proffered interpretation of means that, even with present eyesight, are found to travel against the overall purpose of Congress, ought not be lightly accepted.

The argument that acceptance of the IRS reading of § 6001 would frustrate this general congressional purpose behind Sections 7602-10 is compelling. More specifically, the IRS construction would reduce the effectiveness of a carefully constructed set of protections for taxpayers. We know that in order to issue a summons entitling it to examine books and records under Code Section 7602(2), not only may the IRS not seek the records solely for a criminal purpose, *U. S. v. LaSalle National Bank*, 554 F.2d 302

7. Although Mobil is not a "third party record keeper," as defined in 7609(a)(3), for purposes of the notice requirements of 7609(a), the IRS must comply with the "John Doe" summons provisions of 7609(f). The language of Section 7609 indicates that the third party notice provisions in 7609(a) and the "John Doe" provisions are separate requirements. § 7609(a) outlines the notice requirements which apply to any summons which meets the description in § 7609(c) and is served on "third party recordkeepers." § 7609(c) summons include all those issued under § 7602(2), with certain limited exceptions. § 7609(f), although it is titled "additional requirement in the case of a John Doe summons", provides that any summons described in subsection (c) "which does not identify the person with respect to whose liability

(7th Cir. 1977), it must meet four other tests of its "good faith" which are set forth in *U. S. v. Powell*, 379 U.S. 48, 57-8, 85 S.Ct. 248, 254-55, 13 L.Ed.2d 112 (1964), which were recently summarized by the First Circuit as follows:

[T]he IRS must show (1) that the investigation will be conducted pursuant to a legitimate purpose; (2) that the inquiry may be relevant to the purpose; (3) that the information sought is not already in the possession of the IRS; and (4) that the administrative steps required by the Internal Revenue Code have been followed.

U. S. v. Freedom Church, 618 F.2d 316, 319 (1st Cir. 1979).

There are other special requirements for the issuance of summonses where "third party record keepers" are involved, Code Section 7609(a)(3), which are not applicable here.

In this case, the IRS would be required to comply with the "John Doe" summons provisions found in 7609(f) of the Code⁷ because the IRS has not identified "the person(s) with respect to whose liability the summons is issued." 7609(f) provides as follows:

[A "John Doe" summons may be issued] only after a court proceeding in which the Secretary establishes that—

(1) the summons relates to the investigation of a particular person or ascertainable group or class of persons,

ity the summons is issued "must comply with certain other requirements. Consequently, the "John Doe" summons requirements are not limited to summonses for records which are held by "third party recordkeepers." This interpretation of Section 7609 is supported by its legislative history because the House report explaining 7609 does not indicate that John Doe summonses are merely a sub-species of summonses for records held by "third party recordkeepers," but rather the report gives separate treatment to the two types of summonses. H.Rep.No.94-1380, 94th Cong. 20 Sess. 367-74, reprinted in *U.S. Code Cong. & Ad. News* 1976, 2897, 3796-3803. (See *U. S. v. Reprints, Inc.*, 70-1 U.S.T.C. ¶9108 (N.D.Ga. 1978); *U. S. v. Brigham Young University*, 485 F.Supp. 534, 537 (D.Utah 1980).

§ 54; Estate Tax, § 821(d); Admissions and Dues Taxes, § 1720; Documents and Instruments Tax § 1835). It also included, as part of its General Administrative Provisions, record and return, examination and summons provisions which, with one exception, were identical to those found in the 1924 Act. The exception was that the record and return provision required taxpayers to make returns and statements and keep records where the Commissioner served notice on them, but it did not require them to perform these acts in the absence of notice by the Commissioner. Apparently, Congress believed such a provision was unnecessary given the fact that the record and return provisions cited above required such acts without notice. The record and returns provision of the 1939 Code, § 3603, appeared in "Subchapter A—Discovery of Tax Liability" of "Chapter 34—Informations and Returns." The examination, § 3614, and summons provisions, § 3615, of the Code appeared in "Subchapter B—Determination of Tax Liability" of Chapter 34. The records and returns provision appears in a subchapter of the 1939 Code which includes a provision for entry of premises for examination of taxable objects. It also provided for a search warrant, which might suggest that the Congress intended for it to serve as a source of authority for the acquisition of records. Yet, there is no indication in the Congressional Reports which discuss the 1939 Code to support such a reading because none of these reports discuss any of the provisions cited above.

When it enacted § 6001 as part of the 1954 Code, Congress eliminated the 1939 Code's record and return provisions which related to specific types of tax liability and combined the requirement that taxpayers keep certain types of records and make returns and statements with the requirement that they perform these acts upon notice by the Commissioner. Section 6001 was included in the "Records, Statements and Special Returns" portion of the Subtitle of the Code concerning "Procedure and Administration," which suggests that Congress did not intend for § 6001 to serve as an authorization to inspect records. Congress

also combined, for the first time, the examination and summons provisions of the Code (§§ 7602(1) and 7602(2)). The congressional intent behind these structural changes is not recorded. The congressional reports on § 6001 and § 7602 merely indicate that these provisions do not reflect a change from existing law. H.R.Rep.No.1337, 83rd Cong., 2d Sess. and S.Rep.No.1622, 88rd Cong., 2d Sess., reprinted in [1954] *U.S. Code Cong. & Ad. News* 4025, 4543, 5210.

In sum, the summons provisions of the revenue laws came into existence during the Civil War. The records and returns and records examination provisions first appeared during World War I and for a brief period were combined in a single section of the revenue laws. The records and returns provision was dropped from the revenue laws for three years and then added because it was needed to control tax evasion. At no point has Congress explicitly indicated that the requirement that taxpayers "keep records" grants the IRS authority to examine records, although the 1939 Codification of the Internal Revenue Laws placed one of § 6001's predecessors in a part of the Code related to "Discovery of tax liability." No clear picture of congressional intent is presented by the legislative history of these provisions. We are left then with the current structure of the Code and the remarks of Senator Haskell. At the same time, it ought to be noted that the records maintenance provision has never existed without a summons provision, and the summons provisions were continued after the record keeping provisions were adopted.

D. Summary.

In summary, this review of § 6001, its language, the authority construing it, and its relationship to other Code provisions, even while falling substantially short of demonstrating congressional purpose with certainty, provides some support for Mobil's contention that the IRS cannot rely upon § 6001 as a grant of a right of inspection; that it must look to other sources, such as its administrative summons procedures, in order to inspect records required to be kept

Examining Officer's Activity Record

Agent/Auditor

W. Rowland

Ex Cd

Date

Taxpayer

Address (if different than return)

Phone Number

Representative(s)

Address

Phone Number

Date	Time	Remarks/Action Taken	EAC	Purge Date
<i>12/29/96</i>	<i>2</i>	<i>4549 C17 edr Unit 1</i>		
<i>12/29/96</i>		<i>h h u PB</i>		
<i>2/5/97</i>		<i>ord. 1-21-97 PB</i>		
<i>2/7/97</i>	<i>.14</i>	<i>Issue Stat, 4549, IACOND</i>	<i>1220</i>	
<i>MAR 12 1997 5 501 P.B.</i>				
<i>4/2/97</i>		<i>CD</i>		
<i>7-2-97</i>		<i>6-2-97</i>		
<i>7/8/97</i>	<i>.3</i>	<i>555,884, 937 for POA DEFAULT</i>	<i>1220</i>	
<i>7-8-97</i>		<i>1, " " " - Leko Modular kalam</i>		

Ex Cd = Examining Technique Code

EAC = ERCS Action Code

SSN: 242-15-6378

EXAMINATION WORKPAPERS - B

TAXPAYER: Brooks

YEAR: 94

TECHNICIAN: 1220

DATE: 2/7/97

H. PENALTIES

Type	Asserted		Reason
Accuracy Related			SFR
Negligence	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
Substantial Understatement	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
Delinquency	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
FICA	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
Estimated Tax (SFR)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
Other	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	

<input checked="" type="checkbox"/> F/S Standard Deduction	Per Return	Corrected	Adjustment	Index
		3	3	A1

2/1/97 Per CRD 1/21/97 T/P reiterated tax protester status

7/8/97 Per CRD 6/21/97 T/P reiterated tax protester status. F2848 for POA already on file. 555,886 to tell T/P 90-days have expired. Default.

<input checked="" type="checkbox"/> J Exemptions	Per Return	Corrected	Adjustment	Index
		1	1	

<input checked="" type="checkbox"/> K Wages	Per Return	Corrected	Adjustment	Index
		26113	26113	

Part II

Forms, Form Letters, Notices, etc.

(as of Nov 1991)

To: EOOIK

Fr: Bruce

Here it is...

Notice 555!

This part lists the various forms and form letters used by the Internal Revenue Service to communicate with the public. It contains identifying information about the Service's form letters, computer generated bills, information notices, and many miscellaneous forms concerning tax matters.

The Functional Description lists each form by number, gives its title, if any, a brief description of its purpose, and the National Office symbols of the Service component primarily responsible for it.

The Index lists the forms by subject and identifies each form by number.

The symbols and names of the Service components referred to in the Functional Description are:

C	Office of the Commissioner
C:PA	Assistant Commissioner (Public Affairs)
C:PRP	Assistant Commissioner (Taxpayer Ombudsman)
HR	Assistant Commissioner (Human Resources and Support)
HR:DP	Director of Practice
HR:F:P	Publishing Service
I	Office of Chief Inspector (Inspection)
I:IA:P	Planning, Management, and Staff Development
I:IS:OA	Operation Analysis (Internal Security)
EX	Assistant Commissioner (Examination)
EX:E:D	District Programs
EX:E:S	Service Centers Programs
EX:D:D	Disclosure Operations
EX:D:F	FOIA/Privacy
EX:C:C	CEP (Coordinated Examination Programs)
EX:C:I	ISP (Coordinated Examination Programs)
EX:I	Information Reporting Programs
CO	Assistant Commissioner (Collection)
CO:O	Office of Field Operations
CO:ICB	Integrated Collection System
E	Assistant Commissioner (Employee Plans and Exempt Organizations)
E:O	EP/EO Operations
E:OE	Examination Branch
E:OD	Determination Branch
E:EP	EP Technical and Actuarial Division
E:EP:Q	Qualification Branch
IN	Assistant Commissioner (International)
IN:C:E	Examination
IN:C:C	Collection
IN:C:TPS	Taxpayer Service
IN:O	International Operations
IN:T	Tax Treaty
R	Assistant Commissioner (Return Processing)
R:R:A	Accounting Branch
R:R:T	Tax Accounts and Underreporter
R:R:G	Quality Assurance
R:R:R	Processing
R:R:S	System Development
R:E	Electronic Filing
R:E:S	System Development
R:E:O	Operations and Marketing

Notice 487 Information Guide—Credit for the Elderly or the Disabled. Notice to accompany letter advising taxpayer of examination of return. It tells what records are required to substantiate the credit for the elderly or the disabled. EX:E:D

Notice 500 Information Concerning Your Order for IRS Form W-4. Notice advising taxpayer that they received fewer Forms W-4 than ordered because legislation may be enacted that will affect withholding rates and will require IRS to issue a new Form W-4. HR:F:P

Notice 555 Filing Requirements. Notice advising taxpayer of legal requirements for filing Federal income tax returns, and that failure to file a required return, supply information, or pay tax may subject him or her to prosecution under the Internal Revenue Code. EX:D

Notice 557 Who Must File a Federal Income Tax Return. Notice sent to taxpayer explaining who must file an income tax return. CO:O:CPS

Notice 587 Preparing Form W-2 for Your Household Employee. Notice explaining to employer how to complete Form W-2 for household employees. R:R:T

Notice 589 Notice of Currency Transaction Report Requirement. Notice advising financial institutions that they are required to identify all persons conducting transactions of more than \$10,000 in currency. CI:O

Notice 606 Notice About Your Order for Federal Tax Forms. Notice issued to banks and post offices advising that IRS received Form 2333-B request for additional forms not offered under the bank and post office program. Explains that IRS cannot furnish these other items because only those forms listed on Form 2333-B are available for bulk redistribution to the public. HR:F

Notice 609 Privacy Act Notice. Notice is distributed with public use forms, letters, and publications when required to explain the Privacy Act. T:FP:F:M

Notice 632 Privacy Act and Paperwork Reduction Act Notice. Notice advising taxpayers of IRS's legal right to ask for requested information; stating why IRS is collecting it and whether taxpayers are required to furnish it. I:IA:P

Notice 633 Confirmation Letter for Record of Returns Not Filed. Stuffer notice requesting information when taxpayer receives a verification request of tax returns not filed. I:IA:P

Notice 634 Confirmation Letter for Balance Due on Account. Stuffer notice requesting information when taxpayer disagrees with a verification request of an unpaid tax balance. I:IA:P

Notice 674 Should Your Partnership Obtain Prior Approval for Its Tax Year? Notice explaining the provisions regarding tax year adoptions by partnerships. CC:C

Notice 675 Notice of Charge for Copy of Tax Return or Tax Account Information. Notice returning taxpayer's request for copies of tax returns, which did not include payment. R:R:T

Notice 688 Important Notice to Users of IRS Tapes Notice explaining control and follow-up procedures used by IRS for reels of magnetic tape data that are shipped to other government agencies. R:R:M

Notice 695 Request for Missing Signature To Complete Return. Notice requesting signature on an employment tax return. R:R:R

Notice 706 Information About Estimated Tax Penalty Refund. Notice explaining to taxpayer that estimated tax penalty was incorrectly computed and is being refunded. R:R:I

Notice 720 Important Notice—Bankruptcy. Stuffer notice explaining to taxpayer that if the balance due on income tax on the enclosed notice is for a period prior to the date of bankruptcy petition, it should not be paid at this time, a proof of claim will be filed in the proceeding for this amount. If the notice refers to a period that ended after the date of bankruptcy petition, payment should be sent as requested by the notice. CO:O:SP

Notice 735 Guide to Individual Payers Required To Deduct Backup Withholding. Notice advising individual payers of requirements for reporting backup withholding. CO:O

Notice 746 Information About Your Notice, Penalty and Interest. Notice advising taxpayer of change in interest rate on underpayments and overpayments of taxes, and change in penalty rate for underpayment of estimated tax. Also, an explanation of the penalty codes. R:R:T

Notice 776 Deposit Reminder. Notice transmitting an unacceptable payment because it was not intended for IRS or an endorsement is required. R:R:D

Notice 782 Information on Tax Examination. Notice mailed with all initial interview contact letters. Advises taxpayers of the general examination procedures, repetitive examinations, authorized representation, and appeal rights. EX:E:D

Notice 788 Special Phone Number for TIN Penalty Case. Stuffer advising information return filers of phone number to call for information on proposed TIN penalty assessments. R:R:T

Notice 836 Form W-4 Reminder Notice to Employers. Stuffer reminds employers that Forms W-4 claiming exempt status expire annually on February 15 and instructs them to withhold at "single with zero withholding allowance" until a new Form W-4 is submitted. Also, employers reminded of regulations to send certain Forms W-4 to IRS. CO:O

74 Functional Description

EXHIBIT	Page	Of
A	6	6



Notice 555

(Rev. November 1984)

Filing Requirements

Pertinent Sections—Internal Revenue Code
Title 28, United States Code

Sec. 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 laws 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.

Sec. 6012. Persons Required to Make Returns of Income

(a) **General Rule**—Returns with respect to income taxes under subtitle A shall be made by the following:

(1)(a) Every individual having for the taxable year gross income which equals or exceeds the exemption amount, except that a return shall not be required of an individual—

(i) who is not married (determined by applying section 7703), is not a surviving spouse (as defined in section 2(a)), is not a head of a household (as defined in section 2(b)), and for the taxable year has gross income of less than the sum of the exemption amount plus basic standard deduction applicable to such an individual,

(ii) who is a head of a household (as so defined) and for the taxable year has gross income of less than the sum of the exemption amount plus the basic standard deduction applicable to such an individual,

(iii) who is a surviving spouse (as so defined) and for the taxable year has gross income of less than the sum of the exemption amount plus the basic standard deduction applicable to such an individual, or

(iv) who is entitled to make a joint return and whose gross income, when combined with the gross income of his spouse, is, for the taxable year, less than the sum of twice the exemption amount plus the basic standard deduction applicable to a

joint return, but only if each individual and his spouse, at the close of the taxable year, had the same household as their home.

Clause (iv) shall not apply if for the taxable year such spouse makes a separate return or any other taxpayer is entitled to an exemption for such spouse under section 151(a).

(b) The amount specified in clause (i), (ii), or (iii) of subparagraph (A) shall be increased by the amount of 1 additional standard deduction (within the meaning of section 63(c)(2)) in the case of an individual entitled to such deduction by reason of section 64(b)(1)(A) (relating to individuals age 65 or more), and the amount specified in clause (iv) of subparagraph (A) shall be increased by the amount of the additional standard deduction for each additional standard deduction to which the individual or his spouse is entitled by reason of section 63(b)(1).

(c) The exception under subparagraph (A) shall not apply to any individual—

(1) who is described in section 63(c)(5) and who has—

(i) income (other than earned income) in excess of the sum of the amount in effect under section 63(c)(3)(A) plus the additional standard deduction (if any) to which the individual is entitled, or

(ii) total gross income in excess of the standard deduction, or

(2) for who the standard deduction is zero under section 63(c)(8).

Sec. 7203. Willful Failure to File Return, Supply Information, or Pay Tax.

Any person required under this title to pay any estimated tax or tax, or required by this title or by regulations made under authority thereof to make a return, keep any records, or supply any information, who willfully fails to pay such estimated tax or tax, make such return, keep such records, or supply such information, at the time or times required by law or regulations, shall, in addition to other penalties provided by law, be guilty of a misdemeanor and, upon conviction thereof, shall be fined not more than \$25,000 (\$100,000 in the case of a corporation), or imprisoned not more than 1 year, or both, together with the costs of prosecution. In the case of any person with respect to whom there is a failure to pay any estimated tax, this section shall not apply to such person with respect to such failure if there is no addition to tax under section 6854 or 6855 with respect to such failure. In the case of a willful violation of any provision of section 6000 I, the first sentence of this section shall be applied by substituting "felony" for "misdemeanor" and "5 years" for "1 year".

(over)



SOCIAL SECURITY

TEH2B

March 18, 1998

Mr. Scott McDonald
789 Neal Drive
Gurley, Alabama 35748

Dear Mr. McDonald:

This is in response to your letter to the Commissioner concerning Social Security numbers for your children.

The Social Security Act does not require a person to have a Social Security number (SSN) to live and work in the United States, nor does it require an SSN simply for the purpose of having one. However, if someone works without an SSN, we cannot properly credit the earnings for the work performed.

Other laws require people to have and use SSNs for specific purposes. For example, the Internal Revenue Code (26 U.S.C. 6109 (a)) and applicable regulations (26 CFR 301.6109-1(d)) require an individual to get and use an SSN on tax documents and to furnish the number to any other person or institution (such as an employer or a bank) that is required to provide the Internal Revenue Service (IRS) information about payments to the individual. There are penalties for failure to do so. The IRS also requires employers to report SSNs with employees' earnings. In addition, people filing tax returns for taxable years after December 31, 1994, generally must include the SSN of each dependent.

The Privacy Act regulates the use of SSNs by government agencies. They may require an SSN only if a law or regulation either orders or authorizes them to do so. Agencies are required to disclose the authorizing law or regulation. If the request has no legal basis, the person may refuse to provide the number and still receive the agency's services. However, the law does not apply to private sector organizations. Such an organization can refuse its services to anyone who does not provide the number on request.

We hope you find this information helpful. If you have further questions, you may call our toll-free number, 1-800-772-1213. Our representatives will be glad to help you.

Sincerely,

Charles H. Mullen
Associate Commissioner
Office of Public Inquiries

ing number is required to be furnished under authority of law. When the person filing the return, statement, or other document does not know the number of the other person, and has complied with the request provision of this paragraph, he shall sign an affidavit on the transmitted document forwarding such returns, statements, or other documents to the Internal Revenue Service, so stating. A person required to file a taxpayer identifying number shall correct any errors in such filing when his attention has been drawn to them.

(d) *Obtaining a taxpayer identifying number—(1) Social security number.* Any individual required to furnish a social security number pursuant to paragraph (b) of this section shall apply for one, if he has not done so previously, on Form SS-5, which may be obtained from any Social Security Administration or Internal Revenue Service office. He shall make such application far enough in advance of the first required use of such number to permit issuance of the number in time for compliance with such requirement. The form, together with any supplementary statement, shall be prepared and filed in accordance with the form, instructions, and regulations applicable thereto, and shall set forth fully and clearly the data therein called for. Individuals who are ineligible for or do not wish to participate in the benefits of the social security program shall nevertheless obtain a social security number if they are required to furnish such a number pursuant to paragraph (b) of this section.

(2) *Employer identification number.* Any person required to furnish an employer identification number pursuant to paragraph (b) of this section shall apply for one, if he has not done so previously, on Form SS-4, which may be obtained from any office of the Internal Revenue Service. He shall make such application far enough in advance of the first required use of such number to permit issuance of the number in time for compliance with such requirement. The form, together with any supplementary statement, shall be prepared and filed in accordance with the form, instructions, and regulations applicable thereto, and

shall set forth fully and clearly the data therein called for.

(e) *Banks, and brokers and dealers in securities.* For additional requirements relating to deposits, share accounts, and brokerage accounts, see 31 CFR 103.34 and 103.35.

(f) *Penalty.* For penalty for failure to supply identifying numbers, see section 6676 and § 301.6676-1.

(g) *Nonresident alien exclusion.* This section shall not apply to nonresident aliens, foreign corporations, foreign partnerships, or foreign private foundations that do not have income effectively connected with the conduct of a trade or business within the United States and do not have an office or place of business or a fiscal or paying agent in the United States. The exclusion in this paragraph does not apply to nonresident aliens treated as residents under section 6013 (g) or (h).

(h) *Effective date.* The provisions of this section are effective for information which must be furnished after April 15, 1974. See the parts of 26 CFR (revised as of April 1, 1973) which relate to the particular tax for provisions with respect to information which must be furnished before April 16, 1974, and for information which must be furnished to the Bureau of Alcohol, Tobacco and Firearms prior to the effective date of comparable procedural regulations promulgated by the Bureau in 27 CFR Part 70. Nothing contained in the regulations under section 6109 shall limit the authority of the Internal Revenue Service to obtain taxpayer identifying numbers required before or after the effective date of this paragraph after notice is served upon the taxpayer pursuant to section 6001.

[T.D. 7306, 39 FR 9946, Mar. 15, 1974 as amended by T.D. 7670, 45 FR 6932, Jan. 31, 1980; T.D. 7796, 46 FR 57482, Nov. 24, 1981]

§ 301.6109-2 Authority of the Secretary of Agriculture to collect employer identification numbers for purposes of the Food Stamp Act of 1977.

(a) *In general.* The Secretary of Agriculture may require each applicant, retail food store or wholesale food concern to furnish its employer identification number in connection with the

The background is a solid blue color with several white, five-pointed stars of varying sizes scattered across it. The stars are semi-transparent, allowing the blue background to show through them.

Disclosure of Social Security Number

Title 42
Chapter 7
Subchapter 1 Section 408

establishment and maintenance of the records provided for in section 405(c)(2) of this title; or
(7) for the purpose of causing an increase in any payment authorized under this subchapter (or any other program financed in whole or in part from Federal funds), or for the purpose of causing a payment under this subchapter (or any such other program) to be made when no payment is authorized thereunder, or for the purpose of obtaining (for himself or any other person) any payment or any other benefit to which he (or such other person) is not entitled, or for the purpose of obtaining anything of value from any person, or for any other purpose -

(A) willfully, knowingly, and with intent to deceive, uses a ~~social security account number assigned by the Commissioner of~~

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

Commissioner of Social Security, buys or sells a card that is, or purports to be, a card so issued, counterfeits a social security card, or possesses a social security card or counterfeit social security card with intent to sell or alter it; or

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

(b) Violations by certified payees

Any person or other entity who is convicted of a violation of any of the provisions of this section, if such violation is committed by such person or entity in his role as, or in applying to become, a certified payee under section 405(j) of this title on behalf of another individual (other than such person's spouse), upon his second or any subsequent such conviction shall, in lieu of the penalty set forth in the preceding provisions of this section, be guilty of a felony and shall be fined under title 18 or imprisoned for not more than five years, or both. In the case of any violation described in the preceding sentence, including a first such violation, if the court determines that such violation includes a willful misuse of funds by such person or entity, the court may also require that full or partial restitution of such funds be made to the individual for whom such person or entity was the certified payee.

(c) Effect upon certification as payee; definitions

Any individual or entity convicted of a felony under this section or under section 1383a(b) of this title may not be certified as a payee under section 405(j) of this title. For the purpose of subsection (a)(7) of this section, the terms "social security number" and "social security account number" mean such numbers as are assigned by the Commissioner of Social Security under section 405(c)(2) of this title whether or not, in actual use, such numbers are called social security numbers.

(d) Application of subsection (a)(6) and (7) to certain aliens

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Court Interrogatories

MONAGHAN v. COMMISSIONER

Docket No. 9981-99

INFORMAL REQUESTS FOR ADMISSION, INTERROGATORIES AND REQUEST FOR PRODUCTION OF DOCUMENTS

1. Please identify the certifying officer responsible for creating the assessment certificate for the tax period in question.

Response: Please identify the certificate of assessment to which you are referring.

2. Please identify the agent responsible for creating the Substitute For Return (SFR) Assessment for the tax period in question.

Response: No assessment, with respect to you, has been made for taxable year 1996.

3. On what specific date did I become a taxpayer, according to your records?

Response: The Internal Revenue Service (the Service) does not maintain records as to the specific date that an individual becomes a "taxpayer."

4. I want you to admit that compensation paid as wages compels the employer to withhold a portion for federal income tax purposes.

Response: Denies.

5. I want you to admit that there is no regulation which imposes a fine or penalty against the entity who reported the Form W-2 for the tax period in question, for not withholding a portion of my pay because it was not a wage.

Response: Admits that an employer is not subject to a fine or penalty for failing to withhold a portion of an employee's pay because it does not constitute a "wage" as defined under I.R.C. § 3401(a). Denies that pay received from your employer for taxable year 1996 does not constitute a "wage" subject to a tax under the Internal Revenue Code. ←

6. I want you to admit that there is no regulation which requires me to have or use a social security number as a condition of working.

Response: Admits that there is no regulation under the Internal Revenue Code that requires you to have or use a social security number as a condition of working.

7. I want you to admit that the IRS never made any assessment of any tax liability for me for the tax period in question.

Response: Admits that the Service has not made an assessment of a deficiency with respect to your tax liability for taxable year 1996.

8. I want you to admit that the IRS relies upon me to file a federal income tax return, which it uses as the assessment before any examination process.

Response: Denies.

9. I want you to admit that the United States Government cannot compel me to sign any document under penalty of perjury.

Response: Admits.

10. I want you to admit that your own Internal Revenue Manual authorizes the SFR Assessment process for almost all returns EXCEPT the Form 1040, (IRM 5290 - Exhibit 3).

Response: Denies.

11. I want you to admit that I received my income for the tax period in question, exclusively in Texas.

Response: Denies.

12. I want you to admit that wages are taxable and that I received no wages for this tax period.

Response: Admits that generally wages are taxable. Denies that wages you received for taxable year 1996 are not taxable.

13. Please produce the records which are being relied upon by you to determine that I am a taxpayer.

Response: Please see the enclosed document titled "Stipulation of Facts" with attached exhibits.



Is The Summons Valid?

COPY

(42)200 Obtaining Evidence from Abroad Administratively
Exhibit (42)200-3

page (42)-1
(8-15-88)

Administrative Summons

Form 2039
Rev. 11-22-87

Summons



Department of the Treasury
Internal Revenue Service

In the matter of _____

Internal Revenue District of _____ Periods _____

The Commissioner of Internal Revenue

To _____

At _____

You are hereby summoned and required to assist in _____
an officer of the Internal Revenue Service. _____
_____ to sign before the said _____
or his/her designee the attached consent directive for production of records, if any,
relating to the tax liability or the collection of the tax liability or for the purpose of
inquiring into any offense connected with the administration or enforcement of the
Internal Revenue laws concerning the person identified above for the period shown.)

(Please note bracketed changes to form 2039)

Business address and telephone number of Internal Revenue Service officer named above:

Place and time for appearance:

at _____

on the _____ day of _____, 19____ at _____ o'clock ____m.

Issued under authority of the Internal Revenue Code this _____ day of _____, 19____

Signature of Issuing Officer Title

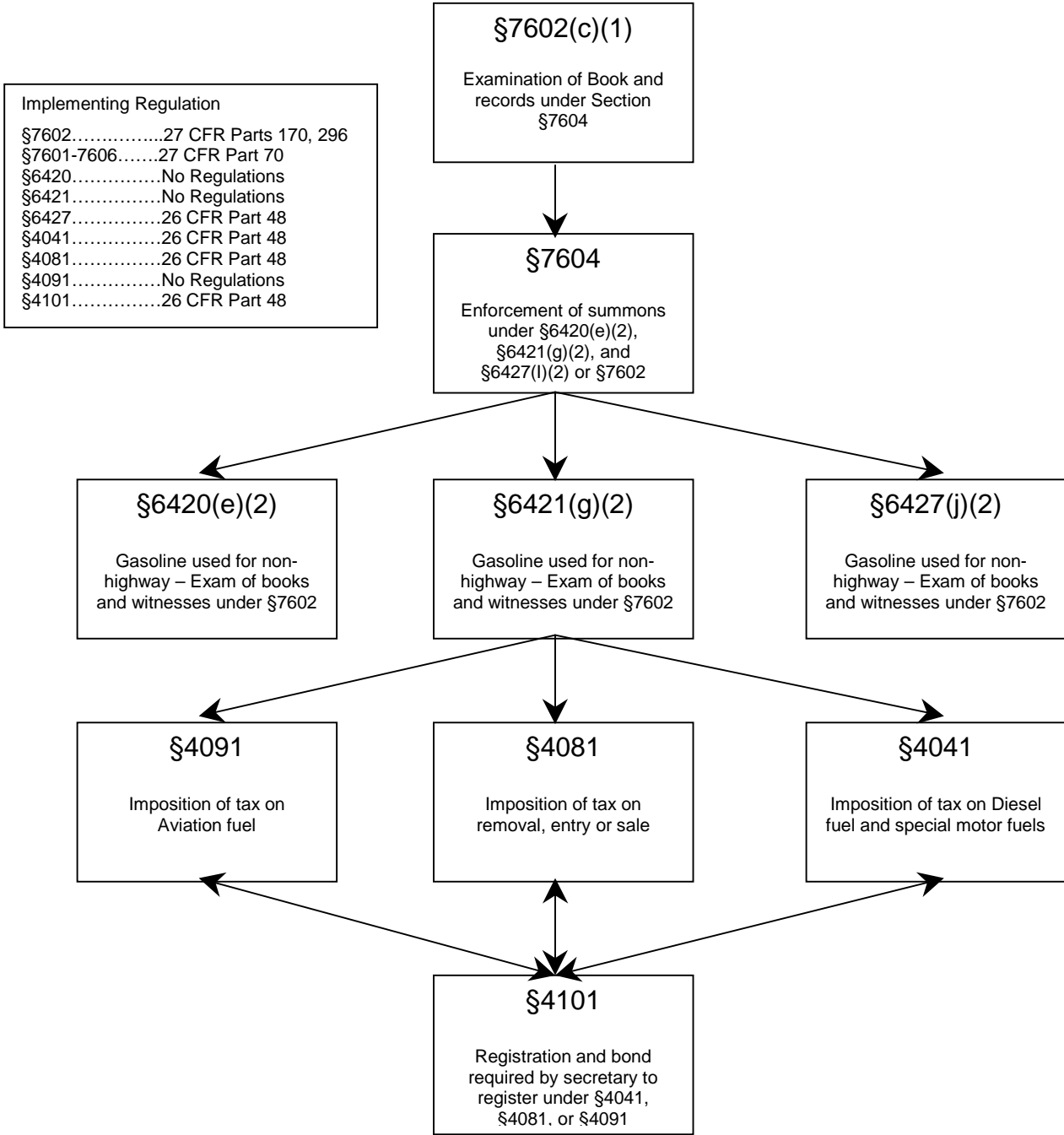
Signature of Approving Officer (if applicable) Title

Original to be kept by IRS

Form 2039 (Rev. 9-87)

2039 Summons Under Title 26 §7602(c)(1)

Form 2039 – Administrative Summons Obtaining Evidence from Abroad Administratively



any manner or at any time to give testimony that may expose him/her to prosecution for a crime. It applies equally whether incrimination be under Federal or state law, and whether the privilege is invoked in the Federal or state courts. [*Murphy v. N.Y. Waterfront Commission*; see also *Malloy v. Hogan*.] If a witness has been compelled to testify in a state court under a grant of immunity, as to matters which could incriminate him/her under Federal law, a Federal court cannot later use that testimony or any fruits of it. [*Murphy v. N.Y. Waterfront Commission*] The grant of immunity applies only to the inability to prosecute the witness based on testimony supplied by him/her. This does not preclude a prosecution of the witness based on the presentation of independent evidence which did not result from his/her own testifying. [*Kastigar v. U.S.*]

(2) A defendant's refusal to testify at the trial for a Federal offense cannot raise any presumption against him/her or be the subject of comment by the prosecution. The right to refuse to answer incriminating questions applies not only to court trials, but to all kinds of criminal or civil proceedings, including administrative investigations. [*George Smith v. U.S.*; *McCarthy v. Arndstein*; *Counselman v. Hitchcock*; *U.S. v. Harold Gross*] The fear of self-incrimination may be with respect to any criminal offense. For example, in the case of Internal Revenue Agent v. Sullivan, a taxpayer was upheld in refusing to produce records in a tax matter on the ground that indictment was pending against him for defrauding the Government on certain contracts.

Smith v. U.S.; *Beard v. U.S.*; *Olson v. U.S.*;
Myres v. U.S.]

(2) The privilege against self-incrimination does not permit a taxpayer to refuse to obey a summons issued under IRC 7602 or a court order directing his/her appearance. He/she is required to appear and cannot use the Fifth Amendment as an excuse for failure to do so, although he/she may exercise it in connection with specific questions. [*Landy v. U.S.*] He/she cannot refuse to bring his/her records, but may decline to submit them for inspection on constitutional grounds. In the *Vadner* case, the government moved to hold a taxpayer in contempt of court for refusal to obey a court order to produce his/her books and records. He refused to submit them for inspection by the Government, basing his refusal on the Fifth Amendment. The court denied the motion to hold him in contempt, holding that disclosure of his assets would provide a starting point for a tax evasion case.

(3) Where records are required be kept as an aid to enforcement of certain regulatory functions enacted by Congress, such records have been held public records, whose production may be compelled without violating the Fifth Amendment. This reasoning has also been applied in some income tax evasion cases. [*Falson v. U.S.*; *Beard v. U.S.*] *Other income tax cases have stated that compulsory production of a taxpayer's books and records for use in a criminal prosecution would violate the constitutional protection against self-incrimination. There has not yet been any Supreme Court decision holding the public records doctrine applicable in income tax cases.*

342.12 (1-18-80)

9781


Books and Records of An Individual

(1) An individual taxpayer may refuse to exhibit his/her books and records for examination on the ground that compelling him/her to do so might violate his/her right against self-incrimination under the Fifth Amendment and constitute an illegal search and seizure under the Fourth Amendment. [*Boyd v. U.S.*; *U.S. v. Vadner*] However, in the absence of such claims, it is not error for a court to charge the jury that it may consider the refusal to produce books and records, in determining willfulness. [*Louis G.*

(4) The decision of the Supreme Court in *Andresen v. Maryland* appears to have resolved conflicting judicial precedents regarding the use of search warrants to seize books and records of financial transactions. In this case the Court held that the search of *Andresen's* office for business records, their seizure and subsequent introduction into evidence did not offend the Fifth Amendment. Although the seized records contained statements that the accused had committed to writing, he was never required to say anything. The search for and seizure of these records was conducted by law enforcement officers and introduced at trial by prosecution witnesses.

342.11

MT 9781-32



Quashing 3rd Party Summonses

E. Third-Party Recordkeeper Summonses

Section 7609 provides that when an IRS summons is issued to any of several specifically defined third parties, the taxpayer must receive notice of the summons and may, by letter, force the summoned party to refuse compliance with the summons. The statute also accords the taxpayer a right to institute a proceeding to quash such a summons and to raise substantive objections to its enforcement.[FN31] These statutory rights arise, however, only if the summoned records are maintained by the summoned party in its capacity as a "third-party recordkeeper" as that term is defined in Section 7609 (a)(3) and the Regulations thereunder. A "third-party recordkeeper" is defined by the statute to include only banks and other financial institutions, consumer reporting agencies, brokers, attorneys, accountants, barter exchanges, regulated investment companies, and "any person extending credit through the use of credit cards or similar devices." Section 7609 (a)(3)(C).

FN31. The filing of a petition to quash tolls the running of the civil and criminal statutes of limitations for the period during the proceedings, and appeals therein. Section 7609(e). *See generally Hefti v. Commissioner*, 983 F.2d 868 (8th Cir. 1993).

As discussed above, the summons power conferred by Section 7602 must be broadly construed; and statutory restrictions on that power must be limited to the express Congressional language. *United States v. Euge*, 444 U.S. 707, 711 (1980); *United States v. First Bank*, 737 F.2d 269, 273 (2d Cir. 1984). A "limited construction" of such restrictions is also "supported by the law's general antipathy to the erection of the barriers to the ascertainment of truth." *De Masters v. Arend*, 313 F.2d 79, 87 (9th Cir. 1963) (discussing the Section 7605(b) limitation to the summons power and citing, for this point, *Application of Magnus*, 299 F.2d 335, 337 (2d Cir. 1962), and *McMann v. SEC*, 87 F.2d 377 (2d Cir. 1937)). Thus, strict construction of Section 7609's statutory language is mandated in the absence of evidence of express Congressional purpose to the contrary. *First Bank*, 737 F.2d at 273.

An examination of Section 7609 legislative history reflects Congress' clear intent in this regard.[FN32] The limited definition of the term "third-party recordkeeper" was an extremely late amendment to the Tax Reform Act of 1976, Pub. L. No. 94-455, 90 Stat. 1520, Section 1205. As originally passed in the House in late 1975, Section 1211 of H.R. 10612, 94th Cong., 1st Sess., proposed the addition of a new provision to the Code which would have granted a taxpayer a statutory right of intervention in a summons enforcement proceeding involving a summons issued to a third party for "books relating to the business or transactions of one or more other persons [e.g., taxpayers] who are identified in the description of the books which are to be produced * * *." 121 Cong. Rec. 38633 (1975). The original proposal made no specific reference to the term "third-party recordkeeper" and broadly described the categories of summonses which would trigger the special notice and intervention provisions. In discussing the proposal, the House Ways and Means Committee Report reinforced this broad view of the provision by stating that it applied "in the case of a third-party summons to a bank, brokerage house, accountant, or other third-party record keeper * * *." H.R. Rep. No. 94-658, 94th Cong., 1st Sess. at 307 (1976-3 Cum. Bull. (Vol. 2) 695, 999).[FN33]

FN32. In enacting Section 7609, Congress did not intend to broaden the substantive defenses a taxpayer may have had under prior law in objecting to enforcement. *United States v. New York Telephone Company*, 682 F.2d 313, 316 (2d Cir. 1982). The purpose of Section 7609, rather, was merely "to facilitate the opportunity of the noticee to raise defenses which * * * [were] available under the law." S. Rep. No. 94-938, 94th Cong., 2d Sess. at 370 (1976-3 Cum. Bull. (Vol. 3) 49, 408). Many potential defenses to enforcement already had been foreclosed by the Supreme Court by the time of Section 7609's enactment. *See, e.g., Couch v. United States*, 409 U.S. 322 (1973); *Donaldson v. United States*, 400 U.S. 517 (1971); *Reisman v. Caplin*, 375 U.S. 440 (1964); *United States v. Powell*, 379 U.S. 48 (1964). Thus, while the moving party in a petition to quash proceeding instituted under Section 7609 is permitted to speak, he may, legally, have little to say.

Exhibit 300-14 Cont. (4)

Form 2039-D

Tax Liability of:

Tax Periods:

Date of Notice:

To:

Address:

Enclosed is a copy of a summons served by the IRS to examine records or to request testimony relating to records which have been made or kept of your business transactions or affairs by the person summoned. If you object to the examination of these records, you may stay (prevent) examination of the records until a summons enforcement proceeding is commenced in court. Compliance with the summons will be stayed if, within 14 days from the date of this notice, you advise the person summoned, in writing, not to comply with the summons, and you send a copy of that notice by certified or registered mail to the Internal Revenue Service at the address shown on the summons. The copy should be sent to the attention of the Internal Revenue Service officer before whom the summoned person is to appear.

The Internal Revenue Service may begin an action to enforce the summons in the United States District Court. In such case you will be notified and you have the right to intervene and present your objections before the court whether or not you have previously objected to examination of the records or the taking of testimony. The court will decide whether or not the person summoned should be required to comply with the summons request. A stay of compliance with the summons or intervention by the taxpayer (or by an agent, nominee or other person acting under the direction or control of the taxpayer) will suspend the running of the statute of limitations for civil liability or for criminal prosecution for offenses under the tax laws for the tax periods to which the summons relates. The suspension is in effect while any proceeding and appeals related to the enforcement of the summons are pending.

The relevant provisions of the law are printed on the back of this notice. If you have any questions regarding this matter, please contact the Internal Revenue Service officer before whom the person summoned is to appear. The officer's name and telephone number are shown on the summons.

**Who is the
Secretary of the
Treasury defined in
the Internal
Revenue Code?**

Milton H. Baxley II

Lawyer

April 25, 2001

Bureau of Alcohol, Tobacco, and Firearms
FOIA Request
Department of the Treasury
Washington, DC 20024

Certified Return Receipt Request
70010360000351808871

Dear Disclosure Officer,

This is a request under the 5 USC § 552, and regulations thereunder. This is my firm promise to pay fees and costs for locating and duplicating the records requested below, ultimately determined in accordance with 26 CFR § 601.702(f). If costs are expected to exceed \$0.00, please send an estimate of costs. I am a category E requester.

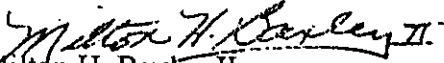
If portions of this request are exempt from release, please furnish me with those portions reasonably segregable. Please expedite this request within the time prescribed by statute.

Please provide for me a copy of the documents which evidence what portion of the Internal Revenue Code is under the exclusive jurisdiction of the Secretary of the Treasury of Puerto Rico as defined in 27 CFR 250.11.

The Freedom of Information Act states that we can only ask for documents, not opinions. Please send only the requested documents. If you do not have these documents, please state "we have no records responsive to your request."

Thank you for your timely response.

Sincerely,


Milton H. Baxley II



**DEPARTMENT OF THE TREASURY
BUREAU OF ALCOHOL, TOBACCO AND FIREARMS
WASHINGTON, DC 20226**

May 17, 2001

REFER TO: 122000/RA
01-1433

Milton H. Baxley
25525 State Rd. 46, Suite 2
Mt. Plymouth, FL 32776

Dear Mr. Baxley:

This is regarding your Freedom of Information Act (FOIA) request, for information about Internal Revenue Code.

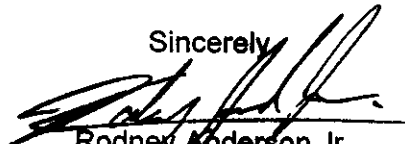
We are not required to perform research for the purpose of explaining, interpreting or justifying the rule, regulations and laws legislated by the government or agency within government.

Under the provisions of the FOIA a broad class of documents is available for public inspection and copying unless the materials are promptly published and copies are offered for sale.

As you are probably aware, all rules, regulations and statutory requirements are published and copies are offered for sale. These publications are available for copying at various locations including law school libraries and for purchase from the Government Printing Office, the Office of the Federal Register and the National Archives and Records Administration.

If we can be of further assistance, please let us know.

Sincerely,



Rodney Anderson Jr.
Disclosure Assistant



Holding an IRS Meeting

Eddie Kahn
32504 Wekiva Pine Blvd.
Sorrento, Florida 32776

January 15, 2001

Charles U. Diamond Sr.
87-175 Kulahalela Pl.
Waianae, Hawaii 96792-3360

Dear Eddie

Enclosed is the Money Order of \$40.00 for Update #9. My address is current and I wish to remain on the mailing list. I would like to know when is your next seminar in Hawaii. I have used the information from the last seminar that I attended in 1997 and found it very informative and accurate. I have researched the information in the Law Library and verified that the information you presented in your updates are accurate.

The Hawaii State Tax Auditor called me in Sept. 1999. I went to the appointment signed in and notified the person in the window that I am here and have an appointment with the auditor. I waited for the auditor in a room while she had a previous appointment with a taxpayer. The auditor came out of the room and saw me sitting patiently waiting for her. The auditor sat in front of me introduced herself and opened my files and pointed to the amount owed and said how am I going to pay the tax owed. I said by personal check and she agreed.

As I just about to write my personal check out I paused and ask her a question. I said to her I would like to know what particular tax I'm liable for and the documentation to support it? Her answer was from whatever sources the income derived from. I know that wasn't the answer and it didn't relate to the question I ask. Then I ask her do you have the supporting documentation of whatever sources income derived from? She looked at me and said. Are you an engineer? I said no. She said only engineers asked questions about sources. The auditor was stun by the questions asks and said to wait and she'll ask someone to answer my questions. I waited about 25 minutes the auditor returned with her supervisor and I asked the supervisor the same question. The supervisor told me to wait and she will get someone who can answer my questions. I waited about 10 minutes and she returned with her supervisor and I asked her the same question. The supervisor told me to wait while she gets someone who can answer the question. About 15 minutes later she also returned with her supervisor and I ask the supervisor the same question that was asked to the other two supervisors. Her answer was I couldn't answer the question because it's a legal question and we are not authorized to answer legal questions and I would have to write to the legislature to have my questions answered. (I think the supervisors need the answers more than I do).

I said to the three supervisors and the auditor. When you all find the answers to my questions please give me a call and I will be happy to pay the taxes owed. Till this day I haven't heard from them.

Thank you for the information on tax strategies.

Charlie.



Challenging A Levy

September 22, 1999

Certified Return Receipt Request

#Z 505 662 065

RE: FIN#350-28-7414

Jesse R. Farmer

SUBJECT: 668-W

Internal Revenue Service
Attention: Jeffrey D. Eppler
PO Box 419236
Kansas City, MO 64141

To: Jeffrey D. Eppler

I have Power of Attorney (POA) for Jesse R. Farmer (copy enclosed) with regard to federal tax matters.

I am writing in response to your 668-W of 7-2-99. I have received many IRS letters on behalf of clients that have either stated or inferred that IRC 6331 gives them the right to impose a levy, or take by force, the property of a non-federal, private citizen, for nonpayment of federal income tax. After researching that statement, we find we cannot agree with any of your assumptions, presumptions or conclusions regarding this matter. In fact, we do not understand any of the allegations inferred in your letter regarding Jesse R. Farmer.

We have reviewed Sec.6331 of the Internal Revenue Code regarding this matter. It states in part:

If any person liable to pay any tax neglects or refuses to pay the same within 10 days after notice and demand, it shall be lawful for the Secretary to collect such tax ...by levy upon all property and rights to property... belonging to such person or on which there is a lien provided in this chapter for the payment of such tax.

After reviewing the regulations published by the Secretary pertaining to section 6331, I found they only applied to taxes on Alcohol, Tobacco and Firearms under Title 27 Part 70 of the United States Code. These are Subtitle E (Excise) taxes (see the enclosed charts). These Excise taxes are authorized to be enforced and collected only by the Bureau of Alcohol, Tobacco and Firearms (BATF) under Title 27, not the Internal Revenue Service under Title 26. The BATF receives enforcement authority from the Undersecretary for Enforcement under the Department of the Treasury. That fact is evidenced by the Treasury Organizational Chart (enclosed) published in the Federal Register in Volume 60, Number 92, dated May 12, 1995.

Conversely, I could find no published regulations pertaining to section 6331 that are applicable to Subtitle A taxes, which are Income Taxes. Subtitle A taxes are, according to the letters I have received from the IRS, collected by the IRS. However, the IRS, according to the Treasury Organizational Chart, is not under the Undersecretary for Enforcement which is where it would receive the authority to enforce collection activities. Therefore, the question is: **From what source does the IRS acquire authorization to use section 6331 to enforce a Subtitle A tax?**

United States Treasury

1993 A 095 484,153



Month Day Year

10 13 99 93

AUSTIN, TEXAS

Check No.

2221-52172547

52172547 130 012930936 FARM KANS. CYTAX. REFUND 350-28-7414

Pay to the order of

JESSE R. FARMER

602 NEWTON

JOHNSTON CITY, ILL.

62951-1743

12/93

DOLLARS CTS

\$\$\$1183*08

VOID AFTER ONE YEAR



⑆000000518⑆ 521725479⑈ 041099

United States Treasury

1993 A 095 484,153



Month Day Year

10 13 99 81

AUSTIN, TEXAS

Check No.

2221-52172548

52172548 130 012930936 FARM KANS. CYTAX. REFUND 350-28-7414

Pay to the order of

JESSE R. FARMER

602 NEWTON

JOHNSTON CITY, ILL.

62951-1743

12/93

DOLLARS CTS

\$\$\$1246*22

VOID AFTER ONE YEAR



⑆000000518⑆ 52172548⑈ 041099

DATE: March 26, 1997 DISTRICT: New England

TELEPHONE NUMBER
OF IRS OFFICE:
(603) 594-1101

REPLY TO:
Internal Revenue Service
Attn: W. Belair
106 Main Street
Nashua, NH 03060

NAME AND ADDRESS OF TAXPAYER:
Alan T. Derosier
25 Parkland Crescent
Kamo, Whangarei, New Zealand

TO: E.D. & F.Mann, Inc.
Attn: Philip Tanzer
440 South LaSalle St. 20th Fl.
Chicago, IL 60605

IDENTIFYING NUMBER(S):
560-58-5733

THIS ISN'T A BILL FOR TAXES YOU OWE. THIS IS A NOTICE OF LEVY WE ARE USING TO COLLECT MONEY OWED BY THE TAXPAYER NAMED ABOVE.

Kind of Tax	Tax Period Ended	Unpaid Balance of Assessment	Statutory Additions	Total
1040	12-31-92	\$ 1,641.30	\$ 478.50	\$ 2,119.80
THIS LEVY WON'T ATTACH FUNDS IN IRAs, SELF-EMPLOYED INDIVIDUALS' RETIREMENT PLANS, OR ANY OTHER RETIREMENT PLANS IN YOUR POSSESSION OR CONTROL, UNLESS IT IS SIGNED IN THE BLOCK TO THE RIGHT. →				Total Amount Due ▶ \$ 2,119.80

We figured the interest and late payment penalty to April 28, 1997

The Internal Revenue Code provides that there is a lien for the amount that is owed. Although we have given the notice and demand required by the Code, the amount owed hasn't been paid. This levy requires you to turn over to us this person's property and rights to property (such as money, credits, and bank deposits) that you have or which you are already obligated to pay this person. However, don't send us more than the "Total Amount Due."

Money in banks, credit unions, savings and loans, and similar institutions described in section 408(n) of the Internal Revenue Code must be held for 21 calendar days from the day you receive this levy before you send us the money. Include any interest the person earns during the 21 days. Turn over any other money, property, credits, etc. that you have or are already obligated to pay the taxpayer, when you would have paid it if this person asked for payment.

Make a reasonable effort to identify all property and rights to property belonging to this person. At a minimum, search your records using the taxpayer's name, address, and identifying numbers(s) shown on this form. Don't offset money this person owes you without contacting us at the telephone number shown above for instructions. You may not subtract a processing fee from the amount you send us.

To respond to this levy:

1. Make your check or money order payable to Internal Revenue Service.
2. Write the taxpayer's name, identifying number(s), kind of tax and tax period shown on this form, and "LEVY PROCEEDS" on your check or money order (not on a detachable stub.).
3. Complete the back of Part 3 of this form and mail it to us with your payment in the enclosed envelope.
4. Keep Part 1 of this form for your records and give the taxpayer Part 2 within 2 days.

If you don't owe any money to the taxpayer, please complete the back of Part 3, and mail that part back to us in the enclosed envelope.

Signature of Service Representative
Wendy Belair *Wendy Belair*

Title
Revenue Officer



Florida Bar Association

Public or Private Entity?





THE FLORIDA BAR

1200 EDGEWATER DRIVE
ORLANDO, FL 32804-6314

LAWYER REGULATION DEPARTMENT 407/425-5424
UPL DEPARTMENT 407/425-0473

JOHN F. HARKNESS, JR.
EXECUTIVE DIRECTOR

March 23, 2000

Mr. Eddie Kahn
American Rights Litigators
2390 Old U.S. Highway 441
Mt. Dora, FL 32757

Re: UPL File No. 20003112(05)

Dear Mr. Kahn:

I spoke with you briefly several days ago. You will recall that we have opened a file because of concerns about the way your business may be providing legal services, and the manner in which attorneys are secured for customers, or customers are referred to attorneys. As I indicated, I would like to meet with you and speak to you about your business.

Please let me know whether you have an attorney with whom I can speak about the purpose and scope of this investigation, or whether I should deal directly with you. Thank you for your assistance in this regard.

Sincerely,

Barry W. Rigby
Branch Unlicensed Practice of Law Counsel

BWR/mcb

American Rights Litigators

4-18-00

Barry Rigby
The Florida Bar
Branch Unlicensed Practice of Law Counsel
1200 Edgewater Dr.
Orlando, Florida 32804

FAX: 407-841-5403

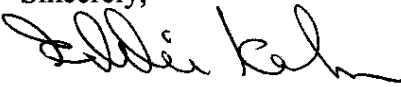
Dear Mr. Rigby,

In response to your letter of March 23, 2000, in which you state that you have "opened a file" on me and are doing an "investigation" concerning the UNLICENSED PRACTICE OF LAW, I will say this. As soon as I receive documented proof that you are authorized to make such an investigation, I will be happy to cooperate. Here are the documents that I need:

- 1) A copy of the law you say that I have possibly violated and the implementing regulation of the State Agency authorized to enforce that law.
- 2) A copy of your State ID that identifies you as an Agent of the State of Florida (Since your Florida Bar card only identifies you as being a member of a private club, that will not suffice) and the name of the State Agency you represent.
- 3) A copy of your license to practice law.
- 4) A legal document giving the definition of the "Unlicensed Practice of Law".
- 5) A copy of the Delegation of Authority that allows you to open a file on me, a private citizen, and to investigate same.

I am asking for these documents under the Sunshine Laws of the State of Florida of which all agencies of the State of Florida are subject to. Please provide me with the requested documents within 20 days from the date on this letter.

Sincerely,



Eddie Kahn

FIFTH

IN THE CIRCUIT COURT OF THE
~~NINETH~~ JUDICIAL CIRCUIT
IN AND FOR
LAKE COUNTY, FLORIDA

TFB UPL CASE NO. 20003112(05)

THE FLORIDA BAR
UPL INVESTIGATION OF

EDDIE KAHN,

Respondent.

SUBPOENA

PURSUANT TO RULE 10-6.2 RULES REGULATING THE FLORIDA BAR

THE STATE OF FLORIDA:

TO: Eddie Kahn
25525 State Road 46, Suite 1
Mount Plymouth, Florida 32776

YOU ARE HEREBY COMMANDED to appear at Room 105, Lake County Courthouse, 550 West Main Street, Tavares, Florida on June 05, 2000, at 10:00 a.m., and give testimony in the above-styled cause. This is not a trial, but your testimony is being taking for the purposes of investigation, pursuant to Rule 10-6.2, Rules Governing the Investigation and Prosecution of the Unlicensed Practice of Law (Rules Regulating The Florida Bar).

If you fail to appear as specified, and have not obtained a protective order, you may be in contempt of court. You are subpoenaed by The Florida Bar counsel whose name appears on this subpoena, and unless excused from this subpoena by that Florida Bar counsel or a court of law, you shall respond to this subpoena as directed.

DATED this 1 day of May, 2000.



THE NAME OF THE CHIEF JUDGE
WILLIAM T. SWIGERT, SR.

R. Emister
Deputy Clerk



THE FLORIDA BAR

1200 EDGEWATER DRIVE
ORLANDO, FL 32804-6314

LAWYER REGULATION DEPARTMENT 407/425-5424
UPL DEPARTMENT 407/425-0473

JOHN F. HARKNESS, JR.
EXECUTIVE DIRECTOR

May 10, 2000

Eddie Kahn
American Rights Litigators
25525 State Road 46, Suite 1
Mount Plymouth, FL 32776

VIA HAND DELIVERY

Re: UPL Investigation of Eddie Kahn
File No. 20003112(05)

Dear Mr. Kahn:

This is in response to your letter of April 18, 2000, and fax of May 9. The Florida Bar is not a governmental agency subject to the Sunshine Law. Not only that, the Sunshine Law relates to government meetings being open to the public. It does not relate to requests for public information. Notwithstanding your misunderstanding of the law, I will attempt to address your questions in a reasonable fashion.

1. Section 454.23, Florida Statutes (a copy of which is enclosed), makes unlicensed practice of law a first degree misdemeanor. In addition, the way you run your business could violate various opinions of the Supreme Court of Florida relating to unlicensed practice of law. Furthermore, the manner in which attorneys accept client referrals from you could violate Florida Bar rules on such matters. I suggested earlier that you consult with one of the attorneys with whom you maintain a relationship. Please do so, as they should be able to provide further guidance on possible problems with your business.

2. I have no "State ID" and I do not know what you mean by "Agent of the State of Florida." You may recall that there are three branches of government: the executive (such as the Governor); the legislative (the House and Senate); and the judicial (the courts). The Florida Bar is part of the judicial branch of government, and we have legal authority to proceed with this investigation.

3. I do not have "a copy" of a license to practice law. My Florida Bar Number is 613770. You may call The Florida Bar Membership Records Department in Tallahassee if you would like any additional information about me.

4. There is no single legal document which defines unlicensed practice of law. It is

Eddie Kahn
May 10, 2000
Page -2-

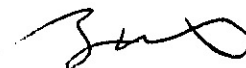
defined by statute, rules, and case law.

5. Please see number 2 above. I am also enclosing a copy of Rule 10-6.1 and 10-6.2, Rules Governing the Investigation and Prosecution of the Unlicensed Practice of Law. Under these rules, I am empowered to subpoena you and take your testimony.

I understand that you make your living by questioning government authority. I wouldn't expect you to do otherwise in this case, and I won't hold that against you. On the other hand, I consider it underhanded for you to fax me a letter questioning my responsiveness when you are aware that my process server has been attempting to serve you for several days. Had you accepted service, you would have received a prior version of this letter several days ago.

I have scheduled taking your testimony for June 5, 2000, at 10:00 at the Lake County Courthouse. An informal meeting with you will not be sufficient at this point. A copy of the subpoena is enclosed. You will be served before that date. I have given you ample notice to obtain an attorney and attempt to get a protective order, if you do not wish to appear to provide testimony to me. If you do not do so, I will expect to see you on June 5 at 10:00.

Sincerely,



Barry W. Rigby
Branch Unlicensed Practice of Law Counsel

BWR/mcb

enclosures

**In the District Court of the United States
Middle District of Florida, Orlando Division**

**Eddie Kahn,
25525 SR 46, Suite 2
Mount Plymouth, Florida 32776**

Case No:

plaintiff,

Jury trial required

vs.

**Barry W. Rigby
1200 Edgewater Drive
Orlando, Florida 32804**

and

**Mary Ellen Bateman
650 Apalachee Parkway,
Tallahassee, Florida 32399-2300**

and

in their individual and personal capacity,

and

**The State of Florida,
Serve: Bob Butterworth, Attorney General
The Capitol
Tallahassee, Florida 32399-1050**

and

**The Florida Bar Association,
Serve: John S. Harkness, Executive Director
650 Apalachee Parkway,
Tallahassee, Florida 32399-2300**

jointly and severally for declaratory relief,

defendants.

00 JUN - 2 PM 2:48
CLERK, U.S. DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
ORLANDO, FLORIDA

RECEIVED



THE FLORIDA BAR

1200 EDGEWATER DRIVE
ORLANDO, FL 32804-6314

March 1, 2000

JOHN F. HARKNESS, JR.
EXECUTIVE DIRECTOR

407/425-5424

Roy F. Adams, Sr and Janice M. Adams
977 SW 114th Terrace
Davie, FL 33325

RE: Your Complaint Concerning Joseph John Brune, III
Case No. 2000-30.292 (19A)

Dear Mr. and Ms. Adams:

This is to advise you that on the basis of a diligent and impartial analysis of all of the information available as of this date, The Florida Bar has found no probable basis for further inquiry.

Mr. and Mrs. Adams you complained that Mr. Brune, who was employed by American Rights Litigators, received a letter on your behalf, from the U.S. Department of Justice, dated January 8, 1998. You also allege that he failed to notify you of his receipt of that letter. Mr. Brune provided a written response in which he explained that after October 16, 1997, he was no longer associated with American Rights Litigators and never saw the January 8, 1998 letter. Mr. Brune was advised by American Rights Litigators that a new attorney was taking over all the cases he was previously assigned to. We have spoke with Mr. Kahn, the manager of American Rights Litigators, who confirmed that after October 1997, Mr. Brune was no longer associated with their organization and that the letter was received by them but not forwarded to Mr. Brune. Although, we understand your frustration with this matter, we have insufficient evidence to prove Mr. Brune engaged in unethical conduct. Therefore, this case is now closed.

Because the Bar only has the authority to address questions of ethics, the Bar could not address any legal issue about which you may feel concerned. If you have any further questions about this ethical matter or any concerns about any legal issues, please consult with legal counsel of your choice.

This complaint will be purged from the discipline records and the file destroyed one year from the date of this letter.

Please be advised of our interest in the matter which you presented to The Florida Bar.

Sincerely yours,

Jan K. Wichrowski
Branch Staff Counsel

JKW ab

cc: Joseph John Brune, III



Is The IRS a Federal Agency?

DIVERSIFIED METAL PRODUCTS, INC., Plaintiff, v. T-BOW COMPANY TRUST, INTERNAL REVENUE SERVICE, and STEVE MORGAN, Defendants.

Case No. CV 93-0405-E-BLW

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF IDAHO

1996 U.S. Dist.; 96-2 U.S. Tax Cas. (CCH) P50,437; 78 A.F.T.R.2d (RIA) 5830

July 18, 1996, Decided

July 18, 1996, FILED

DISPOSITION:

[*1] United States' Motion for Summary Judgment (Docket No. 34), filed April 30, 1996, GRANTED. The funds currently held in the Court's registry paid to the United States, pursuant to a proposed judgment consistent with this decision. The trial, currently set for July 23, 1996, VACATED.COUNSEL:

For INTERNAL REVENUE SERVICE, defendant: Betty H Richardson, US ATTORNEY'S OFFICE, Boise, ID. Paul W Sharratt, US DEPT OF JUSTICE, Tax Division, Washington, DC

FOOTNOTE ON ABOVE CASE:n3 The Internal Revenue Service, and not the United States, was originally named as defendant in this action. However, the United States is correct that the Internal Revenue Service has no capacity to sue or be sued. Blackmar v. Guerre, 342 U.S. 512, 514, 96 L. Ed. 534, 72 S. Ct. 410 (1952). Therefore, the United States is properly substituted for the Internal Revenue Service in this action.

COPY

United States Bankruptcy Court
WESTERN-SA District of TEXAS

PROOF OF CLAIM

In re (Name of Debtor)

DAVID E. LOVEDAY

Case Number

96-51183

NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A "request" of payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503.

Name of Creditor
(The person or entity to whom the debtor owes money or property)
Department of the Treasury - Internal Revenue Service

Name and Address Where Notices Should be Sent

**Internal Revenue Service
300 E. 8th St.
Stop 5026AUS
Austin, TX 78767**

Telephone No. (512) 499-5244

- Check box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars.
- Check box if you have never received any notices from the bankruptcy court in this case.
- Check box if the address differs from the address on the envelope sent to you by the court

THIS SPACE
COURT USE

ACCOUNT OR OTHER NUMBER BY WHICH CREDITOR IDENTIFIES DEBTOR:

563-84-7691

Check here if this claim: replaces a previously filed claim, or amends

1. BASIS FOR CLAIM:

- Goods sold
- Services performed
- Money loaned
- Personal injury/wrongful death
- Taxes
- Other (Describe briefly)

- Retiree benefits as defined in 11 U.S.C. § 1114(a)
- Wages, salaries, and compensations (Fill out below)
Your social security number _____
Unpaid compensations for services performed from _____ to _____ (date)

2. DATE DEBT WAS INCURRED:

see attachment

3. IF COURT JUDGMENT, DATE OBTAINED:

4. CLASSIFICATION OF CLAIM. Under the Bankruptcy Code all claims are classified as one or more of the following: (1) Unsecured nonpriority, (2) Unsecured Priority, (3) Secured. It is possible for part of a claim to be in one category and part in another. CHECK THE APPROPRIATE BOX OR BOXES that best describe your claim and STATE THE AMOUNT OF THE CLAIM.

SECURED CLAIM \$ 146,127.90
Attach evidence of perfection of security interest
Brief Description of Collateral:
 Real Estate Motor Vehicle Other (Describe briefly)
All property and rights to property (IRC § 6321)
Amount of arrearage and other charges included in secured claim above, if any \$ see attachment

UNSECURED PRIORITY CLAIM \$ 40,000.00
Specify the priority of the claim.
 Wages, salaries, or commissions (up to \$2000), earned no 90 days before filing of the bankruptcy petition or cessation of business, whichever is earlier— 11 U.S.C. § 507(a)(3)
 Contributions to an employee benefit plan—U.S.C. § 507(c)
 Up to 900 of deposits toward purchase, lease, or rental services for personal, family, or household use— 11 U.S.C. § 507(d)
 Taxes or penalties of government units— 11 U.S.C. § 507(e)
 Other — 11 U.S.C. §§ 507(a)(2), (a)(5)—(Describe briefly)

UNSECURED NONPRIORITY CLAIM \$ 30,000.00
A claim is unsecured if there is no collateral or lien on property of the debtor securing the claim or to the extent that the value of such property is less than the amount of the claim.

5. TOTAL AMOUNT OF CLAIM AT TIME CASE FILED:

\$ 30,000.00 (Unsecured) \$ 146,127.90 (Secured) \$ 40,000.00 (Priority)

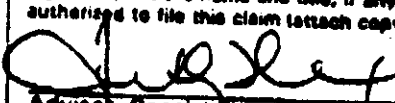
\$ 21

Check this box if claim includes prepetition charges in addition to the principal amount of the claim. Attach itemized statement of all additional charges.

- 6 CREDITS AND SETOFFS:** The amount of all payments on this claim has been credited and deducted for the purpose of making this proof of claim. In filing this claim, claimant has deducted all amounts that claimant owes to debtor.
- 7 SUPPORTING DOCUMENTS:** Attach copies of supporting documents, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, court judgments, or evidence of security interests. If the documents are not available, explain. If the documents are voluminous, attach a summary.
- 8 TIME STAMPED COPY:** To receive an acknowledgment of the filing of your claim, enclose a stamped, self-addressed envelope and copy of this proof of claim.

THIS SPACE
COURT USE

Date
04/03/96

Sign and print the name and title, if any, of the creditor or other person authorized to file this claim (attach copy of power of attorney, if any)

Advisor, Special Procedures Branch

Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152

EXHIBIT A



Trustee Defending a Trust

[REDACTED] - Trustee [REDACTED] - Trustee [REDACTED] - Trustee

April 11, 2000

Paul J. Krug
Office of the District Counsel
Internal Revenue Service
160 Spear Street, 9th Floor
San Francisco, California 94105

Certified Mail # [REDACTED]

Dear Mr. Krug:

I received a document that purports to be a subpoena to the U.S. Tax Court in San Francisco, California.

As the custodian of the records of [REDACTED] Trust, I will be happy to comply with this subpoena as soon as I receive the following documents from you:

- 1) The statute, implementing regulation and Federal Register volume and page number where a requirement has been published that states I must comply with this subpoena without my consent.
- 2) The statute and implementing regulation which states that I must violate my contractual obligation and fiduciary responsibility as Trustee to keep Trust information confidential.

"The Trustees of a Trust have all the power necessary to carry out the obligations which they assume. Their consulting services and records are not subject to review or subpoena." Boyd v. U.S., 116 U.S. 618; and Silverthorne Lumber Co. v. U.S., 252 U.S. 385.

- 3) The statute, implementing regulation and Federal Register volume and page number which states this subpoena is applicable outside Washington D.C., the enclaves and /or territories of the United States.

"Whatever the form in which the Government functions, anyone entering into an arrangement with the Government takes the risk of having accurately ascertained that he who purports to act for the Government stays within the bounds of his authority... and this is so even though, as here, the agent himself may have been unaware of the limitation upon his authority." Federal Crop Insurance Corporation v. Merrill, 332 U.S. 380 at 384 (1947).

- 4) A letter from the U. S. Department of the Treasury stating they will pay any and all costs incurred by me as a result of being sued by the Trustors of [REDACTED] Trust for violating the privacy provision of our contract.

As soon as I receive the requested documents I will comply with this subpoena.

Sincerely,

[REDACTED]
Trustee
[REDACTED] Trust

Enclosure

OFFICE OF CHIEF COUNSEL
INTERNAL REVENUE SERVICE

DISTRICT COUNSEL
Northern California District
160 Spear Street, 9th Floor
San Francisco, California 94105
TEL. (415) 744-9217
FAX. (415) 744-9190

MAY 24 2000

CC:WR:NCA:SF:TL-19308-98
PJKrug/TGSchleier

[REDACTED]
[REDACTED]
Gilbert, Arizona 85296

RE: [REDACTED] v. COMMISSIONER
DOCKET NO. [REDACTED]

Dear Mr. [REDACTED]:

I do not intend to call you as a witness to testify in the above-identified case. You do not need to appear in Court on June 5, 2000 and you are released from the subpoena.

Sincerely,



PAUL J. KRUG

Attorney

Tax Court Bar No. KP0119

**Do you have a
“church”
or a “tax exempt”
organization?**

clause (III), appreciation on con-
l by the foundation shall be taken

For purposes of clause (i), the
" means, with respect to any per-
son who would be a disqualified
neaning of section 4946) by re-
up to such person. In the case of
is a corporation, the term also in-
r director of such corporation.
rposes of this section, the deter-
and to what extent there would
n tax shall be made in accordance
ed by the Secretary:

on (c), the value of the net assets
chever time such value is higher:
action is taken by the organization
sing to be a private foundation, or
ases to be a private foundation.
ransfers of assets from private

ning liability for the tax imposed
e of assets transferred by the pri-
hall be deemed to have been im-
hich action is taken by the organ-
in its ceasing to be a private

the unpaid portion of the assess-
y subsection (c), or any liability

i distributes all of its net assets to
ations described in section
in clauses (vii) and (viii)) each of
nce and so described for a contin-
0 calendar months, or
tion prescribed in section 6104(c)
officer, such State officer within
retary, in such manner as the Sec-
s prescribe, that corrective action
unt to State law to insure that the
oundation are preserved for such
ses specified in section 501(c)(3)
pproved by a court of competent
mpletion of the corrective action,
ertification from the appropriate
ction has resulted in such preser-

(a), added *supra*, (d)(2)(C), effective
1/84.

of this Act provides as follows:
a person is a substantial contributor
in 507(d)(2) of the Internal Revenue
f applying section 4941 of such Code
ing), contributions made before Octo-

nt of or in lieu of payments required
: such date, and

x by reason of the reduction in the re-
lease.

unt. For purposes of applying section
de, the preceding sentence shall be
e on January 1, 1970."

06(b)(13)(A), substituted "Secretary"

Sec. 508. Special rules with respect to section 501(c)(3) organizations.

(a) New organizations must notify secretary that they are
applying for recognition of section 501(c)(3) status.

Except as provided in subsection (c), an organization or-
ganized after October 9, 1969, shall not be treated as an or-
ganization described in section 501(c)(3)—

(1) unless it has given notice to the Secretary, in such
manner as the Secretary may by regulations prescribe, that
it is applying for recognition of such status, or

(2) for any period before the giving of such notice, if such
notice is given after the time prescribed by the Secretary
by regulations for giving notice under this subsection.

(b) Presumption that organizations are private founda-
tions.

Except as provided in subsection (c), any organization (in-
cluding an organization in existence on October 9, 1969)
which is described in section 501(c)(3) and which does not
notify the Secretary, at such time and in such manner as the
Secretary may by regulations prescribe, that it is not a pri-
vate foundation shall be presumed to be a private founda-
tion.

(c) Exceptions.

(1) Mandatory exceptions. Subsections (a) and (b) shall
not apply to—

(A) churches, their integrated auxiliaries, and conven-
tions or associations of churches, or

(B) any organization which is not a private foundation
(as defined in section 509(a)) and the gross receipts of
which in each taxable year are normally not more than
\$5,000.

(2) Exceptions by regulations. The Secretary may by
regulations exempt (to the extent and subject to such con-
ditions as may be prescribed in such regulations) from the
provisions of subsection (a) or (b) or both—

(A) educational organizations described in section
170(b)(1)(A)(ii), and

(B) any other class of organizations with respect to
which the Secretary determines that full compliance
with the provisions of subsections (a) and (b) is not
necessary to the efficient administration of the provi-
sions of this title relating to private foundations.

(d) Disallowance of certain charitable, etc., deductions.

(1) Gift or bequest to organizations subject to section
507(c) tax. No gift or bequest made to an organization
upon which the tax provided by section 507(c) has been
imposed shall be allowed as a deduction under section
170, 545(b)(2), 556(b)(2), 642(c), 2055, 2106(a)(2), or
2522, if such gift or bequest is made—

(A) by any person after notification is made under sec-
tion 507(a), or

(B) by a substantial contributor (as defined in section
507(d)(2)) in his taxable year which includes the first
day on which action is taken by such organization
which culminates in the imposition of tax under section
507(c) and any subsequent taxable year.

(2) Gift or bequest to taxable private foundation, sec-
tion 4947 trust, etc. No gift or bequest made to an or-
ganization shall be allowed as a deduction under section
170, 545(b)(2), 556(b)(2), 642(c), 2055, 2106(a)(2), or
2522, if such gift or bequest is made—

Internal Revenue Service

Department of the Treasury

District
Director

Baltimore District

31 Hopkins Plaza
Baltimore, Maryland 21203

Christian Bible Church
PO Box 515
Attn. Kenneth Lent
Larry Milby
Gibsonia, PA. 15114

Person to Contact:
EP/EO Tax Examiner

Telephone Number:
(301) 962-6058

Refer Reply to:
EP/EO:TPA Unit
Room 1618

Date: NOV 28 1989

Dear Sir/Madam:

This is in response to your inquiry dated November 13, 1989.

→
→
Although a church, its integrated auxiliaries, or convention or association of churches is not required to file Form 1023 to be exempt from Federal income tax or to receive tax deductible contributions, such an organization may find it advantageous to obtain recognition of exemption. In this event, you should submit information showing that your organization is a church, synagogue, association or convention of churches, religious order, or religious organization that is an integral part of a church, and that it is engaged in carrying out the function of a church.

Effective February 1, 1988, the Internal Revenue Service is required to assess a user fee for processing exempt organization applications for tax exempt status. The enclosed Form 8718 explains the fees required to process an individual application along with the Form 1023 application needed to file for tax-exempt status.

OVER →

ON MEMBERS' DONATIONS -

THE ABOVE REPLY FROM IRS STATES THAT CHURCHES ARE AUTOMATICALLY TAX EXEMPT & DO NOT NEED A "TAX NUMBER." IF ONE INSISTS ON HAVING A GOVT. # THE IRS CHARGES \$300 TO SEND YOU ONE, WE HAVE NO USE FOR SUCH A #. YOUR CHECK STUBS OR M.O. RECEIPTS ARE YOUR PROOF OF DONATION.

Patrick Lent



DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

MAY 28 1998

Federation of Independent Churches
715 E. Bird Street
Tampa, FL 33604

The New York Department of State has referred to us your letter concerning federal income tax exemption for your organization.

We show no record of either the Federation of Independent Churches or Greater Ministries International as being exempt from federal income tax under provisions of Section 501(c) of the Internal Revenue Code. However, you should be aware that organizations that consider themselves to be churches are not required by the Internal Revenue Code to apply for federal income tax exemption, although they may do so voluntarily to obtain confirmation of their exempt status. Enclosed are the necessary forms you need for applying for exemption.

We hope this information will be helpful.

Sincerely,

Marcus S. Owens
Director
Exempt Organizations Division

Enclosure(s)

"Bible Quote of the Day"

Wednesday, March 31, 1999

Estimated Reading Time 2 Minutes

Hypocrites! Jesus said "do not pray in public."

Matthew 6 : 5-7

- 5 ¶ And when thou prayest, thou shalt not be as the hypocrites are: for they love to pray standing in the synagogues and in the corners of the streets, that they may be seen of men. Verily I say unto you, They have their reward.
- 6 But thou, when thou prayest, enter into thy closet, and when thou hast shut thy door, pray to thy Father which is in secret; and thy Father which seeth in secret shall reward thee openly.
- 7 But when ye pray, use not vain repetitions, as the heathen do: for they think that they shall be heard for their much speaking.

ANNOTATIONS

According to the Bible, Jesus did not ever pray in public. In fact, throughout the gospels Jesus always went off by himself to pray. He didn't even pray in the presence of his disciples.

In verse 5 above, Jesus admonishes the disciples for praying where "they may be seen of men."

In verse 6, Jesus' words are unmistakable "when you pray, go into the closet, shut the door and pray in secret." In verse 7, Jesus says "do not pray in vain repetitions."

So why would a "good Christian" attend the ridiculous circus known as the "Hawaii Prayer Breakfast." Their prince, Jesus, has told them not to pray in public, but ONLY in private.

It seems we do have a number of hypocrites in our government! Who among you will attend this perverse orgy? As usual, HCSSC will be there to see whom and hear what they have to say.

The Hawaii Prayer Breakfast invitation lists the speaker as "Ivan Brown" who claims he "found God in machete blows." That's quite typical, of course, as we have seen in many Bible Quote of the Day passages. The history of Christianity is a history of brutality, torture, and murder.

Religion has caused more death and misery than any other idea in human history.

Stop celebrating fear and murder! Reject the horror that is Christianity! Honor reason and humanity.

Note: the passage above is from the original King James Standard English translation
The next "Bible Quote of the Day" will be Thursday, April 1, 1999

Hawaii Citizens for the Separation of State and Church
P.O. Box 4666 • Honolulu, Hawaii 96812-4666
Phone: (808) 524-6304 • Fax: (808) 524-9578 • Email: hawaii@lava.net



Florida Christians Standing Up

Religious right: Rein in judges

□ Saying the judiciary has run amok, groups such as the Christian Coalition of Florida want big changes.

By David Nitkin

TALLAHASSEE BUREAU

TALLAHASSEE — They enjoy unprecedented access to the Legislature.

They might soon gain an ally in the governor's mansion.

And now, Florida's religious conservatives are seeking the Triple Crown of government by pressing their imprint onto the state judiciary.

Bills considered by the Legislature this year would dramatically alter the way state Supreme Court justices and appellate court judges are selected and retained.

Among their provisions: term limits, voter recall and popular election for all judges.

The bills are backed by the Christian

LEGISLATURE



Coalition of Florida, which maintains that many jurists are activists who have

lost touch with the will of the people and must be reined in.

"That's what the people are asking for," says John Dowless, executive director of the Orlando-based coalition. "During the past couple of elections, our phones rang off the hook from our members saying, 'What are you going to do about the judiciary?'"

But critics say the movement is part of a frightening and largely unnoticed strategy of a fringe group looking to upend the system of checks and balances that is the cornerstone of democracy.

"It's not until they have entrenched themselves that the majority will wake up," says Sen. Skip Campbell, D-Tamara. "And at that point, it's going to be too late to do anything about it."

The package of legislation marks the most concentrated effort to date by the Christian Coalition to advance its agenda in Florida. The group has made substantial inroads in Tallahassee after three years of lobbying, counting House Speaker Daniel Webster, R-Orlando, and other legislative leaders among its allies.

"The influence they have with the members is impressive," says Larry Helm Spalding, staff counsel with the American Civil Liberties Union of Florida, which opposes most of the measures.

The measures, also backed by groups such as the Florida Conservative Assembly and Citizens for Constitutional Property Rights, include:

■ A bill that would allow voters to impose eight-year term limits on judges, like those faced by lawmakers and the governor.

■ Another that would allow for voter recall of judges.

■ A third that calls for the popular election of all judges, eliminating the system of Judicial Nominating Commissions and retention votes established for appellate courts in 1972.

■ A fourth bill that would lift the so-called gag rule on jurists, allowing them to reveal positions on issues and events.

While the first two died in committees this year, the latter two live.

The purpose of the push, Dowless says, is to give voters a greater voice.

Framers of the Florida Constitution intended that all jurists be elected, but the system was changed in 1972 in response to several examples of misconduct. Today, appellate judges and Supreme Court justices are chosen by the governor from candidates screened by a committee of Florida Bar members and appointees.

They serve for life, facing a stay-or-go vote every six years. No other names appear on the ballots with theirs, and no judge has ever lost a retention vote in Florida.

When pressed for examples of a judiciary run amok, Dowless and others cite a handful of cases relating to social issues — most notably abortion.

In 1989, for example, the Florida Supreme Court struck down as unconstitutional a law requiring parental consent for abortions performed on minors.

Dowless calls the system a failed experiment.

"We went to a merit retention system that in theory sounded good," he says. "But it has buffered [judges] from all accountability. They have become arrogant."

Now that legislators face term limits, judges, too, should be rotated so that one branch of government does not monopolize exper-

tise, says Kenneth Connor, a Tallahassee attorney and member of the Constitution Revision Commission who supports the changes.

"You learn how to work the system, plain and simple," Connor says. "Unelected judicial officers become the architects of public policy."



**Can an Employer
Disregard a
Signed W4 form?**

lated when one wilfully supplies "false or fraudulent information". The general rule is that where a statute provides that an offense may be committed in several ways in the alternative, an indictment should use the conjunctive term "and" to enumerate the means rather than the disjunctive term "or". *Smith v. United States*, 234 F.2d 385, 389 (5 Cir. 1956); *United States v. Wells*, 180 F.Supp. 707 (D.Del.1959); cf. *United States v. Price*, 444 F.2d 248 (10 Cir. 1971). Guilt under such indictment may then be established by proof of any one of the means. *United States v. Wells*, *supra*. The rationale for this rule is that an indictment in the disjunctive does not provide sufficient certainty. *The Confiscation Cases*, 20 Wall. 92, 87 U.S. 92; 104, 22 L.Ed. 320 (1873); *United States v. MacKenzie*, 170 F.Supp. 797 (D.Me.1959).

[5] The defendant contends that although this is the usual rule, the instant case presents a distinguishable situation since the means involved, falsity and fraudulence, are of significantly different magnitudes. This is a novel argument for which no authority is cited and which does not go to the basis for the rule. The indictment framed in the conjunctive was proper and it was not necessary for the government to prove fraud if it sufficiently demonstrated falseness.

(B) *Falseness*

Defendant claims that the government failed to produce sufficient evidence to permit the jury to conclude that he had supplied false information on the form. He argues that the information on the W-4 form must be taken in context with the other knowledge acquired or possessed by officials at St. Joseph's and the Internal Revenue Service. He contends that neither Mr. Harrison, the Comptroller at St. Joseph's, nor Internal Revenue Service Agent McLaughlin believed that he was entitled to fifteen exemptions, or even understood it to be actually a claim that he was so entitled.

[6, 7] The employee withholding certificate, Form W-4, is a basic instrument of the tax withholding system. 8A Mertens Law of Fed. Income Taxation § 47A.02 (1971). The certificate is authorized in Internal Revenue Code of 1954, § 3402(f)(2). The purpose of the Form W-4 is to inform the employer of the number of exemptions to which the employee is entitled so that the employer may withhold the amount required by law. Every employer who pays wages is required to withhold from the wages a tax. The amount withheld is determined by the use of a formula or tables which involve the "number of withholding exemptions claimed." Internal Revenue Code of 1954, § 3402(a) and (c). This phrase means the number claimed in a withholding exemption certificate, or a Form W-4. Internal Revenue Code of 1954, § 3401(e). The effectiveness of this system as a tax collection device obviously depends upon the honesty of the withholding exemptions claims submitted by the employees. The employer is not authorized to alter the form or to dishonor the employee's claim. The certificate goes into effect automatically in accordance with certain standards enumerated in § 3402(f)(3). Wx on ←

[8] The purpose of § 7205 is to protect the integrity of the tax withholding system. It forbids the wilful filing of false information by one required to file information under § 3402. The information required from an employee is that information which appears on the Form W-4. Any other knowledge or suspicions of employers or government officials are irrelevant to the purpose because it is only the information on the certificate which effects tax withholding. If the withholding system is to work and the Internal Revenue Code is not to be reduced to a shambles, the certificates must represent the truth and, therefore, the "false information" in the statute refers only to that which the employee submits on the Form W-4.

[9] Since that is the limit of relevant inquiry, it is clear that the proof



Final Thought

Renee Porter
2395- 5600 Rd
Delta, Co 81416

Dear Eddie Kahn;

THANKS FOR THE NEWSLETTER!

I just wanted to thank you for the updates as to what is going on with the IRS and mention to you that I appreciate your comments about this being a ministry. You can't know how much those words meant to me.

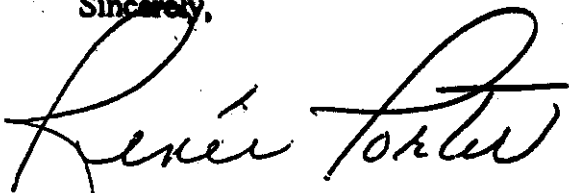
I am 58 years old and should be able to think about retirement. But being under the gun of the IRS and having liens and levys hanging over my head I am only able to think of survival.

Many times of late, I have wondered if I am barking up the wrong tree. Should I knuckle under to, what I consider a satanic organization? By that I mean, any organization that takes away a persons hard earned money and assests and gives them no choice as to how it is spent or used. In other words **SLAVERY!**

I have been on my knees many times asking whether or not that I am doing the right thing. Should I just surrender and maybe go to jail? etc etc. Sometimes that sounds like a realistic solution. Then I received your newsletter telling me that you considered this a ministry. I then realized that I had an answer to my prayers and I was on the right track. If I die owing **them** tons of money and never being able to own anything in nfy name, in this great country, I will have, at least, made a statement for the sake of my children and grandchildren.

Thank you again for your efforts in fighting this evil war.

Sincerely,

A handwritten signature in cursive script that reads "Renee Porter". The signature is written in dark ink and is positioned below the typed name "Renee Porter".

Eddie Kahn & Associates
Educational Materials Price List

NO ENFORCEMENT STATUTES / IRS REGULATIONS APPLICABLE FOR INDIVIDUAL INCOME TAX (Includes updates #1 through #4)	\$30.00_____
RELIANCE OFFENSE VIDEO (2 hrs, includes role play)	\$15.00_____
AFFIDAVIT OF PROBABLE CAUSE FOR CRIMINAL COMPLAINT	\$15.00_____
UPDATE #6 (4hr video of July 1997 seminar) with hardcopy documents	\$30.00_____
UPDATE #7 (4 hr 40 min video March 1998) with hardcopy documents	\$30.00_____
UPDATE #8 (3 hr 10 min video April 1999) with <u>choice</u> of documents on:	
1) Hardcopies <u>OR</u>	\$30.00_____
2) CD	\$30.00_____
3) BOTH hardcopy <u>and</u> CD with Video	\$40.00_____
**Video includes Joe Banister's (Ex-IRS-CID Agent) expose of the IRS	
UPDATE #9 (4 hr. video March 2000) with <u>choice</u> of documents on	
1) hardcopy <u>OR</u>	\$30.00_____
2) CD	\$30.00_____
3) BOTH hardcopy <u>and</u> CD with video	\$40.00_____
**Video includes detailed info on the IRS Restructuring & Reform Act of 1998	
UPDATE #10 (2 hr. video July 2001) with <u>choice</u> of documents on	
1)hardcopy <u>OR</u>	\$30.00_____
2)CD	\$30.00_____
3)BOTH hardcopy <u>and</u> CD with video	\$40.00_____
TOTAL: \$_____	

TO ORDER: MAIL A CHECK OR MONEY ORDER (Made out to Eddie Kahn) TO:

***Eddie Kahn & Associates
25525 State Road 46, Suite 1
Mt. Plymouth, Florida 32776***

Information on hosting an Eddie Kahn seminar:

Eddie charges no fee to speak at US 1-day seminars. The only cost involved is for Eddie and his wife's transportation, lodging and food. For information regarding hosting a seminar please call (352) 735-4500. For questions regarding educational materials, please call (352) 735-5668.

TO: Internal Revenue Service
District Director
[LOCAL DISTRICT ADDRESS]

FROM: [Your Name]
[Your Address]
[Your City, State and Zip]
SS#
Date:
Certified Return Receipt #

Dear District Director:

This is a request under the Privacy Act, 5 USC 552a and appropriate regulations.

This is my firm promise to pay fees and costs for location, duplication, and reviewing the documents for information requested below. I am making this request in the classification of "other requester." If costs are expected to exceed \$00.00, please send estimate of costs.

If some of this request is exempt from release, please send those portions reasonably segregable and provide me with indexing, itemization, and detailed justification concerning the information, which you are not releasing.

I understand the penalties for requesting or obtaining access to documents or records under false pretenses. I am the person making this request and my signature appears below.

This request pertains to the years _____ through _____.

Please send to the requester copies of _____

[TYPE YOUR NAME HERE]

[NOTARY]

HAVE YOUR SIGNATURE NOTARIZED

**TO: National Office IRS
Director, Office of Disclosure
1111 Constitution Ave. NW
Washington, D.C. 20224-0002**

**FROM: [Your Name]
[Your Address]
[Your City, State, Zip]
SS#**

**Date:
Certified Return Receipt #**

Dear Director:

- 1. This is a request under the Freedom of Information Act, 5 USC 552 and appropriate regulations.**
- 2. This is my firm promise to pay fees and costs for location, duplication, and reviewing the documents for information requested below. I am making this request in the classification of "other requester." If costs are expected to exceed \$00.00, please send estimate of costs.**
- 3. If some of this request is exempt from release, please send those portions reasonably segregable and provide me with indexing, itemization, and detailed justification concerning the information, which you are not releasing.**
- 4. I understand the penalties for requesting or obtaining access to documents or records under false pretenses. I am the person making this request and my signature appears below.**
- 5. This request pertains to the years _____ through _____.**
- 6. Please send to the requester copies of _____**

[TYPE YOUR NAME HERE]