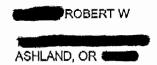
955 Center St NE Salem, OR 97301-2555

August 11, 2005



NOTICE AND DEMAND TO FILE

Tax Year: 1998 Personal Income Tax

You are required by law to file a return when requested by the Department of Revenue (ORS 314.370).

We previously asked you to file the tax return shown above. Our records show you have not filed. This is a demand for you to file a return WITHIN 30 DAYS.

If a return is not filed WITHIN 30 DAYS from the date of this letter, we are required by law to compute your tax liability from the best available information. The delinquent tax, plus penalties and interest will be assessed and collection activities initiated.

The following tax, penalty and interest will be assessed against you if you do not voluntarily file WITHIN 30 DAYS from the date of this letter.

Tax		\$2,430.00
Penalty	50%	\$1,215.00
Interest		\$1,144.00
Total		\$4,789.00

IF YOU DON'T FILE YOUR RETURN WITHIN 30 DAYS OF THIS NOTICE:

The Oregon Department of Revenue will determine the tax due from the best information available [ORS 305.265(10)]. Unless you file a return, we may not be able to give you credit for everything to which you are entitled.

The following penalties may apply:

- * 5% failure to pay
- * 20% failure to file and pay within 90 days of the due date
- * 25% failure to file assessment
- * 100% failure to file for 3 consecutive years
- * 100% failure to file with intent to evade tax

Also, we will charge these other penalties if:

- * You file a frivolous return \$250.00
- You substantially understate your taxable income 20% of unreported tax

In most cases, penalty is limited to 100% of the unpaid tax.

In addition, if you are licensed to do business in the state of Oregon, continued failure to file returns may cause your license to be suspended (ORS 305,385). The Oregon Department of Revenue may issue a subpoena for you and/or your records (ORS 305,190 and 314,425). In addition, a petition may be filed with the Oregon Tax Court for an order requiring you to file a return (ORS 305,263).

So that you can take advantage of the deduction, credits, and tax rates you are entitled to, and to avoid additional penalties and protect your appeal rights, you must file a return WITHIN 30 DAYS.

Please send the tax return or the required documentation, along with this letter to:

Oregon Department of Revenue PO BOX 14600 Salem, OR 97309

PLEASE WRITE THE WORD 'FAST' AT THE TOP OF YOUR TAX RETURN TO EXPEDITE PROCESSING. If you have any questions, please contact me at the number listed below.

kim #783

Personal Tax and Compliance Oregon Department of Revenue PO Box 14560

Salem, OR 97309

Phone: (503)945-8617 Fax: (503)945-8735

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Sovereignty Education and Defense Ministry (SEDM) Website

http://sedm.org

