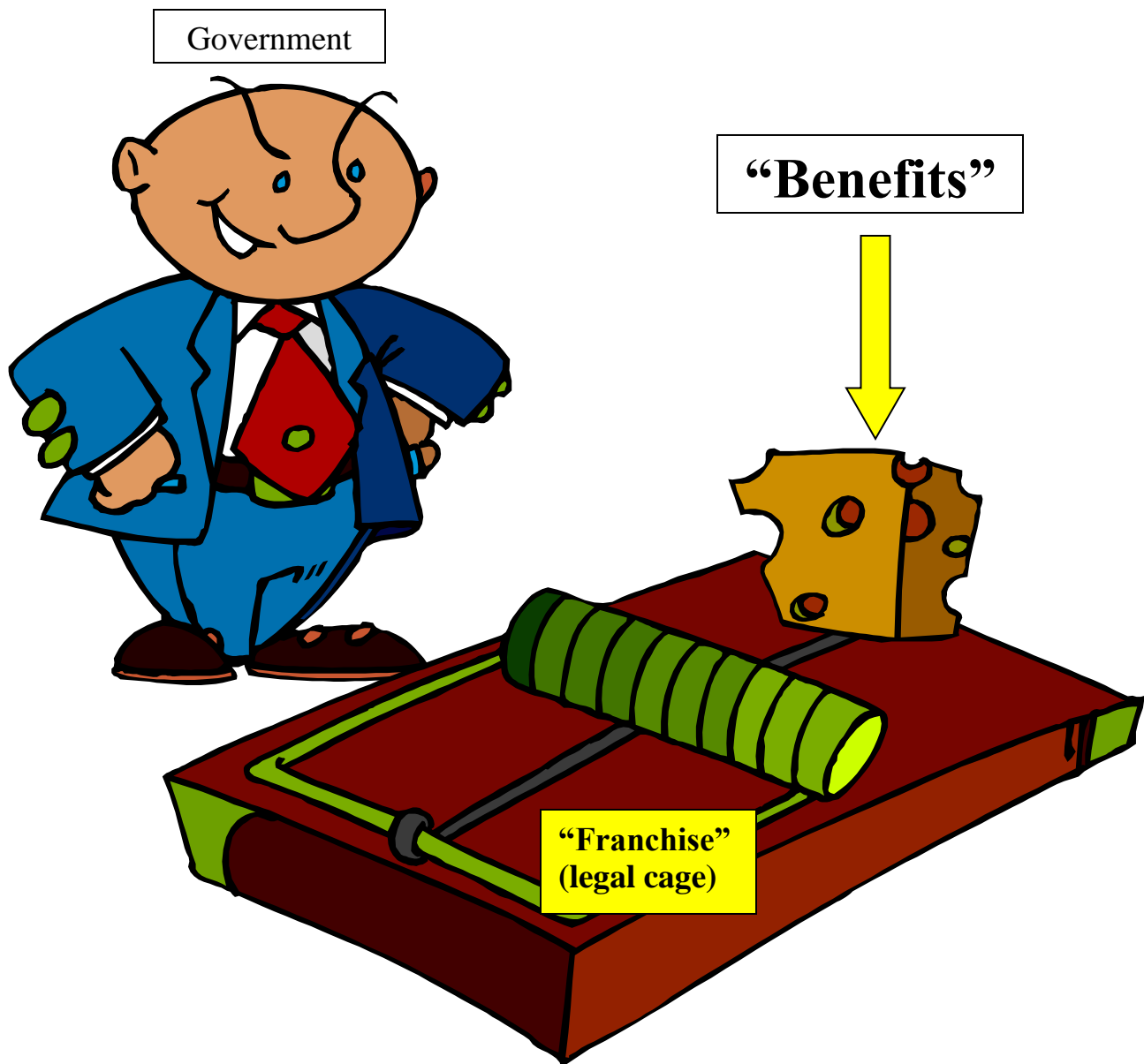


# GOVERNMENT INSTITUTED SLAVERY USING FRANCHISES



*“Again, the devil took Him [Jesus] up on an exceedingly high [[civil/legal status above all other humans](#)] mountain, and showed Him all the kingdoms of the world and their glory. And he said to Him, “**All these things [“BENEFITS”] I will give You if You will fall down [BELOW Satan but ABOVE other humans] and worship [[serve as a PUBLIC OFFICER](#)] me.**”*

*Then Jesus said to him, “**Away with you, Satan! For it is written, ‘You shall worship the LORD your God, and Him only you shall serve.’**”*

*Then the devil left Him, and behold, angels came and ministered to Him.”  
[Matt. 4:8-11, Bible, NKJV]*

# DEDICATION

"I [God] brought you up from Egypt [slavery] and brought you to the land of which I swore to your fathers; and I said, 'I will never break My covenant with you. And you shall make no covenant [contract or franchise or agreement of ANY kind] with the inhabitants of this [corrupt pagan] land; you shall tear down their [man/government worshipping socialist] altars.' But you have not obeyed Me. Why have you done this?"

"Therefore I also said, 'I will not drive them out before you; but they will become as thorns [terrorists and persecutors] in your side and their gods will be a snare [slavery!] to you.'"

So it was, when the Angel of the LORD spoke these words to all the children of Israel, that the people lifted up their voices and wept.  
[Judges 2:1-4, Bible, NKJV]

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"You shall make no covenant [contract or franchise] with them [foreigners, pagans], nor with their [pagan government] gods [laws or judges]. They shall not dwell in your land [and you shall not dwell in theirs by becoming a "resident" or domiciliary in the process of contracting with them], lest they make you sin against Me [God]. For if you serve their [government] gods [under contract or agreement or franchise], it will surely be a snare to you."  
[Exodus 23:32-33, Bible, NKJV]

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'For among My [God's] people are found wicked [covetous public servant] men; They lie in wait as one who sets snares; They set a trap; They catch men. As a cage is full of birds, So their houses are full of deceit. Therefore they have become great and grown rich. They have grown fat, they are sleek; Yes, they surpass the deeds of the wicked; They do not plead the cause, The cause of the fatherless [or the innocent, widows, or the nontaxpayer]; Yet they prosper, And the right of the needy they do not defend. Shall I not punish them for these things?' says the Lord. 'Shall I not avenge Myself on such a nation as this?'

"An astonishing and horrible thing Has been committed in the land: The prophets prophesy falsely, And the priests [judges in franchise courts that worship government as a pagan deity] rule by their own power; And My people love to have it so. But what will you do in the end?"  
[Jer. 5:26-31, Bible, NKJV]

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"The taxpayer-- that's someone who works for the federal government but doesn't have to take the civil service examination."  
[President Ronald W. Reagan]

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"In the matter of taxation, every privilege is an injustice."  
[Voltaire]

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"The more you want [privileges], the more the world can hurt you."

[Confucius]

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***“The Lord is well pleased for His righteousness’ sake; He will exalt the law and make it honorable. But this is a people robbed and plundered! All of them are snared in [legal] holes [by the sophistry of greedy government lawyers], and they are hidden in prison houses; they are for prey, and no one delivers; for plunder, and no one says, “Restore!”***

***Who among you will give ear to this? Who will listen and hear for the time to come? Who gave Jacob for plunder, and Israel to the robbers? Was it not the Lord, He against whom we have sinned? For they would not walk in His ways, nor were they obedient to His law, therefore He has poured on him the fury of His anger and the strength of battle; it has set him on fire all around, yet he did not know; and it burned him, yet he did not take it to heart.”***  
[Isaiah 42:21-25, Bible, NKJV]

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***“Awake, awake, O Zion, clothe yourself with strength. Put on your garments of splendor, O Jerusalem, the holy city. The uncircumcised and defiled will not enter you again. Shake off your dust; rise up, sit enthroned, O Jerusalem [Christians]. Free yourself from the chains [contracts and franchises] on your neck, O captive Daughter of Zion. For this is what the LORD says: “You were sold for nothing [free government cheese worth a fraction of what you had to pay them to earn the right to “eat” it], and without money you will be redeemed.”***  
[Isaiah 52:1-3, Bible, NKJV]

*“The most pernicious form of tyranny is that which is justified with the defense that it is ‘good’ for you or ‘benefits’ you.”*  
[Bob Schulz, We the People Foundation for Constitutional Education; <http://givemeliberty.org>]

## **Government “Benefits”, “Entitlements”, And Franchises: The Key to Unhappiness and Ingratitude**

If government “benefits” and franchises are the main source of unhappiness, and the [Declaration of Independence](#) says we have a right to pursue happiness, then by implication we have a right to: 1. Not be eligible for; 2. Not participate in; 3. Not be treated AS IF we are eligible for government franchises or “benefits”. The following maxims of the common law agree with this principle:

*“Invito beneficium non datur. No one is obliged to accept a benefit against his consent. Dig. 50, 17, 69. But if he does not dissent he will be considered as assenting. Vide Assent.”*

*“Potest quis renunciare pro se, et suis, juri quod pro se introductum est. A man may relinquish, for himself and his heirs, a right which was introduced for his own benefit. See 1 Bouv. Inst. n. 83.”*

[Bouvier’s Maxims of Law, 1856;

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

Indirectly, that means we have a right to NOT use franchise license numbers, such as [Social Security Numbers \(Form #05.012\)](#). Watch the truth for yourself.

1. The Key to Unhappiness: <https://youtu.be/xxmORnnP3WI>



2. Socialism Makes People Selfish: <https://youtu.be/l3GfCmbPDN0>



3. Supreme Court Justice Antonin Scalia on whether socialism is conducive to the Christian public good: <https://youtu.be/fkChru9L3xA>





# WHAT WOULD JESUS DO?

I try to imagine my Lord filling out an application for a license of some sort.

I try to imagine my Lord being a statutory “citizen” when He said to his tax collector apostle Matthew that he had no domicile. He also said that all His followers were to be enemies rather than friends of the world, and that He chose His followers to be legally (civilly) OUTSIDE rather than INSIDE the world:

*“And Jesus said to him, “Foxes have holes and birds of the air have nests, but the Son of Man has nowhere to lay His head.””*  
[Matt. 8:20, Bible, NKJV]

*“If you were of the world, the world would love its own. Yet because you are not of [domiciled within] the world, but I [Jesus] chose you [believers] out of the world, therefore the world hates you. Remember the word that I said to you, ‘A [public] servant is not greater than his [Sovereign] master.’ If they persecuted Me, they will also persecute you. If they kept My word, they will keep yours also [as trustees of the public trust]. But all these things they will do to you for My name’s sake, because they do not know Him [God] who sent Me.”*  
[Jesus in John 15:19-21, Bible, NKJV]

*“Adulterers and adulteresses! Do you not know that friendship [and “citizenship”/domicile] with the world [or the governments of the world] is enmity with God? Whoever therefore wants to be a friend [statutory “citizen” or “taxpayer” or “resident” or “inhabitant”] of the world makes himself an enemy of God.”*  
[James 4:4, Bible, NKJV]

I try to imagine my Lord writing down a social security number when trying to open a bank account.

I try to imagine my Lord saying the “pledge of allegiance” when the only mention of allegiance in the Bible was connected with sin.

*“And the men of Israel were distressed that day, for Saul [the King God told them NOT to elect or accept] had placed the people under oath”*  
[1 Sam. 14:24, Bible, NKJV]

I try to imagine my Lord holding on to a “birth certificate” in some undisclosed location to be able to retrieve it when asked:

*“Who are you? We need proof that you are our public officer, statutory ‘employee’, and/or government dependent”.*

I try to imagine my Lord getting a “passport” from Caesar to travel somewhere else on His Father's property. After all, the Bible says the entire EARTH and the HEAVENS, meaning all of creation, are HIS PROPERTY:

*“Indeed heaven and the highest heavens belong to the LORD your God, also the earth with all that is in it.”*  
[Deut. 10:15, Bible, NKJV]

Shouldn't the government be scouring God's laws for PERMISSION and a license to use God's property for the purpose they intend? Aren't they in effect abusing property taxes to rent out SOMEONE ELSE'S (God's) property, meaning STOLEN property?

I try to imagine what Jesus meant when he said to “render to Caesar” as in Matt. 22:21, Mark 12:17, and Luke 20:25 if the entire Earth and all of creation belong to God? What is left to render if God owns absolutely EVERYTHING?

I try to imagine my God sending His children (believers) to government controlled educational systems. (public school). Even animals are not stupid enough to turn their young over to predators (He calls them “The Beast” in Rev. 19:19) to be raised.

I try to imagine what my Lord truly meant when He spoke these words:

*“...and I appoint unto you a kingdom, even as my Father appointed unto me;”*  
[Luke 22:29, Bible, NKJV]

*"You [Jesus] are worthy to take the scroll,  
And to open its seals;  
For You were slain,  
And have redeemed us [believers] to God by Your blood  
Out of every tribe and tongue and people and nation,  
And have made us kings and priests to our God;  
And we shall reign on the earth."*  
[Rev. 5:9-10, Bible, NKJV]

I try to imagine what is truly meant when Paul writes:

*"And do not be conformed to this world, but be transformed by the renewing of your mind, that you may prove  
what is that good and acceptable and perfect will of God."*  
[Romans 12:2, Bible, NKJV]

Isn't the ESSENCE of the conformity Paul is talking about above the acquisition of civil statuses that limit our freedom and cause us to serve government idols, such as "person", "individual", "citizen", "resident", "taxpayer", "driver", "benefit recipient", etc?

*"For our citizenship is in heaven, from which we also eagerly wait for the Savior, the Lord Jesus Christ"*  
[Philippians 3:20]

*"Where do wars and fights come from among you? Do they not come from your desires for pleasure [unearned money or "benefits", privileges, or franchises, from the government] that war in your members [and your democratic governments]? You lust [after other people's money] and do not have. You murder [the unborn to increase your standard of living] and covet [the unearned] and cannot obtain [except by empowering your government to STEAL for you!]. You fight and war [against the rich and the nontaxpayers to subsidize your idleness]. Yet you do not have because you do not ask [the Lord, but instead ask the deceitful government]. You ask and do not receive, because you ask amiss, that you may spend it on your pleasures. Adulterers and adulteresses! Do you not know that friendship [statutory "citizenship"] with the world [for the governments of the world] is enmity with God? Whoever therefore wants to be a friend [STATUTORY "citizen", "resident", "inhabitant", "taxpayer", "person" franchisee] of the world [or the governments of the world] makes himself an enemy of God."*  
[James 4:4, Bible, NKJV]

I try to imagine if my Lord would have any concern at all of a "license" from Caesar. Herod maybe whom He called a fox.

I try to imagine if my Lord would accept a "mark" (number) by a man made government. He called government "the Beast" in Rev. 19:19. Do not all licenses come with some form of a number?

I try to imagine if my Lord is speaking to people who accepted a Social Security Number or worshipped the image (ruler) found on Caesar's money when He said the following:

*First Bowl: Loathsome Sores*

*So the first went and poured out his bowl upon the earth, and a foul and loathsome sore came upon the men who had the mark of the beast and those who worshiped his image.*  
[Rev. 16:2, Bible, NKJV]

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*"Show Me the tax money."*

*So they brought Him a denarius.*

*And He [Jesus, the same guy who wrote the above] said to them, "Whose image and inscription is this?"*

*They said to Him, "Caesar's."*  
[Matt. 22:19-21, Bible, NKJV]

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*"According to all the works which they have done since the day that I brought them up out of Egypt, even to this day—with which they have forsaken Me and served [worshipped] other gods [Kings, in this case]—so they are doing to you also [government becoming idolatry]."*  
[1 Sam. 8:8, Bible, NKJV]

I often wonder if the opposite is implied in this verse to which I am sure:

*"Yea, and all that will live godly in Christ Jesus shall suffer persecution."  
[2 Timothy 3:12, Bible, NKJV]*

I imagine and wonder and think on these things daily to remind myself always. Here is what has been revealed. My Lord came to us as an example for us all. To show us HOW to live and to die for it is written:

*"For whoever desires to save his life will lose it, but whoever loses his life for My sake will find it."  
[Matt. 16:25, Bible, NKJV]*

I try to imagine the meaning of Christians being a light on a hill that cannot be hid, and then I realize that "the light" spoken of in the parable is really those who are OBEDIENT to God's law out of respect, reverence, and genuine love for God. Love, after all, is biblically defined as OBEDIENCE to God's law, and not some sentimental feeling:

*"Not everyone who says to Me, 'Lord, Lord,' shall enter the kingdom of heaven, but he who does the will of My Father in heaven."  
[Jesus in [Matt. 7:21](#), Bible, NKJV]*

*"Now by this we know that we know Him [God], if we keep His commandments. He who says, "I know Him," and does not keep His commandments, is a liar, and the truth is not in him. But whoever keeps His word, truly the love of God is perfected in him. By this we know that we are in Him [His fiduciaries]. He who says he abides in Him [as a fiduciary] ought himself also to walk just as He [Jesus] walked."  
[1 John 2:3-6, Bible, NKJV]*

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# 1 Purpose

This document will:

1. Explain what a franchise or privilege is.
2. Explain how franchises and privileges cause a usually involuntary and unconstitutional surrender of rights.
3. Explain how enfranchisement of any essential government service within states of the Union and outside of federal territory violates the intent of the constitution and the requirement for equal protection and equal treatment and constitute "class legislation".
4. Explain why nearly everything people don't like about the present government is implemented through the abuse of franchises against people or in places that franchises are unlawful to offer or enforce.
5. Explain the various types and forms that franchises take so that you will immediately recognize their application to every interaction you may have with any government.
6. Explain how corrupt and covetous government actors illegally compel participation in franchises to enrich themselves at your personal expense and injury.
7. Explain how franchises encourage and enable governments to become corrupt by making a profitable business out of doing the OPPOSITE of what governments are created to do: Protect PRIVATE rights.
8. Point to resources useful in avoiding franchises and fighting abuse of the legal process to compel participation.

If you would like a simplified PowerPoint curricula that summarizes the great amount of detail found in this memorandum of law to its barest essentials and which is intended for presentation to large audiences of people who are not schooled in the law, please see to the following free training course on our website. You may then refer the participants of the course to this document for greater detail at the conclusion of the presentation:

*Government Franchises Course, Form #12.012*

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

The purpose of this legal treatise is to provide tools useful in preventing acts of international terrorism by the national government against parties within states of the Union. Under our constitution, states of the Union are "nations" under the law of nations as acknowledged by the U.S. Supreme Court.

*"The States between each other are sovereign and independent. They are distinct and separate sovereignties, except so far as they have parted with some of the attributes of sovereignty by the Constitution. **They continue to be nations,** with all their rights, and under all their national obligations, and with all the rights of nations in every particular; except in the surrender by each to the common purposes and objects of the Union, under the Constitution. The rights of each State, when not so yielded up, remain absolute."*  
[*Bank of Augusta v. Earle*, 38 U.S. (13 Pet.) 519, 10 L.Ed. 274 (1839)]

Hence, an attempt to do any of the following constitutes an act of international terrorism:

1. To offer or enforce federal civil law or franchises or privileges within states of the Union protected by the Constitution.
2. To misrepresent a "national franchise" or privilege as a "federal franchise"
3. To call a "compact" (contract) under acts of Congress "law" for everyone or "law" for people in states of the Union.
4. To waive, overlook, or avoid the requirement that all federal civil law may only be enforced against those CONSENSUALLY domiciled on federal territory. This includes the following criminal and deceptive practices:
  - 4.1. Allow anyone to claim the status of "citizen" or "resident" under acts of Congress WITHOUT actual physical presence on federal territory.
  - 4.2. To refuse to acknowledge IN EACH SPECIFIC CASE within acts of Congress which of the three definitions of "United States" elucidated by the U.S. Supreme Court is implied.
5. To abuse "words of art" to blur the separation of civil jurisdictions of state and national governments.
6. To add to statutory definitions using PRESUMPTION in order to unlawfully expand federal federal jurisdiction outside of federal territory. This is a violation of due process of law and confers legislative powers upon those who make such presumptions. It also violates the separation of powers by allowing judges to exercise functions reserved for the executive branch.
7. Through de facto policies, to compel otherwise private Americans into becoming involuntary public officers within the national government. This includes:
  - 7.1. Turning statutory "citizen" and "resident" statuses into a contractual statutory franchise, privilege, or immunity.

- 7.2. Compelled use of Social Security Numbers or Taxpayer Identification Numbers as a prerequisite for any government service.
- 7.3. Deceiving financial institutions through fraudulent IRS publications into becoming the equivalent of “employment recruiters” who recruit public officers by compelling the use of SSNs and TINs to open accounts.<sup>1</sup>
- 7.4. Allowing government property such as TINs and SSNs to be abused to DESTROY rather than PROTECT private rights, thus accomplishing a purpose OPPOSITE to what governments were created for.
8. To recognize that which is not “positive law” as having the “force of law” without PROVING on the record of every legal proceeding HOW the enactment acquired “the force of law” against the party it is being enforced against. The only lawful method is by the consent of the subject.

“Consent makes the law. A contract is a law between the parties, which can acquire force only by consent.”  
[Bouvier’s Maxims of Law, 1856;  
SOURCE: <http://famguardian.org/Publications/BouvierMaximsOfLaw/BouviersMaxims.htm>]

Why are all of the above acts of international terrorism recognized by and prohibited by the U.S. Constitution? Because the U.S. Constitution contains only ONE mandate, and that mandate is that the national government MUST protect each and every state of the Union from invasion. That mandate STARTS by protecting these states FROM THE INVASION BY THE NATIONAL GOVERNMENT.

United States Constitution  
Article IV, Section 4

The United States shall guarantee to every State in this Union a Republican Form of Government, and shall protect each of them against Invasion; and on Application of the Legislature, or of the Executive (when the Legislature cannot be convened) against domestic Violence.

Any attempt to convert PRIVATE rights to PUBLIC rights without the EXPRESS rather than IMPLIED consent of the owner in the context of any civil enforcement proceeding is a denial of a Republican form of government MANDATED by the United States Constitution and an act of INVASION. The main basis for a republican form of government is PRIVATE, INDIVIDUAL, PERSONAL rights.

**TER·RO·R·ISM** noun 1 The act of terrorizing. 2 A system of government that seeks to rule by intimidation. 3 Violent and unlawful acts of violence committed in an organized attempt to overthrow a government.

[Original (pre-Orwellian) Definition of the Word "Terrorism" Funk and Wagnalls New Practical Standard Dictionary (1946)]

The U.S. Supreme Court recognized such acts as an invasion when it held:

"Wholly apart from that question, another principle embedded in our Constitution prohibits the enforcement of the Agricultural Adjustment Act. **The act invades the reserved rights of the states. It is a statutory plan to regulate and control agricultural production, a matter beyond the powers delegated to the federal government. The tax, the appropriation of the funds raised, and the direction for their disbursement, are but parts of the plan. They are but means to an unconstitutional end.**" [Author's emphasis]  
[[U.S. v. Butler, 297 U.S. 1 \(1936\)](#)]

For entertaining videos on how this form of “economic terrorism” works, and how and why the District of Criminals (as Mark Twain called it) is a haven for financial terrorists, see:

1. *How the World Works*, John Perkins  
<https://sedm.org/liberty-university-2-6-how-the-world-works/k>
2. *Government Mafia*, Clint Richardson  
<https://sedm.org/government-mafia/>

Note that the subject of this memorandum deals ONLY with what happens in CIVIL courts under CIVIL statutory law. The principles discussed are NOT relevant to any CRIMINAL proceeding in any criminal court, state or federal. Those indicted

<sup>1</sup> The IRS positively refuses to take legal responsibility for the accuracy of anything it writes or publishes, including all of its forms and publications. See: *Reasonable Belief About Income Tax Liability*, Form #05.007; <http://sedm.org/Forms/FormIndex.htm>.

for statutory crimes should NOT, we repeat NOT, apply any of the concepts in the pamphlet. The only exception to this requirement is found in section 15 later.

**IMPORTANT NOTE:** Please DO NOT clutter our forums with questions dealing with how to apply any portion of this memorandum to a CRIMINAL proceeding because it DOES NOT apply. And please exercise due diligence by following our Guide to Asking Questions, Form #09.017, BEFORE posting questions about this pamphlet to our forums.

THANK YOU.

Lastly, government franchises are a VERY important subject to many. In fact, they are such a frequent and egregious source of government injustice that their abuse was responsible for the start of the Arab Spring that toppled several Mediterranean governments in north Africa. This is documented in:

Tunisia honors birthplace of Arab Spring, CBS News, December 17, 2011  
[http://www.cbsnews.com/8301-202\\_162-57344675/tunisia-honors-birthplace-of-arab-spring/](http://www.cbsnews.com/8301-202_162-57344675/tunisia-honors-birthplace-of-arab-spring/)

The above article proves that:

1. The Arab Spring began in Tunisia.
2. The person who started it was Mohammed Bouazizi, a fruit stand operator.
3. The government offense began when Mohammed Bouazizi was humiliated and his booth destroyed by a corrupted government because he refused to get a "license" to sell fruit. Licenses are a type of franchise.
4. Bouazizi responded by going to the middle of the street across from city hall and burning himself alive in the street in protest of the fact that the government destroyed his livelihood for no honorable reason.

*"It was one year ago that Mohammed Bouazizi set himself on fire in front of the Sidi Bouzid town hall **after he was publicly slapped and humiliated by a policewoman reprimanding him for selling his vegetables without a license. He suffered full-body burns, and died soon afterward.***

*Until then, he had spent his days pushing around a cart to sell his vegetables, **but when his wares were confiscated and his pleas for restitution ignored by town officials, something snapped and a young man who had never left Tunisia transformed the Middle East.***

*[Tunisia honors birthplace of Arab Spring, CBS News, December 17, 2011]*

5. Bouazizi 's supporters agreed that the act was unjust and usurious, and widely protested, thus eventually toppling their own government.

*"His act struck a chord in the impoverished interior of the country, where unemployment is still estimated at **28 percent.***

*The demonstrations began in Sidi Bouzid but soon spread to the nearby city of Kasserine and surrounding small towns.*

*At first it was just local unrest, until clandestinely shot videos started popping up on Facebook and other social networking sites, inspiring youths across the country.*

*The focus of the protests soon moved to the capital Tunis as tens of thousands braved tear gas and battled police along the elegant, tree-lined boulevards. An estimated 265 Tunisians died in that month of protests that slowly drew the world's attention.*

*And then abruptly it was over. After Ben Ali's army refused to shoot the protesters and his security forces wavered, Ben Ali fled and flew to Saudi Arabia with his family on Jan. 14."*

*[Tunisia honors birthplace of Arab Spring, CBS News, December 17, 2011]*

Bouazizi 's protest and the result are a warning to all public servants: Watch out, or your government employer may be destroyed or disestablished if you continue to illegally enforce franchises against those who do not consent to participate.

## 2 Introduction

Government franchises are the main method used by covetous public servants to destroy your rights, undermine your sovereignty, and destroy equal protection by making themselves superior to you in the context of civil law. However, they cannot injure you without your consent to participate, which you should not give. The following subsections describe the basic aspects of franchises that you need to know about.

The courts call "franchises" by various pseudo names to disguise the nature of the inferior and UNEQUAL relation to the government of "franchisees", such as "public right" or "privilege". Examples of franchises include the following:

### 1. A public office:

*"Is it a franchise? A franchise is said to be a right reserved to the people by the constitution, as the elective franchise. Again, it is said to be a privilege conferred by grant from government, and vested in one or more individuals, as a public office. Corporations, or bodies politic are the most usual franchises known to our laws."*  
[People v. Ridgley, 21 Ill. 65, 1859 WL 6687, 11 Peck 65 (Ill., 1859)]

### 2. All federal and state income taxes. See:

*The "Trade or Business" Scam*, Form #05.001  
<http://sedm.org/Forms/FormIndex.htm>

### 3. Domicile in the forum state, which causes one to end up being one of the following:

3.1. Statutory "U.S. citizen" pursuant to [8 U.S.C. §1401](#) if a domestic national.

3.2. Statutory "Permanent resident" pursuant to [26 U.S.C. §7701\(b\)\(1\)\(A\)](#) if a foreign national.

### 4. Becoming a notary public. This makes the applicant into a "public official" commissioned by the state government.

*Chapter 1*  
*Introduction*  
*§1.1 Generally*

*A notary public (sometimes called a notary) is a public official appointed under authority of law with power, among other things, to administer oaths, certify affidavits, take acknowledgments, take depositions, perpetuate testimony, and protect negotiable instruments. Notaries are not appointed under federal law; they are appointed under the authority of the various states, districts, territories, as in the case of the Virgin Islands, and the commonwealth, in the case of Puerto Rico. The statutes, which define the powers and duties of a notary public, frequently grant the notary the authority to do all acts justified by commercial usage and the "law merchant".*  
[Anderson's Manual for Notaries Public, Ninth Edition, 2001, ISBN 1-58360-357-3]

### 5. Becoming a registered "voter" rather than an "elector".

### 6. Serving as a jurist. [18 U.S.C. §201\(a\)\(1\)](#) says that all persons serving as federal jurists are "public officials".

### 7. [I.R.C. §501\(c\)\(3\)](#) status for churches. Churches that register under this program become government "trustees" and "public officials" that are part of the government. Is THIS what you call "separation of church and state"? See:

*Taxation of Churches and ChurchGoers*, Family Guardian Website, Spirituality Page, Section 8  
<http://famguardian.org/Subjects/Spirituality/spirituality.htm>

### 8. Most but not all licensed activities, such as:

#### 8.1. Attorney licenses. All attorneys are "officers of the court" and the courts in turn are part of the government. See:

*Why You Don't Want an Attorney*, Family Guardian Fellowship  
<http://famguardian.org/Subjects/LawAndGovt/LegalEthics/Corruption/WhyYouDontWantAnAtty/WhyYouDon'tWantAnAttorney.htm>

#### 8.2. Marriage licenses. See:

*Sovereign Christian Marriage*, Form #06.009  
<http://sedm.org/Forms/FormIndex.htm>

#### 8.3. Driver's licenses. See:

*Defending Your Right to Travel*, Form #06.010  
<http://sedm.org/Forms/FormIndex.htm>

#### 8.4. Professional licenses.

#### 8.5. Fishing licenses.

### 9. Most but not all government "benefits", including, but not limited to:

#### 9.1. Social Security benefits. See:

*Resignation of Compelled Social Security Trustee*, Form #06.002  
<http://sedm.org/Forms/FormIndex.htm>



- 1 9.2. Medicare.  
2 9.3. Medicaid.  
3 10. FDIC insurance of banks. [31 C.F.R. §202.2](#) says all FDIC insured banks are "agents" of the federal government and  
4 therefore "public officers".  
5 11. Participation of banks in the Federal Reserve System. [12 U.S.C. §90](#) makes all "national banks" that are part of the  
6 Federal Reserve System into "agents of the government".  
7 12. Patents.  
8 13. Copyrights.

9 The U.S. Supreme Court acknowledged that private conduct is beyond the reach of the government and that certain harmful,  
10 and therefore regulated activities may require the actors to be "public officers" when it held the following.

11 *"One great object of the Constitution is to permit citizens to structure their private relations as they choose*  
12 *subject only to the constraints of statutory or decisional law.* [500 U.S. 614, 620]

13 *To implement these principles, courts must consider from time to time where the governmental sphere [e.g.*  
14 *"public purpose" and "public office"] ends and the private sphere begins. Although the conduct of private*  
15 *parties lies beyond the Constitution's scope in most instances, governmental authority may dominate an activity*  
16 *to such an extent that its participants must be deemed to act with the authority of the government and, as a*  
17 *result, be subject to constitutional constraints.* This is the jurisprudence of state action, which explores the  
18 "essential dichotomy" between the private sphere and the public sphere, with all its attendant constitutional  
19 obligations. Moose Lodge, supra, at 172."

20 [...]

21 Given that the statutory authorization for the challenges exercised in this case is clear, the remainder of our state  
22 action analysis centers around the second part of the Lugar test, whether a private litigant, in all fairness, must  
23 be deemed a government actor in the use of peremptory challenges. Although we have recognized that this aspect  
24 of the analysis is often a fact-bound inquiry, see Lugar, supra, 457 U.S. at 939, our cases disclose certain  
25 principles of general application. *Our precedents establish that, in determining whether a particular action or*  
26 *course of conduct is governmental in character, it is relevant to examine the following:*

27 *[1] the extent to which the actor relies on governmental assistance and benefits, see Tulsa Professional*  
28 *Collection Services, Inc. v. Pope, 485 U.S. 478 (1988); Burton v. Wilmington Parking Authority, 365 U.S. 715*  
29 *(1961);*

30 *[2] whether the actor is performing a traditional governmental function, see Terry v. Adams, 345 U.S. 461*  
31 *(1953); Marsh v. Alabama, 326 U.S. 501 (1946) ; cf. San Francisco Arts & Athletics, Inc. v. United States*  
32 *Olympic Committee, 483 U.S. 522, 544 -545 (1987);*

33 *[3] and whether the injury caused is aggravated in a unique way by the incidents of governmental authority, see*  
34 *Shelley v. Kraemer, 334 U.S. 1 (1948) .*

35 Based on our application of these three principles to the circumstances here, we hold that the exercise of  
36 peremptory challenges by the defendant in the District Court was pursuant to a course of state action.  
37 *[Edmonson v. Leesville Concrete Company, 500 U.S. 614 (1991)]*

38 Note that the "statutory or decisional law" they are referring to above are ONLY.

- 39 1. Criminal law.  
40 2. Civil franchises that you consensually engage in using your right to contract.  
41 3. The common law. This protects exclusively private rights beyond the control of government.

42 For an explanation of why this is, see:

<p><u><i>Why Statutory Civil Law is Law for Government and Not Private Persons</i></u>, Form #05.037 <a href="http://sedm.org/Forms/FormIndex.htm">http://sedm.org/Forms/FormIndex.htm</a></p>
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43 For those of you who are fans of Ayn Rand and her objectivist free market philosophy, she claims that all injustice and abuse  
44 in an otherwise free market is caused EXCLUSIVELY by what she calls "government privileges".

We believe what she in fact means by that phrase from a legal perspective, is government franchises. If you would like to know more about her, you can visit her famous website at:

<https://www.aynrand.org/>

We also highly recommend Ayn Rand's book title *Atlas Shrugged* if you want a simplified introduction to objectivist and voluntarist philosophy.

## 2.1 Summary of the effects of franchises and privileges

Nearly every type of government-issued "benefit", license, or "privilege" you could possibly procure requires the participant to be a "public officer", "public official", "fiduciary", "alien", "resident", "transferee", or "trustee" of the government of one kind or another with a "residence" on federal territory.

*"All the powers of the government [including ALL of its civil enforcement powers against the public] must be carried into operation by individual agency, either through the medium of public officers, or contracts made with [private] individuals."*  
[Osborn v. Bank of U.S., 22 U.S. 738 (1824)]

The application or license to procure the "benefits" of the franchise constitutes the contract mentioned above that creates the "RES" which is "IDENT-ified" within the government's legislative jurisdiction on federal territory. Hence "RES-IDENT"/"resident".

*"Res. Lat. The subject matter of a trust [the Social Security Trust or the "public trust"/"public office", in most cases] or will [or legislation]. In the civil law, a thing; an object. As a term of the law, this word has a very wide and extensive signification, including not only things which are objects of property, but also such as are not capable of individual ownership. And in old English law it is said to have a general import, comprehending both corporeal and incorporeal things of whatever kind, nature, or species. By "res," according to the modern civilians, is meant everything that may form an object of rights, in opposition to "persona," which is regarded as a subject of rights. "Res," therefore, in its general meaning, comprises actions [or CONSEQUENCES of choices and CONTRACTS/AGREEMENTS you make by procuring BENEFITS] of all kinds; while in its restricted sense it comprehends every object of right, except actions. This has reference to the fundamental division of the Institutes that all law relates either to persons, to things, or to actions.*

*Res is everything that may form an object of rights and includes an object, subject-matter or status. In re Riggle's Will, 11 A.D.2d. 51 205 N.Y.S.2d. 19, 21, 22. The term is particularly applied to an object, subject-matter, or status, considered as the defendant [hence, the ALL CAPS NAME] in an action, or as an object against which, directly, proceedings are taken. Thus, in a prize case, the captured vessel is "the res"; and proceedings of this character are said to be in rem. (See In personam; In Rem.) "Res" may also denote the action or proceeding, as when a cause, which is not between adversary parties, is entitled "In re \_\_\_\_\_".*  
[Black's Law Dictionary, Sixth Edition, pp. 1304-1306]

The "subject matter or status" they are talking about includes all privileged statuses such as "taxpayer", "benefit recipient", statutory "U.S. citizen" (8 U.S.C. §1401), or statutory "U.S. resident (alien)" (26 U.S.C. §7701(b)(1)(A)). Even domicile is a type of franchise--a "protection franchise", to be precise. This "res-ident" is what most people in the freedom community would refer to as your "straw man". If a state-issued license or benefit is at issue, the territory that the privilege or franchise attaches to is federal territory that is usually in a federal area within the exterior limits of the state. The reason all licenses must presume federal territory is that licenses usually regulate the exercise of rights protected by the Constitution and the Bill of Rights portion of the Constitution does not apply on federal territory.

*"Indeed, the practical interpretation put by Congress upon the Constitution has been long continued and uniform to the effect [182 U.S. 244, 279] that the Constitution is applicable to territories acquired by purchase or conquest, only when and so far as Congress shall so direct. Notwithstanding its duty to 'guarantee to every state in this Union a republican form of government' (art. 4, 4), by which we understand, according to the definition of Webster, 'a government in which the supreme power resides in the whole body of the people, and is exercised by representatives elected by them,' Congress did not hesitate, in the original organization of the territories of Louisiana, Florida, the Northwest Territory, and its subdivisions of Ohio, Indiana, Michigan, Illinois, and Wisconsin and still more recently in the case of Alaska, to establish a form of government bearing a much greater analogy to a British Crown colony than a republican state of America, and to vest the legislative power either in a governor and council, or a governor and judges, to be appointed by the President. It was not*

1 until they had attained a certain population that power was given them to organize a legislature by vote of the  
2 people. In all these cases, as well as in territories subsequently organized west of the Mississippi, Congress  
3 thought it necessary either to extend to Constitution and laws of the United States over them, or to declare that  
4 the inhabitants should be entitled to enjoy the right of trial by jury, of bail, and of the privilege of the writ of  
5 habeas corpus, as well as other privileges of the bill of rights.”  
6 [Downes v. Bidwell, [182 U.S. 244](#) (1901)]

7 Consent to the franchise contract or agreement or privilege is therefore what creates the statutory “person” and “individual”,  
8 or “res-ident” who is the only proper subject of the franchise in the otherwise foreign jurisdiction. That is why the definition  
9 of “foreign” and “domestic” in the Internal Revenue Code hinges on whether the “person” is in fact a corporation:

10 26 U.S. Code § 7701 – Definitions

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

13 (4) Domestic

14 **The term “domestic” when applied to a corporation or partnership means created or organized in the United**  
15 **States or under the law of the United States or of any State unless, in the case of a partnership, the Secretary**  
16 **provides otherwise by regulations.**

17 (5) Foreign

18 The term “foreign” when applied to a corporation or partnership means a corporation or partnership which is  
19 not domestic.

20 [26 U.S.C. §7701(a)(4)-(5)]

21 Note that based on the above definitions, those who are NOT corporate statutory “persons” would be “foreign” rather than  
22 “domestic”, and a STATUTORY “non-resident non-person”. This STATUTORY “non-resident non-person” is described in  
23 26 U.S.C. §7701(a)(31) as not engaged in a public office and whose property is a “foreign estate”. The “partnership” they  
24 are talking about in the above definition is the same partnership invoked in the definition of “person” at 26 U.S.C. §§6671(b)  
25 and 7343, which is a partnership between the United States Federal Corporation and an otherwise PRIVATE human or entity.  
26 That partnership gives rise to agency on behalf of said corporation, and the agency itself is the only proper subject of tax.  
27 Remember: Contracts create agency:

28 “All the powers of the government [including ALL of its civil enforcement powers against the public] must be  
29 carried into operation **by individual agency, either through the medium of public officers, or contracts made**  
30 **with [private] individuals.**”  
31 [Osborn v. Bank of U.S., [22 U.S. 738](#) (1824)]

32 Notice that the tax extends wherever the GOVERNMENT extends, meaning the PUBLIC OFFICES of the government,  
33 because Congress can only tax what it creates, and it didn’t create HUMANS. The only thing it can create are bogus franchise  
34 offices and fool legally ignorant PRIVATE humans into volunteering for them using deceptive government forms which are  
35 deliberately not trustworthy and contain LIES:

36 “Loughborough v. Blake, 5 Wheat. 317, 5 L.Ed. 98, was an action of trespass or, as appears by the original  
37 record, replevin, brought in the circuit court for the District of Columbia to try the right of Congress to impose a  
38 direct tax for general purposes on that District. 3 Stat. at L. 216, chap. 60. **It was insisted that Congress could**  
39 **act in a double capacity: in one as legislating [182 U.S. 244, 260] for the states; in the other as a local legislature**  
40 **for the District of Columbia. In the latter character, it was admitted that the power of levying direct taxes might**  
41 **be exercised, but for District purposes only, as a state legislature might tax for state purposes; but that it could**  
42 **not legislate for the District under art. 1, 8, giving to Congress the power ‘to lay and collect taxes, imposts, and**  
43 **excises,’ which ‘shall be uniform throughout the United States,’ inasmuch as the District was no part of the**  
44 **United States [described in the Constitution]. It was held that the grant of this power was a general one without**  
45 **limitation as to place, and consequently extended to all places over which the government extends; and that it**  
46 **extended to the District of Columbia as a constituent part of the United States.** The fact that art. 1, 2, declares  
47 that ‘representatives and direct taxes shall be apportioned among the several states . . . according to their  
48 respective numbers’ furnished a standard by which taxes were apportioned, but not to exempt any part of the  
49 country from their operation. ‘The words used do not mean that direct taxes shall be imposed on states only which  
50 are represented, or shall be apportioned to representatives; **but that direct taxation, in its application to states,**  
51 **shall be apportioned to numbers.**’ That art. 1, 9, 4, declaring that direct taxes shall be laid in proportion to the  
52 census, was applicable to the District of Columbia, ‘and will enable Congress to apportion on it it’s just and equal  
53 share of the burden, with the same accuracy as on the respective states. If the tax be laid in this proportion, it is

1 within the very words of the restriction. It is a tax in proportion to the census or enumeration referred to.' It was  
2 further held that the words of the 9th section did not 'in terms require that the system of direct taxation, when  
3 resorted to, shall be extended to the territories, as the words of the 2d section require that it shall be extended to  
4 all the states. They therefore may, without violence, be understood to give a rule when the territories shall be  
5 taxed, without imposing the necessity of taxing them.'"  
6 [Downes v. Bidwell, [182 U.S. 244](#) (1901)]

7 In fact, we refer to all statutory "residents" simply as "government contractors". Below is an example of how this identity  
8 theft and kidnapping occurs in fraudulently creating this "res-ident". The word of art "trade or business" is defined as "the  
9 functions of a public office" in 26 U.S.C. §7701(a)(26). When one indicates that they are engaged in the privileged "trade or  
10 business"/public office activity, they at that point are treated as and presumed to be "resident aliens" within the meaning of  
11 the Internal Revenue Code:

12 [26 C.F.R. §301.7701-5 Domestic, foreign, resident, and nonresident persons. \(4-1-04\)](#)

13 A domestic corporation is one organized or created in the United States, including only the States (and during  
14 the periods when not States, the Territories of Alaska and Hawaii), and the District of Columbia, or under the  
15 law of the United States or of any State or Territory. A foreign corporation is one which is not domestic. A  
16 domestic corporation is a resident corporation even though it does no business and owns no property in the  
17 United States. A foreign corporation engaged in trade or business within the United States is referred to in the  
18 regulations in this chapter as a resident foreign corporation, and a foreign corporation not engaged in trade  
19 or business within the United States, as a nonresident foreign corporation. A partnership engaged in trade or  
20 business within the United States is referred to in the regulations in this chapter as a resident partnership, and a  
21 partnership not engaged in trade or business within the United States, as a nonresident partnership. Whether a  
22 partnership is to be regarded as resident or nonresident is not determined by the nationality or residence of its  
23 members or by the place in which it was created or organized.  
24 [Amended by T.D. 8813, Federal Register: February 2, 1999 (Volume 64, Number 21), Page 4967-4975]  
25

26 "Consensus facit legem.  
27 Consent makes the law. A contract is a law between the parties, which can acquire force only by consent."  
28 [Bouvier's Maxims of Law, 1856;  
29 SOURCE: <http://fanguardian.org/Publications/BouvierMaximsOfLaw/BouviertsMaxims.htm>]

30 Applying for any kind of "privilege" or franchise from the government or engaging in the activity that constitutes the privilege  
31 therefore amounts to your constructive consent to be treated as a "[resident alien](#)" who is [domiciled](#) on federal territory and  
32 who has no constitutional rights. The following articles and forms describe this straw man and provide tools to notify the  
33 government that you have [disconnected](#) yourself from this "straw man" who is the "public officer" that is the only proper or  
34 lawful subject of most federal legislation:

- 35 1. [Why Your Government is Either a Thief or You are a "Public Officer" for Income Tax Purposes](#), Form #05.008  
36 <http://sedm.org/Forms/FormIndex.htm>
- 37 2. [Proof That There Is a "Straw Man"](#), Form #05.042  
38 <http://sedm.org/Forms/FormIndex.htm>
- 39 3. [IRS Form 56: Notice Concerning Fiduciary Relationship](#), Form #04.204  
40 <http://sedm.org/Forms/FormIndex.htm>
- 41 4. [Affidavit of Corporate Denial](#), Form #02.004  
42 <http://sedm.org/Forms/FormIndex.htm>

43 Participating in federal franchises has the following effects upon the legal status of various types of "persons" listed below.  
44 The right column describes the status of the "public officer" you represent while you are acting in that capacity. The right  
45 column is a judicial creation not found directly in the statutes and which results from the application of the [Foreign Sovereign](#)  
46 [Immunities Act \(F.S.I.A.\)](#), 28 U.S.C. §1605. It does not describe your own private status. This "public officer" in the right  
47 column is the "straw man" that is the subject of nearly all federal legislation that could or does regulate your conduct. Without  
48 the existence of the straw man, the [Thirteenth Amendment](#) would make it illegal to enforce federal civil law against human  
49 beings because of the prohibition against involuntary servitude.

1 **Table 1: Effect of accepting franchises upon your civil status**

Entity type	Sovereign status within <u>federal law</u> WITHOUT franchises	Status in <u>federal law</u> AFTER accepting franchise
Human being born within and domiciled within a state of the Union	Non-resident non-person	"Resident alien" "Nonresident alien" "Nonresident alien individual"
	Private man or woman	"Public officer" Trustee of the "public trust"
	<u>Constitutional</u> but not <u>statutory</u> "citizen" (See <u>Why You are a "national", "state national", and Constitutional but not Statutory Citizen</u> )	<u>Statutory</u> "U.S. citizen" pursuant to <u>8 U.S.C. §1401</u> because representing a federal corporation under <u>28 U.S.C. §3002(15)(A)</u> which is a "citizen" pursuant to <u>Federal Rules of Civil Procedure 17(b)</u> NOT a <u>constitutional</u> "citizen of the United States" pursuant to <u>Fourteenth Amendment</u>
	"Stateless person" "Transient foreigner"	<u>Inhabitant</u>
	Foreigner	Domestic person "U.S. person" ( <u>26 U.S.C. §7701(a)(30)</u> ) Domiciliary
State of the Union	"state" "foreign state"	Statutory "State" as defined in <u>4 U.S.C. §110(d)</u> (see <u>Federal Trade Zone Act, 1934, 19 U.S.C. 81a-81u</u> )
Trust	Foreigner Foreign estate ( <u>26 U.S.C. §7701(a)(31)</u> ) Nonstatutory trust	Domestic person "U.S. person" ( <u>26 U.S.C. §7701(a)(30)</u> ) Statutory trust
State corporation	Foreigner Foreign estate ( <u>26 U.S.C. §7701(a)(31)</u> )	Domestic person "U.S. person" ( <u>26 U.S.C. §7701(a)(30)</u> )
Federal corporation	Domestic person "U.S. person" "Person" (already privileged)	Domestic person "U.S. person" ( <u>26 U.S.C. §7701(a)(30)</u> ) "Person" (already privileged)

2  
3

**WARNING:** Participating in ANY government franchise can leave you entirely without standing or remedy in any federal court! Essentially, by eating out of the government's hand, you are SCREWED, BLACK AND BLUED, and TATTOOED! The language below comes from the Brandeis Rules for the U.S. Supreme Court

*"These general rules are well settled:*

*(1) That the United States, when it creates rights in individuals against itself [a "public right", which is a euphemism for a "franchise" to help the court disguise the nature of the transaction], is under no obligation to provide a remedy through the courts. United States ex rel. Dunlap v. Black, 128 U.S. 40, 9 Sup.Ct. 12, 32 L.Ed. 354; Ex parte Atocha, 17 Wall. 439, 21 L.Ed. 696; Gordon v. United States, 7 Wall. 188, 195, 19 L.Ed. 35; De Groot v. United States, 5 Wall. 419, 431, 433, 18 L.Ed. 700; Comegys v. Vasse, 1 Pet. 193, 212, 7 L.Ed. 108.*

*(2) That where a statute creates a right and provides a special remedy, that remedy is exclusive. Wilder Manufacturing Co. v. Corn Products Co., 236 U.S. 165, 174, 175, 35 Sup.Ct. 398, 59 L.Ed. 520, Ann.Cas. 1916A, 118; Arnson v. Murphy, 109 U.S. 238, 3 Sup.Ct. 184, 27 L.Ed. 920; Barnet v. National Bank, 98 U.S. 555, 558, 25 L.Ed. 212; Farmers' & Mechanics' National Bank v. Dearing, 91 U.S. 29, 35, 23 L.Ed. 196. Still the fact that the right and the remedy are thus intertwined might not, if the provision stood alone, require U.S. to hold that the remedy expressly given excludes a right of review by the Court of Claims, where the decision of the special tribunal involved no disputed question of fact and the denial of compensation was rested wholly upon the construction of the act. See Medbury v. United States, 173 U.S. 492, 198, 19 Sup.Ct. 503, 43 L.Ed. 779; Parish v. MacVeagh, 214 U.S. 124, 29 Sup.Ct. 556, 53 L.Ed. 936; McLean v. United States, 226 U.S. 374, 33 Sup.Ct. 122, 57 L.Ed. 260; United States v. Laughlin (No. 200), 249 U.S. 440, 39 Sup.Ct. 340, 63 L.Ed. 696, decided April 14, 1919."*  
[U.S. v. Babcock, 250 U.S. 328, 39 S.Ct. 464 (1919) ]

For a detailed exposition of why the above is true, see also Allen v. Graham, 8 Ariz.App. 336, 446 P.2d. 240 (Ariz.App. 1968). Signing up for government entitlements hands them essentially a blank check, because they, and not you, determine the cost for the service and how much you will pay for it beyond that point. This makes the public servant into your Master



and beyond that point, you must lick the hands that feed you. Watch Out! NEVER, EVER take a hand-out from the government of ANY kind, or you'll end up being their CHEAP WHORE. The Bible calls this WHORE "Babylon the Great Harlot". Remember: Black's Law Dictionary defines "commerce", e.g. commerce with the GOVERNMENT, as "intercourse". Bend over!

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

Government franchises and licenses are the main method for destroying the sovereignty of the people pursuant to [28 U.S.C. §1603\(b\)\(3\)](#) and [28 U.S.C. §1605\(a\)\(2\)](#). They are also the MAIN method that our public servants abuse to escape the straight jacket chains of the constitution. Below is an admission by the U.S. Supreme Court of this fact in relation to Social Security:

"We must conclude that a person covered by the Act has not such a right in benefit payments... This is not to say, however, that Congress may exercise its power to modify the statutory scheme free of all constitutional restraint."  
[Flemming v. Nestor, [363 U.S. 603](#) (1960) ]

For further details on how franchises destroy rights and undermine the constitutional requirement for equal protection, read the [Sovereignty Forms and Instructions Manual, Form #10.005, Sections 1.4 through 1.11.](#)

## 2.2 Legal Definition of Franchise

Black's Law Dictionary defines a "franchise" as follows:

**FRANCHISE.** A special privilege conferred by government on individual or corporation, and which does not belong to citizens of country generally of common right. Elliott v. City of Eugene, 135 Or. 108, 294 P. 358, 360. In England it is defined to be a royal privilege in the hands of a subject.

A "franchise," as used by Blackstone in defining quo warranto, (3 Com. 262 [4th Am. Ed.] 322), had reference to a royal privilege or branch of the king's prerogative subsisting in the hands of the subject, and must arise from the king's grant, or be held by prescription, but today we understand a franchise to be some special privilege conferred by government on an individual, natural or artificial, which is not enjoyed by its citizens in general. State v. Fernandez, 106 Fla. 779, 143 So. 638, 639, 86 A.L.R. 240.

In this country a franchise is a privilege or immunity of a public nature, which cannot be legally exercised without legislative grant. To be a corporation is a franchise. The various powers conferred on corporations are franchises. The execution of a policy of insurance by an insurance company [e.g. Social Insurance/Socialist Security], and the issuing a bank note by an incorporated bank [such as a Federal Reserve NOTE], are franchises. People v. Utica Ins. Co., 15 Johns. (N.Y.) 387, 8 Am.Dec. 243. But it does not embrace the property acquired by the exercise of the franchise. Bridgeport v. New York & N.H. R. Co., 36 Conn. 255, 4 Am.Rep. 63. Nor involve interest in land acquired by grantee. Whitbeck v. Funk, 140 Or. 70, 12 P.2d. 1019, 1020. In a popular sense, the political rights of subjects and citizens are franchises, such as the right of suffrage, etc. Pierce v. Emery, 32 N.H. 484; State v. Black Diamond Co., 97 Ohio.St. 24, 119 N.E. 195, 199, L.R.A.1918E, 352.

Elective Franchise. The right of suffrage; the right or privilege of voting in public elections.

Exclusive Franchise. See Exclusive Privilege or Franchise.

General and Special. The charter of a corporation is its "general" franchise, while a "special" franchise consists in any rights granted by the public to use property for a public use but-with private profit. Lord v. Equitable Life Assur. Soc., 194 N.Y. 212, 87 N.E. 443, 22 L.R.A. (N.S.) 420.

Personal Franchise. A franchise of corporate existence, or one which authorizes the formation and existence of a corporation, is sometimes called a "personal" franchise. as distinguished from a "property" franchise, which authorizes a corporation so formed to apply its property to some particular enterprise or exercise some special privilege in its employment, as, for example, to construct and operate a railroad. See Sandham v. Nye, 9 Misc.Rep. 541, 30 N.Y.S. 552.

Secondary Franchises. The franchise of corporate existence being sometimes called the "primary" franchise of a corporation, its "secondary" franchises are the special and peculiar rights, privileges, or grants which it may, receive under its charter or from a municipal corporation, such as the right to use the public streets, exact tolls, collect fares, etc. *State v. Topeka Water Co.*, 61 Kan. 547, 60 P. 337; *Virginia Canon Toll Road Co. v. People*, 22 Colo. 429, 45 P. 398 37 L.R.A. 711. The franchises of a corporation are divisible into (1) corporate or general franchises; and (2) "special or secondary franchises. The former is the franchise to exist as a corporation, while the latter are certain rights and privileges conferred upon existing corporations. *Gulf Refining Co. v. Cleveland Trust Co.*, 166 Miss. 759, 108 So. 158, 160.

Special Franchisee. See Secondary Franchises, *supra*.  
[Black's Law Dictionary, Fourth Edition, pp. 786-787]

Notice the key phrase "In England it is defined to be a royal privilege in the hands of a subject.". This is a tacit recognition that a GRANT of government property is occurring with legal strings attached:

1. They use the word "grant", which is defined as a revocable TRANSFER and not a PERMANENT GIFT. Grants NEED NOT convey ownership in the thing granted.

*Public grant.* A grant from the public; a grant of a power, license, privilege, or property, from the state or government to one or more individuals, contained in or shown by a record, conveyance, patent, charter, etc.  
[Black's Law Dictionary, Fourth Edition, p. 829]

2. They use the words "in the hands of a subject" or "subsisting in the hands of the subject", as if to imply that something usually but not always physical is being granted the use of. What is really being granted/purchased is any kind of PROPERTY owned by the grantor or lender and in "temporary possession" of the recipient.
3. The lender is the absolute owner of the property even after it is taken into control or custody by the REQUESTER because only the ultimate and absolute owner has the right to:
  - 3.1. Place conditions upon its use or control its use in any respect.
  - 3.2. Take it away entirely by fiat or statute.The above are true because the essence of "ownership" is the right to exclude any and all others from using or benefitting from the use of any kind of "property".
4. The property granted/purchased need not be physical and can be virtual. Examples of virtual property include:
  - 4.1. Privileges or public rights conveyed by civil statutes.
  - 4.2. Contracts.
  - 4.3. The rights conveyed by agreements.
  - 4.4. The PUBLIC rights conveyed by licenses.
  - 4.5. Government franchises.
5. The recipient/purchaser of the grant is referred to as a "subject", and a "subject" is someone who owes allegiance and obedience to the GRANTOR. That's what all debts or loans do.

"The rich rules over the poor,  
And the borrower is servant [SUBJECT] to the lender."  
[Prov. 22:7, Bible, NKJV]

6. They describe a franchise as "**A special privilege conferred by government on individual or corporation, and which does not belong to citizens of country generally of common right.**". This means that franchises are:
  - 6.1. NOT "law" in a classical sense:

"[l]aw . . . must be not a special rule for a particular person or a particular case, but. . . the general law . . . 'so that every citizen shall hold his life, liberty, property and immunities under the protection of the general rules which govern society.'"  
[Hurtado v. California, 110 U.S. 516, 535-536 (1884)]

- 6.2. A "compact" or agreement, but not "law":

*Municipal law, thus understood, is properly defined to be "a rule of civil conduct prescribed by the supreme power in a state, commanding what is right and prohibiting what is wrong."*

[. . .]

*It is also called a rule to distinguish it from a compact or agreement; for a compact is a promise proceeding from us, law is a command directed to us. The language of a compact is, "I will, or will not, do this"; that of a*

law is, "thou shalt, or shalt not, do it." It is true there is an obligation which a compact carries with it, equal in point of conscience to that of a law; but then the original of the obligation is different. In compacts we ourselves determine and promise what shall be done, before we are obliged to do it; in laws, we are obliged to act without ourselves determining or promising anything at all. Upon these accounts law is defined to be "a rule."  
[Readings on the History and System of the Common Law, Second Edition, Roscoe Pound, 1925, p. 4]

6.3. "special law" that applies only to those who consent usually impliedly upon temporary receipt of the property. That is why they use the word "special privilege": Because it doesn't apply equally to everyone.

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

6.4. "Private law" that does not apply to ALL citizens.

"Private law. That portion of the law which defines, regulates, enforces, and administers relationships among individuals, associations, and corporations. As used in contradistinction to public law, the term means all that part of the law which is administered between citizen and citizen, or which is concerned with the definition, regulation, and enforcement of rights in cases where both the person in whom the right inheres and the person upon whom the obligation is incident are private individuals. See also Private bill; Special law. Compare Public Law."  
[Black's Law Dictionary, Sixth Edition, p. 1196]

7. They refer to a franchise as "a 'special' franchise consists in any rights granted by the public to use property for a public use but-with private profit. *Lord v. Equitable Life Assur. Soc.*, 194 N.Y. 212, 87 N.E. 443, 22 L.R.A. (N.S.) 420."

An example of a franchise would be the COMMERCIAL use of the PUBLIC roadways for PRIVATE personal gain. That franchise, in fact, is the FOUNDATION of all driver licensing statutes. Everything earned by the franchise participant is defined by default as PRIVATE property not subject to PUBLIC control:

*As a rule, franchises spring from contracts between the sovereign power and private citizens, made upon valuable considerations, for purposes of individual advantage as well as public benefit,<sup>2</sup> and thus a franchise partakes of a double nature and character. So far as it affects or concerns the public, it is publici juris and is subject to governmental control. The legislature may prescribe the manner of granting it, to whom it may be granted, the conditions and terms upon which it may be held, and the duty of the grantee to the public in exercising it, and may also provide for its forfeiture upon the failure of the grantee to perform that duty. But when granted, it becomes the property of the grantee, and is a private right, subject only to the governmental control growing out of its other nature as publici juris.<sup>3</sup>*  
[American Jurisprudence 2d, Franchises, §4: Generally (1999)]

The following are contemporary synonyms for the word "franchise". In earlier times at the founding of this country, franchises were called "patronage".

1. "public right".
2. "publici juris".
3. "privilege".
4. "benefit".
5. "entitlement".
6. "excise taxable privilege".

<sup>2</sup> *Georgia R. & Power Co. v. Atlanta*, 154 Ga. 731, 115 S.E. 263; *Lippencott v. Allander*, 27 Iowa 460; *State ex rel. Hutton v. Baton Rouge*, 217 La. 857, 47 So.2d. 665; *Tower v. Tower & S. Street R. Co.* 68 Minn 500, 71 N.W. 691.

<sup>3</sup> *Georgia R. & Power Co. v. Atlanta*, 154 Ga. 731, 115 S.E. 263; *Lippencott v. Allander*, 27 Iowa 460; *State ex rel. Hutton v. Baton Rouge*, 217 La. 857, 47 So.2d. 665; *Tower v. Tower & S. Street R. Co.* 68 Minn 500, 71 N.W. 691.

1 7. “public office”.

2 *“Is it a franchise? **A franchise is said to be a right reserved to the people by the constitution, as the elective***  
3 ***franchise. Again, it is said to be a privilege conferred by grant from government, and vested in one or more***  
4 ***individuals, as a public office.** Corporations, or bodies politic are the most usual franchises known to our laws.*  
5 *In England they are very numerous, and are defined to be royal privileges in the hands of a subject. An*  
6 *information will lie in many cases growing out of these grants, especially where corporations are concerned, as*  
7 *by the statute of 9 Anne, ch. 20, and in which the public have an interest. In 1 Strange R. ( The King v. Sir William*  
8 *Louther,) it was held that an information of this kind did not lie in the case of private rights, where no franchise*  
9 *of the crown has been invaded.*

10 *If this is so--if in England a privilege existing in a subject, which the king alone could grant, constitutes it a*  
11 *franchise--in this country, under our institutions, **a privilege or immunity of a public nature, which could not be***  
12 ***exercised without a legislative grant, would also be a franchise.**”*  
13 *[People v. Ridgley, 21 Ill. 65, 1859 WL 6687, 11 Peck 65 (Ill., 1859) ]*

14 8. “Congressionally created right”.

15 9. “trade or business” (see 26 U.S.C. §7701(a)(26) ).

16 All government franchises are contracts or agreements between the grantor, which is the government, and the grantee, which  
17 is the private citizen:

18 *“As a rule, **franchises spring from contracts between the sovereign power and private citizens,** made upon*  
19 *valuable considerations, for purposes of individual advantage as well as public benefit,<sup>4</sup> and thus a franchise*  
20 *partakes of a double nature and character. **So far as it affects or concerns the public, it is publici juris and is***  
21 ***subject to governmental control. The legislature may prescribe the manner of granting it, to whom it may be***  
22 ***granted, the conditions and terms upon which it may be held, and the duty of the grantee to the public in***  
23 ***exercising it, and may also provide for its forfeiture upon the failure of the grantee to perform that duty. But***  
24 ***when granted, it becomes the property of the grantee, and is a private right, subject only to the governmental***  
25 ***control growing out of its other nature as publici juris.**”*  
26 *[American Jurisprudence 2d, Franchises, §4: Generally (1999)]*

27 The term “publici juris” as used above is defined as follows:

28 *“**Publici juris** /pjɪblasay jɪns/. Lat. **Of public right.** The word "public" in this sense means pertaining to the*  
29 *people, or affecting the community at large; **that which concerns a multitude of people; and the word "right,"***  
30 ***as so used, means a well-founded claim; an interest; concern; advantage; benefit.** This term, as applied to a*  
31 *thing or right, means that it is open to or exercisable by all persons. **It designates things which are owned by***  
32 ***"the public;" that is, the entire state or community, and not by any private person.** When a thing is common*  
33 *property, so that anyone can make use of it who likes, it is said to be publici juris; as in the case of light, air, and*  
34 *public water.”*  
35 *[Black’s Law Dictionary, Fifth Edition, p. 1106]*

36 Franchises are therefore an outgrowth of your absolute right to contract and they require either implicit or explicit consent in  
37 order for the terms of the franchise agreement to be enforceable against you. They are public property. Based on the last  
38 definition, they ALWAYS result in a conversion of YOUR formerly private property to public property, a public use, a public  
39 purpose, and/or public office in the government, which is a polite way of saying that all those who participate must do all the  
40 following in order to participate:

- 41 1. Donate their PRIVATE property to the public in order to qualify for “benefits”.
- 42 2. Surrender their right to EXCLUSIVELY own some or all of their formerly private property.
- 43 3. Transform from a sovereign to a subject and a serf.
- 44 4. Transform from a de jure citizen to nothing more than a federal “employee” or public officer on official business.
- 45 5. Join a socialist collective called “THE PUBLIC” or a corporation called “the State” as a public officer.
- 46 6. Consent to transform a de jure government into a de facto private corporate monopoly that not only doesn’t protect
- 47 private rights, but systematically destroys them and makes them illegal for all practical purposes.
- 48 7. Consent to allow your donations to the franchise to be illegally used to bribe other people to expand and perpetuate
- 49 “the system” and Ponzi scheme.

<sup>4</sup> Georgia R. & Power Co. v. Atlanta, 154 Ga. 731, 115 S.E. 263; Lippencott v. Allander, 27 Iowa 460; State ex rel. Hutton v. Baton Rouge, 217 La. 857, 47 So.2d. 665; Tower v. Tower & S. Street R. Co. 68 Minn 500, 71 N.W. 691.

<sup>5</sup> Georgia R. & Power Co. v. Atlanta, 154 Ga. 731, 115 S.E. 263; Lippencott v. Allander, 27 Iowa 460; State ex rel. Hutton v. Baton Rouge, 217 La. 857, 47 So.2d. 665; Tower v. Tower & S. Street R. Co. 68 Minn 500, 71 N.W. 691.

8. Consent to allow the government to exercise jurisdiction over them REGARDLESS of their physical location or the constitutional limits on the territorial jurisdiction of the government. This is substantiated by the following authorities:
- 8.1. Federal Rule of Civil Procedure 17(b), which grants jurisdiction over the officer of a corporation at the place of domicile of the corporation he or she serves, rather than their own physical location.
- 8.2. The following maxim of law, keeping in mind that all franchises are contracts:

*"Debitum et contractus non sunt nullius loci. Debt and contract are of no particular place."*  
[Bouvier's Maxims of Law, 1856; SOURCE:  
<https://fanguardian.org/Publications/BouvierMaximsOfLaw/BouviertsMaxims.htm>]

- 8.3. The following court case:

*"But, it may be suggested, that the office being established by a law of the United States, it is an incident naturally attached to the authority of the United States, to guard the officer against the approaches of corruption, in the execution of his public trust. It is true, that the person who accepts an office may be supposed to enter into a compact to be answerable to the government, which he serves, for any violation of his duty; and, having taken the oath of office, he would unquestionably be liable, in such case, to a prosecution for perjury in the Federal Courts."*  
[*United States v. Worral*, 2 U.S. 384 (1798)]

## 2.3 Legal Definition of Privilege

Black's Law Dictionary defines "privilege" as follows:

**PRIVILEGE.** A particular and peculiar benefit or advantage enjoyed by a person, company, or class, beyond the common advantages of other citizens. An exceptional or extraordinary power or exemption. A right, power, franchise, or immunity held by a person or class, against or beyond the course of the law. *Waterloo Water Co. v. Village of Waterloo*, 193 N.Y.S. 360, 362, 200 App.Div. 718; *Colonial Motor Coach Corporation v. City of Oswego*, 215 N.Y.S. 159, 163, 126 Misc. 829; *Cope v. Flanery*, 234 P. 845, 849, 70 Cal.App. 738; *Bank of Commerce & Trust Co. v. Senter*, 260 S.W. 144, 147, 149 Tenn. 569; *State v. Betts*, 24 N.J.L. 557.

An exemption from some burden or attendance, with which certain persons are indulged, from a supposition of law that the stations they All, or the offices they are engaged in, are such as require all their time and care, and that, therefore, without this indulgence, it would be impracticable to execute such offices to that advantage which the public good requires. *Dike v. State*, 38 Minn. 366, 38 N.W. 95; *International Trust Co. v. American L. & T. Co.*, 62 Minn. 501, 65 N.W. 78. *State v. Gilman*, 33 W.Va. 146, 10 S.E. 283, 6 L.R.A. 847. That which releases one from the performance of a duty or obligation, or exempts one from a liability which he would otherwise be required to perform, or sustain in common with all other persons. *State v. Grosnickle*, 189 Wis. 17, 206 N.W. 895, 896. A peculiar advantage, exemption, or immunity. *Sacramento Orphanage & Children's Home v. Chambers*, 25 Cal.App. 536, 144 P. 317, 319.

### **Civil Law**

A right which the nature of a debt gives to a creditor, and which entitles him to be preferred before other creditors. *Civil Code La. art. 3186*. It is merely an accessory of the debt which it secures, and falls with the extinguishment of the debt. *A. Baldwin & Co. v. McCain*, 159 La. 966, 106 So. 459, 460. The civil-law privilege became, by adoption of the admiralty courts, the admiralty lien. *Howe, Stud. Civ. L. 89*; *The J. E. Rumbell*, 148 U.S. 1, 13 S.Ct. 498, 37 L.Ed. 345.

**Privileges and immunities.** Within the meaning of the 14th amendment of the United States constitution, such privileges as are fundamental, which belong to the citizens of all free governments and which have at all times been enjoyed by citizens of the United States. *La Tourette v. McMaster*, 104 S.C. 501, 89 S.E. 398, 399. They are only those which owe their existence to the federal government, its national character, its Constitution, or its laws. *Ownbey v. Morgan*, 256 U.S. 94, 41 S.Ct. 433, 65 L.Ed. 837, 17 A.L.R. 873; *Prudential Ins. Co. of America v. Cheek*, 25 U.S. 530, 42 S.Ct. 516, 520, 66 L.Ed. 1044, 27 A.L.R. 27; *Rosenthal v. New York*, 33 S.Ct. 27, 226 U.S. 260, 57 L.Ed. 212, Ann.Cas.1914B, 71.

[*Black's Law Dictionary, Fourth Edition, pp. 1359-1360*]

A privilege essentially is a temporary loan or grant of government/public property or rights. Rights are property. Those rights are usually conveyed either by a license or a permit. The rights can be taken back at any time and thus are revocable. The rights or property remain PUBLIC property even while they are in your possession:

*American Jurisprudence 2d (AMJUR) > Licenses and Permits > I. Definition and Nature of License*  
§ 2 License as contract or property right



A license is not a contract between the sovereignty and the licensee and is not property in any constitutional sense. [1] However, a license is a revocable interest, [2] and thus, at least in the context of jurisdiction to revoke a license, the licensee maintains a property interest in a license prior to its revocation, [3] even where the license is allowed to lapse.[4]  
[51 Am.Jur.2d, Licenses and Permits, §2: License as a contract or property right]

#### FOOOTNOTES:

1. *Bradford v. State of Hawaii*, 846 F.Supp. 1411 (D. Haw. 1994) (applying Hawaii law); *A.B.C. Home Furnishings, Inc. v. Town of East Hampton*, 947 F.Supp. 635 (E.D. N.Y. 1996) (applying New York law); *Russell v. Board of Plumbing Examiners of County of Westchester*, 74 F.Supp.2d. 339 (S.D. N.Y. 1999), adhered to on reargument, 74 F.Supp. 2d 349, 45 Fed.R.Serv.3d. 624 (S.D. N.Y. 1999), *aff'd*, 1 Fed.Appx. 38 (2d Cir. 2001) and *aff'd*, 1 Fed.Appx. 38 (2d Cir. 2001) (applying New York law); *Lindsay v. City of Philadelphia*, 844 F.Supp. 229 (E.D. Pa. 1994) (applying Pennsylvania law); *US Ecology, Inc. v. State of California*, 92 Cal.App.4th. 113, 111 Cal.Rptr.2d. 689 (4th Dist. 2001); *Patzer v. City of Loveland*, 80 P.3d. 908 (Colo. App. 2003); *State ex rel. First Presbyterian Church of Miami v. Fuller*, 134 Fla. 212, 183 So. 726 (1938); *Medias v. City of Indianapolis*, 216 Ind. 155, 23 N.E.2d. 590, 125 A.L.R. 590 (1939); *Appeal of Bornstein*, 126 Me. 532, 140 A. 194 (1928); *Tamko Asphalt Products, Inc. v. Arch Associates*, 830 S.W.2d. 434 (Mo. Ct. App. E.D. 1992); *Syracuse Rural Fire Dist. v. Pletan*, 254 Neb. 393, 577 N.W.2d. 527 (1998); *Wallace v. City of Reno*, 27 Nev. 71, 73 P. 528 (1903); *Garford Trucking v. Hoffman*, 114 N.J.L. 522, 177 A. 882 (N.J. Sup. Ct. 1935); *Adams v. Ohio Dept. of Health*, 5 Ohio.Op.3d. 148, 356 N.E.2d. 324 (C.P. 1976); *City of Portland v. Cook*, 48 Or. 550, 87 P. 772 (1906); *WMS Gaming, Inc. v. Sullivan*, 6 A.3d. 1104 (R.I. 2010); *South Carolina Dept. of Revenue & Taxation v. Rosemary Coin Machines, Inc.*, 331 S.C. 234, 500 S.E.2d. 176 (Ct. App. 1998), decision *rev'd on other grounds*, 339 S.C. 25, 528 S.E.2d. 416 (2000); *Lloyds of Texas v. Bobbitt*, 40 S.W.2d. 897 (Tex. Civ. App. Dallas 1931), writ *dismissed*, 55 S.W.2d. 803 (Tex. Comm'n App. 1932); *Riggins v. District Court of Salt Lake County*, 89 Utah 183, 51 P.2d. 645 (1935); *Littleton v. Burgess*, 14 Wyo. 173, 82 P. 864 (1905).

2. *WMS Gaming, Inc. v. Sullivan*, 6 A.3d. 1104 (R.I. 2010).

3. *U.S. v. Dictor*, 198 F.3d. 1284 (11th Cir. 1999) (applying Georgia law); *Nicoletti v. State Bd. of Vehicle Mfrs., Dealers and Salespersons*, 706 A.2d. 891 (Pa. Commw. Ct. 1998); *Modi v. West Virginia Bd. of Medicine*, 195 W. Va. 230, 465 S.E.2d. 230 (1995).

4. *Nicoletti v. State Bd. of Vehicle Mfrs., Dealers and Salespersons*, 706 A.2d. 891 (Pa. Commw. Ct. 1998).

As to revocation, generally, see §§ 56 to 63.

## 2.4 Franchises and Privileges compared

In law, all franchises are privileges but not all privileges are franchises:

"A "franchise" resulting from a contract made through an exercise of the city's legislative or ordinance-making power is fundamentally different from a "privilege" granted by the city under its power to regulate the use of its streets, as delegated in *Tex. Rev. Civ. Stat. Ann. art. 1175, § 16* (1963). A "franchise" may grant a "privilege," but a "privilege" is not necessarily a "franchise." The word "privilege" is also used, for example, to signify the special right that may be enjoyed only under authority of a license, that is, a right not possessed by persons generally. A "license" has the purpose of regulation under the police power."  
[*Johnson v. Austin*, 674 S.W.2d. 894 (3rd Court of Appeals, Date: July 5, 1984)]

So the main difference between a privilege and a franchise is the nature of the property granted and whether the conveyance is a contract in the case of a franchise or a license/permit in the case of a privilege. Privileges temporarily convey or grant use of PUBLIC property while franchises convey PRIVATE, constitutionally protected property:

36 Am Jur 2d Franchises from Public Entities § 1  
§ 1 Definitions

A franchise constitutes a private property right. [5] Similarly stated, a "franchise" is the special privilege awarded by government to a person or corporation and conveys a valuable property right. [6] To be a "franchise," the right possessed must be such as cannot be exercised without the express permission of the sovereign power. [7] It is a privilege conferred by the government on an individual or a corporation to do that which does not belong to the citizens of the country generally by common right. [8]  
[36 Am.Jur.2d, Franchises from Public Entities §1]



FOOTNOTES:

5. *Central Waterworks, Inc. v. Town of Century*, 754 So.2d. 814 (Fla. Dist. Ct. App. 1st Dist. 2000).

A governmental franchise is deemed to be privately owned, with all of the rights attaching to the ownership of the property in general, and is subject to taxation the same as any other estate in real property. *In re South Bay Expressway, L.P.*, 434 B.R. 589 (Bankr. S.D. Cal. 2010) (applying California law).

6. *Montana-Dakota Utilities Co. v. City of Billings*, 2003 MT 332, 318 Mont. 407, 80 P.3d 1247 (2003) (holding modified on other grounds by, *Havre Daily News, LLC v. City of Havre*, 2006 MT 215, 333 Mont. 331, 142 P.3d. 864 (2006)); *South Carolina Elec. & Gas Co. v. Town of Awendaw*, 359 S.C. 29, 596 S.E.2d. 482 (2004).

A governmental "franchise" constitutes a special privilege granted by the government to particular individuals or companies to be exploited for private profits; such franchisees seek permission to use public streets or rights-of-way in order to do business with a municipality's residents and are willing to pay a fee for this privilege. *South Carolina Elec. & Gas Co. v. Town of Awendaw*, 359 S.C. 29, 596 S.E.2d. 482 (2004).

7. *Rural Water Sewer and Solid Waste Management, Dist. No. 1, Logan County, Oklahoma v. City of Guthrie*, 2010 OK 51, 2010 WL 2600181 (Okla. 2010).

8. *New Orleans Gas-light Co. v. Louisiana Light & Heat Producing & Manufacturing Co.*, 115 U.S. 650, 6 S.Ct. 252, 29 L.Ed. 516 (1885); *City of Groton v. Yankee Gas Services Co.*, 224 Conn. 675, 620 A.2d. 771 (1993); *Artesian Water Co. v. State, Dept. of Highways and Transp.*, 330 A.2d. 432 (Del. Super. Ct. 1974), judgment modified on other grounds, 330 A.2d 441 (Del. 1974); *City of Poplar Bluff v. Poplar Bluff Loan & Bldg. Ass'n*, 369 S.W.2d. 764 (Mo. Ct. App. 1963); *Dunmar Inv. Co. v. Northern Natural Gas Co.*, 185 Neb. 400, 176 N.W.2d. 4 (1970); *Petition of South Lakewood Water Co.*, 61 N.J. 230, 294 A.2d. 13 (1972); *Shaw v. City of Asheville*, 269 N.C. 90, 152 S.E.2d. 139 (1967); *Rural Water Sewer and Solid Waste Management, Dist. No. 1, Logan County, Oklahoma v. City of Guthrie*, 2010 OK 51, 2010 WL 2600181 (Okla. 2010); *Borough of Scottsdale v. National Cable Television, Corp.*, 28 Pa.Comm.w. 387, 368 A.2d. 1323 (1977), order aff'd, 476 Pa. 47, 381 A.2d 859 (1977); *Quality Towing, Inc. v. City of Myrtle Beach*, 345 S.C. 156, 547 S.E.2d. 862 (2001); *State/Operating Contractors ABS Emissions, Inc. v. Operating Contractors/State*, 985 S.W.2d. 646 (Tex. App. Austin 1999); *Tri-County Elec. Ass'n, Inc. v. City of Gillette*, 584 P.2d. 995 (Wyo. 1978).

Below is a table summarizing the differences between franchises and privileges:

**Table 2: Franchises and privileges compared**

#	Characteristic	Franchise	Privilege
1	A contract?	Yes	No
2	Type of right conveyed	Private	Public
3	Implemented with a revocable grant/rental of property or rights?	Yes	Yes
4	Implemented with civil statutory law?	Sometimes	Always
5	Implemented between exclusively private parties	Yes. McDonald's Franchise is an example.	No. Always governmental
6	Acquires the "force of law" through	Written contract Quasi-contract (income tax is "quasi-contractual")	Filling out a government application for a license or permit
7	Taxable within the borders of a constitutional state on land protected by the constitution?	No for federal government (see License Tax Cases, 72 U.S. 462, 18 L.Ed. 497, 5 Wall. 462, 2 A.F.T.R. 2224 (1866) )	Yes for state government
8	Requires domicile to be enforceable?	Not always (because a contract). Contracts are not territorial.	Yes (see Federal Rule of Civil Procedure 17(b))
9	Recipient of property occupies a public office?	Yes (if grant is legislative, but not if contractual)	Yes

10	Constitutional authority for regulating those in receipt of the property?	Article 4, Section 3, Clause 2	Article 4, Section 3, Clause 2
11	Implemented with	A franchise mark	A license number (SSN/TIN/ITIN etc)

As far as line 8 above regarding domicile, the annotated version of Federal Rule of Civil Procedure 17 by Lexis+ says the following:

*"Rule 17(b)(1) exception is not applicable when action is based upon state common law rather than state statute, constitutional rights, or laws of United States. Oyler v. National Guard Asso., 743 F.2d 545, 39 Fed. R. Serv. 2d (Callaghan) 1372, 1984 U.S. App. LEXIS 18769 (7th Cir. 1984)."*  
[USCS Federal Rule of Civil Procedure 17, Lexis+]

As far as line 9 above goes, the reason that both franchises and privileges share in common that the participant a public office is that only public officers can handle public property:

*"Public office. The right, authority, and duty created and conferred by law, by which for a given period, either fixed by law or enduring at the pleasure of the creating power, an individual is invested with some portion of the sovereign functions of government for the benefit of the public. Walker v. Rich, 79 Cal.App. 139, 249 P. 56, 58. An agency for the state, the duties of which involve in their performance the exercise of some portion of the sovereign power, either great or small. Yaselli v. Goff, C.C.A., 12 F.2d 396, 403, 56 A.L.R. 1239; Lacey v. State, 13 Ala.App. 212, 68 So. 706, 710; Curtin v. State, 61 Cal.App. 377, 214 P. 1030, 1035; Shelmadine v. City of Elkhart, 75 Ind.App. 493, 129 N.E. 878. State ex rel. Colorado River Commission v. Frohmiller, 46 Ariz. 413, 52 P.2d 483, 486. **Where, by virtue of law, a person is clothed, not as an incidental or transient authority, but for such time as de- notes duration and continuance, with Independent power to control the property of the public,** or with public functions to be exercised in the supposed interest of the people, the service to be compensated by a stated yearly salary, and the occupant having a designation or title, the position so created is a public office. State v. Brennan, 49 Ohio.St. 33, 29 N.E. 593.  
[Black's Law Dictionary, Fourth Edition, p. 1235]*

Most of the time, the great mystery in distinguishing which category a specific statute falls in is identifying EXACTLY what type of property or right is conveyed that would otherwise be illegal to use or possess. This is a third rail issue that very few people in government are willing to talk about because it threatens their food source.

Courts also have a tendency to blur these two sides to make it difficult to distinguish them. For instance, the income tax is described as "quasi-contractual":

*"Even if the judgment is deemed to be colored by the nature of the obligation whose validity it establishes, and we are free to re-examine it, and, if we find it to be based on an obligation penal in character, to refuse to enforce it outside the state where rendered, see Wisconsin v. Pelican Insurance Co., 127 U.S. 265, 292, et seq. 8 S.Ct. 1370, compare Fauntleroy v. Lum, 210 U.S. 230, 28 S.Ct. 641, **still the obligation to pay taxes is not penal. It is a statutory liability, quasi contractual in nature, enforceable, if there is no exclusive statutory remedy, in the civil courts by the common-law action of debt or indebitatus assumpsit.** United States v. Chamberlin, 219 U.S. 250, 31 S.Ct. 155; Price v. United States, 269 U.S. 492, 46 S.Ct. 180; Dollar Savings Bank v. United States, 19 Wall. 227; and see Stockwell v. United States, 13 Wall. 531, 542; Meredith v. United States, 13 Pet. 486, 493. **This was the rule established in the English courts before the Declaration of Independence.** Attorney General v. Weeks, Bunbury's Exch. Rep. 223; Attorney General v. Jewers and Batty, Bunbury's Exch. Rep. 225; Attorney General v. Hatton, Bunbury's Exch. Rep. [296 U.S. 268, 272] 262; Attorney General v. —, 2 Ans.Rep. 558; see Comyn's Digest (Title 'Dett,' A, 9); I Chitty on Pleading, 123; cf. Attorney General v. Sewell, 4 M.&W. 77. "  
[Milwaukee v. White, 296 U.S. 268 (1935)]*

Below is the meaning of "quasi-contract" from the above quote:

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

Thus, what might in fact be a privilege is TREATED by the courts as contractual and therefore a franchise by judges, even though the legislation implementing it does not identify it as such. This is what we call "legislating from the bench", and it is a violation of the separation of powers, as we describe in Form #05.023.

Because of the deliberate confusion between these two sides and a refusal throughout the government and especially the courts to use proper terminology in distinguishing the two, we group them together in this document and describe them BOTH as "franchises". We do this to make it easier for the common man to understand, because franchises have become so prevalent in private industry and are well-understood in how they operate.

## **2.5 All government franchises are based on grants of government property with legal strings attached and the receipt of the property is called a "benefit"**

American Jurisprudence Legal Encyclopedia admits that government franchises are grants of government property:

*"In a legal or narrower sense, the term "franchise" is more often used to designate a right or privilege conferred by law,<sup>6</sup> and the view taken in a number of cases is that to be a franchise, the right possessed must be such as cannot be exercised without the express permission of the sovereign power<sup>7</sup>—that is, a privilege or immunity of a public nature which cannot be legally exercised without legislative grant.<sup>8</sup> It is a privilege conferred by government on an individual or a corporation to do that "which does not belong to the citizens of the country generally by common right."<sup>9</sup> For example, a right to lay rail or pipes, or to string wires or poles along a public street, is not an ordinary use which everyone may make of the streets, but is a special privilege, or franchise, to*

<sup>6</sup> People ex rel. Fitz Henry v. Union Gas & E. Co. 254 Ill. 395, 98 N.E. 768; State ex rel. Bradford v. Western Irrigating Canal Co. 40 Kan 96, 19 P. 349; Milhau v. Sharp, 27 N.Y. 611; State ex rel. Williamson v. Garrison (Okla), 348 P.2d. 859; Ex parte Polite, 97 Tex Crim 320, 260 S.W. 1048.

The term "franchise" is generic, covering all the rights granted by the state. Atlantic & G. R. Co. v. Georgia, 98 U.S. 359, 25 L.Ed. 185.

A franchise is a contract with a sovereign authority by which the grantee is licensed to conduct a business of a quasi-governmental nature within a particular area. West Coast Disposal Service, Inc. v. Smith (Fla App), 143 So.2d. 352.

<sup>7</sup> The term "franchise" is generic, covering all the rights granted by the state. Atlantic & G. R. Co. v. Georgia, 98 U.S. 359, 25 L.Ed. 185.

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<sup>8</sup> State v. Real Estate Bank, 5 Ark. 595; Brooks v. State, 3 Boyce (Del) 1, 79 A. 790; Belleville v. Citizens' Horse R. Co., 152 Ill. 171, 38 N.E. 584; State ex rel. Clapp v. Minnesota Thresher Mfg. Co. 40 Minn 213, 41 N.W. 1020.

<sup>9</sup> New Orleans Gaslight Co. v. Louisiana Light & H. P. & Mfg. Co., 115 U.S. 650, 29 L.Ed. 516, 6 S.Ct. 252; People's Pass. R. Co. v. Memphis City R. Co., 10 Wall (US) 38, 19 L.Ed. 844; Bank of Augusta v. Earle, 13 Pet (U.S.) 519, 10 L.Ed. 274; Bank of California v. San Francisco, 142 Cal. 276, 75 P. 832; Higgins v. Downward, 8 Houst (Del) 227, 14 A. 720, 32 A. 133; State ex rel. Watkins v. Fernandez, 106 Fla. 779, 143 So. 638, 86 A.L.R. 240; Lasher v. People, 183 Ill. 226, 55 N.E. 663; Inland Waterways Co. v. Louisville, 227 Ky. 376, 13 S.W.2d. 283; Lawrence v. Morgan's L. & T. R. & S. Co., 39 La. Ann. 427, 2 So. 69; Johnson v. Consolidated Gas E. L. & P. Co., 187 Md. 454, 50 A.2d. 918, 170 A.L.R. 709; Stoughton v. Baker, 4 Mass 522; Poplar Bluff v. Poplar Bluff Loan & Bldg. Asso., (Mo App) 369 S.W.2d. 764; Madden v. Queens County Jockey Club, 296 N.Y. 249, 72 N.E.2d. 697, 1 A.L.R.2d. 1160, cert den 332 U.S. 761, 92 L.Ed. 346, 68 S.Ct. 63; Shaw v. Asheville, 269 N.C. 90, 152 S.E.2d. 139; Victory Cab Co. v. Charlotte, 234 N.C. 572, 68 S.E.2d. 433; Henry v. Bartlesville Gas & Oil Co., 33 Okla 473, 126 P. 725; Elliott v. Eugene, 135 Or. 108, 294 P. 358; State ex rel. Daniel v. Broad River Power Co. 157 S.C. 1, 153 S.E. 537; State v. Scougal, 3 S.D. 55, 51 N.W. 858; Utah Light & Traction Co. v. Public Serv. Com., 101 Utah 99, 118 P.2d. 683.

A franchise represents the right and privilege of doing that which does not belong to citizens generally, irrespective of whether net profit accruing from the exercise of the right and privilege is retained by the franchise holder or is passed on to a state school or to political subdivisions of the state. State ex rel. Williamson v. Garrison (Okla), 348 P.2d. 859.

Where all persons, including corporations, are prohibited from transacting a banking business unless authorized by law, the claim of a banking corporation to exercise the right to do a banking business is a claim to a franchise. The right of banking under such a restraining act is a privilege or immunity by grant of the legislature, and the exercise of the right is the assertion of a grant from the legislature to exercise that privilege, and consequently it is the usurpation of a franchise unless it can be shown that the privilege has been granted by the legislature. People ex rel. Atty. Gen. v. Utica Ins. Co., 15 Johns (NY) 358.

be granted for the accomplishment of public objects<sup>10</sup> which, except for the grant, would be a trespass.<sup>11</sup> In this connection, the term "franchise" has sometimes been construed as meaning a grant of a right to use public property, or at least the property over which the granting authority has control.<sup>12</sup>"

[American Jurisprudence 2d, Franchises, §1: Definitions (1999)]

Below is an admission by the U.S. Supreme Court of the above fact:

"The proposition is that the United States, as the grantor of the franchises of the company [a corporation, in this case], the author of its charter, and the donor of lands, rights, and privileges of immense value, and as parens patriae, is a trustee, invested with power to enforce the proper use of the property and franchises granted for the benefit of the public."

[U.S. v. Union Pac. R. Co., 98 U.S. 569 (1878)]

PARENS PATRIAE. Father of his country; parent of the country. In England, the king. In the United States, the state, as a sovereign referring to the sovereign power of guardianship over persons under disability; In re Turner, 94 Kan. 115, 145 P. 871, 872, Ann.Cas.1916E, 1022; such as minors, and insane and incompetent persons; McIntosh v. Dill, 86 Okl. 1, 205 P. 917, 925.

[Black's Law Dictionary, Sixth Edition, p. 1269]

The "legal disability" mentioned above is, in fact, the franchise agreement itself, codified in the laws of the government. The constitutional authority for granting and managing government property is found in Article 4, Section 3, Clause 2 of the United States Constitution:

United States Constitution  
Article 4, Section 3, Clause 2

The Congress shall have Power to dispose of and make all needful Rules and Regulations respecting the Territory or other Property belonging to the United States; and nothing in this Constitution shall be so construed as to Prejudice any Claims of the United States, or of any particular State.

Courts officiating over disputes involving the management of grants of government property are operating in an Article 4, Section 3, Clause 2 capacity and NOT under Article 3. Regardless of whether the judge is an Article 3 judge or not, he is ALWAYS operating in an Article 4, Section 3, Clause 2 capacity when officiating over franchises, including the Internal Revenue Code Subtitles A and C "trade or business" and "public office" franchise. The way to defeat the enforcement of the franchise therefore lies in establishing on the court record that the unlawful target is not in receipt, custody, or control of

<sup>10</sup> New Orleans Gaslight Co. v. Louisiana Light & H. P. & Mfg. Co., 115 U.S. 650, 29 L.Ed. 516, 6 S.Ct. 252; People's Pass. R. Co. v. Memphis City R. Co., 10 Wall (US) 38, 19 L.Ed. 844; Bank of Augusta v. Earle, 13 Pet (U.S.) 519, 10 L.Ed. 274; Bank of California v. San Francisco, 142 Cal. 276, 75 P. 832; Higgins v. Downward, 8 Houst (Del) 227, 14 A. 720, 32 A. 133; State ex rel. Watkins v. Fernandez, 106 Fla. 779, 143 So. 638, 86 A.L.R. 240; Lasher v. People, 183 Ill. 226, 55 N.E. 663; Inland Waterways Co. v. Louisville, 227 Ky. 376, 13 S.W.2d. 283; Lawrence v. Morgan's L. & T. R. & S. S. Co., 39 La. Ann. 427, 2 So. 69; Johnson v. Consolidated Gas E. L. & P. Co., 187 Md. 454, 50 A.2d. 918, 170 A.L.R. 709; Stoughton v. Baker, 4 Mass 522; Poplar Bluff v. Poplar Bluff Loan & Bldg. Asso. (Mo App) 369 S.W.2d. 764; Madden v. Queens County Jockey Club, 296 N.Y. 249, 72 N.E.2d. 697, 1 A.L.R.2d. 1160, cert den 332 U.S. 761, 92 L.Ed. 346, 68 S.Ct. 63; Shaw v. Asheville, 269 N.C. 90, 152 S.E.2d. 139; Victory Cab Co. v. Charlotte, 234 N.C. 572, 68 S.E.2d. 433; Henry v. Bartlesville Gas & Oil Co., 33 Okla 473, 126 P. 725; Elliott v. Eugene, 135 Or. 108, 294 P. 358; State ex rel. Daniel v. Broad River Power Co. 157 S.C. 1, 153 S.E. 537; State v. Scougal, 3 S.D. 55, 51 N.W. 858; Utah Light & Traction Co. v. Public Serv. Com., 101 Utah 99, 118 P.2d. 683.

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<sup>11</sup> People ex rel. Foley v. Stapleton, 98 Colo. 354, 56 P.2d. 931; People ex rel. Central Hudson Gas & E. Co. v. State Tax Com. 247 N.Y. 281, 160 N.E. 371, 57 A.L.R. 374; People v. State Tax Comrs. 174 N.Y. 417, 67 N.E. 69, affd 199 U.S. 1, 50 L.Ed. 65, 25 S.Ct. 705.

<sup>12</sup> Young v. Morehead, 314 Ky. 4, 233 S.W.2d. 978, holding that a contract to sell and deliver gas to a city into its distribution system at its corporate limits was not a franchise within the meaning of a constitutional provision requiring municipalities to advertise the sale of franchises and sell them to the highest bidder.

A contract between a county and a private corporation to construct a water transmission line to supply water to a county park, and giving the corporation the power to distribute water on its own lands, does not constitute a franchise. Brandon v. County of Pinellas (Fla App), 141 So.2d. 278.

government property of any time and imposing upon the government the burden of disproving this assertion. If they can't disprove it, they by default agree and must dismiss the enforcement action under Federal Rule of Civil Procedure 8(b)(6).

An example of property being granted in connection with government franchises is the Social Security Number and the card it is printed on. These cards are physical property and they are initially at least the "corpus" of a trust relation established when you apply to receive them on an SS-5 Form.

Title 20: Employees' Benefits  
[PART 422—ORGANIZATION AND PROCEDURES](#)  
[Subpart B—General Procedures](#)  
[§422.103 Social security numbers.](#)

(d) Social security number cards. A person who is assigned a social security number will receive a social security number card from SSA within a reasonable time after the number has been assigned. (See §422.104 regarding the assignment of social security number cards to aliens.) **Social security number cards are the property of SSA and must be returned upon request.**

The conveyance of the Social Security Card and associated number to a private person makes that person into a "trustee" and "fiduciary" over the "public property" and creates an obligation to use everything it connects or attaches to ONLY for a "public purpose" and exclusively for the benefit of the public, who are the beneficiaries of the "public trust". He holds temporary "title" to the card while it is in his possession and loses title when he returns it to the government. SSA form SS-5 is the method for requesting temporary custody of the public property called the Social Security Card and becoming a "trustee" over said property.

The clearest, most succinct evidence of the fact that government franchises and the "benefits" (meaning PROPERTY) they confer are the source of the loss of your rights is found in the following authorities. These authorities establish that no publication of rules in the Federal Register is necessary in the case of those in receipt of government benefits or in possession of government property. The result is that you must follow ANY and ALL of the enactments of Congress in exchange for the PRIVILEGE of receiving the benefit and you in effect, become a public officer or employee in the process. The "individual" they are talking about is, in fact THE "officer and individual" mentioned in 5 U.S.C. §2105(a) who must obey ALL the enactments of congress:

[5 U.S. Code §553 - Rule making](#)

(a) This section applies, according to the provisions thereof, except to the extent that there is involved—

(2) a matter relating to [agency](#) management or personnel or to public property, loans, grants, benefits, or contracts.

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[TITLE 5 > PART 1 > CHAPTER 5 > SUBCHAPTER II > §552a](#)  
[§552a. Records maintained on individuals](#)

Definitions.— For purposes of this section—

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

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**"The principle is invoked that one who accepts the benefit of a statute cannot be heard to question its constitutionality. Great Falls Manufacturing Co. v. Attorney General, 124 U.S. 581, 8 S.Ct. 631, 31 L.Ed. 527; Wall v. Parrot Silver & Copper Co., 244 U.S. 407, 37 S.Ct. 609, 61 L.Ed. 1229; St. Louis, etc., Co., v. George C. Prendergast Const. Co., 260 U.S. 469, 43 S.Ct. 178, 67 L.Ed. 351."**  
[Ashwander v. Tennessee Valley Authority, 297 U.S. 288, 56 S.Ct. 466 (1936)]

The criteria to LAWFULLY receive a government "benefit" are:

1. The recipient must be an "Individual", who is defined in 5 U.S.C. §552a(a)(2) as a "citizen or resident of the United States\*\*" domiciled on federal territory and not within any state of the Union.



2. The recipient must receive cash or in-kind assistance in the form of payments, grants, loans, or loan guarantees.
3. The party must be ELIGIBLE BY LAW rather than BY FIAT to “receive” the benefit. If they aren’t legally eligible, then technically, they are not in “receipt” of the LAWFUL “benefit” but instead are merely criminal money launderers if they do in fact receive these ILLEGAL payments. See Form #05.044 for details on money laundering. People in states of the Union ARE NOT eligible to receive Social Security or ANY OTHER government benefit, but because of the misrepresentation of eligibility and violation of law by those ADMINISTERING the program, they are offered and paid the benefit ILLEGALLY and UNCONSTITUTIONALLY, as proven below:

Why You Aren’t Eligible for Social Security, Form #06.001  
<https://sedm.org/Forms/FormIndex.htm>

Another important point needs to be made about grants of allegedly government property:

1. Governments don’t produce ANYTHING, but steal what YOU produce. Consequently, they aren’t paying you anything they EARNED and therefore can realistically OWN. You can’t LEND something until you actually “OWN” it as “ownership” is legally defined. The following funny video drives home this point:

Night of the Living Government, Andrew Klavan  
<https://www.youtube.com/watch?v=aUwTyycRoCQ&feature=youtu.be>

2. The receipt of monies from the government that always were yours cannot truthfully be called a “benefit” or a “privilege”. The ONLY party in receipt of a “benefit” under such circumstances is, in fact, the GOVERNMENT.
3. Government is NOT granting or selling ITS property if it is paying back money that you paid to it that they were charged with temporary custody over. An example is a “tax refund” they are paying you back.
- 3.1. They can’t place conditions the receipt of monies that ALWAYS WERE YOURS.
- 3.2. YOU are the only one who can place conditions or attach strings by virtue of WHOSE property it always was.
- 3.3. Government tries to circumvent this limitation by paying the OFFICE as a public officer rather than the PRIVATE human filling said office.
4. The conditions of the granting of government property CANNOT be used to create new public offices that would unconstitutionally extend federal jurisdiction extraterritorially. The offices MUST be lawfully created through an appointment or election and by no other method. Otherwise, the national government could abuse franchises to “invade the states” commercially and break down the separation of powers. The Declaration of Independence talks about this mechanism of invasion by referring to the “invaders” as “swarms of officers”:

*“He [the tyrant King] has erected a multitude of New Offices, and sent hither swarms of Officers [public officer “taxpayers”, Form #05.008] to harrass our people, and eat out their substance.”*  
[Declaration of Independence, 1776; SOURCE: <https://www.archives.gov/founding-docs/declaration-transcript>]

More about this SCAM of unlawfully creating public offices is described below:

Proof That There Is a “Straw Man”, Form #05.042  
<https://sedm.org/Forms/FormIndex.htm>

5. If everything you pay the government is a grant from you to them with legal strings or conditions attached and not a reimbursement or a gift, then:
- 5.1. YOU are the “Merchant”/Creditor under U.C.C. §2-104(1).
- 5.2. They are the “Buyer”/Debtor under U.C.C. §2-103(1)(a).
- 5.3. The ONLY party who normally makes all the rules relating to their relationship is the Merchant. They must obey you and not the other way around.
- 5.4. You will ALWAYS win if there is a dispute between you and the government, because he who either makes the rules or writes the definitions always wins!

More on the above can be found in:

Path to Freedom, Form #09.015, Sections 5.6 and 5.7  
<https://sedm.org/Forms/FormIndex.htm>

The considerations in this section explain why the attachments we provide to all tax forms such as the Tax Form Attachment, Form #04.201, expressly define “benefit” to mean NOTHING mentioned in any government statute and the applicant as a PRIVATE party not acting as a government public officer or agent. Here is the definition from Form #04.201:

*Section 4: Definition of Key “Words of Art” on all Attached Government Forms*

**26. “benefit”:** Defined as follows:



1           *"Benefit: Advantage; profit; fruit; gain; interest associated with a specific transaction which conveys a right or*  
2           *property interest which:*

3           1. Is not dispensed by an administrative agency of any state or federal government, but by a private individual.

4           2. Does not require the recipient to be an officer, agent, employee, or "personnel" within any government.

5           3. Is not called a "tax" or collected by the Internal Revenue Service, but is clearly identified as "private business  
6           activity beyond the core purposes of government".

7           4. Does not confer upon the grantor any form of sovereign, official, or judicial immunity.

8           5. Is legally enforceable in OTHER than a franchise court or administrative agency. That is, may be heard in  
9           equity within a true, Article III constitutional court and NOT a legislative franchise court.

10          6. True constitutional courts are provided in which to litigate disputes arising under the benefit and those with  
11          said disputes are not required to exhaust administrative remedies with an executive branch agency BEFORE they  
12          may litigate. These constitutional courts are required to produce evidence that they are constitutional courts  
13          with OTHER than strictly legislative franchise powers when challenged by the recipients of said benefits.

14          7. The specific value of the consideration can be quantified at any time.

15          8. Monies paid in by the recipient to subsidize the program are entirely refundable if the benefits they pay for  
16          have not been received or employed either partially or in full.

17          9. Has all contributions paid in refunded if they die and never collect any benefits.

18          10. Participation in the program is not also attached to any other government program. For instance, being a  
19          recipient of "social insurance" does not also make the recipient liable for unrelated or other federal taxes.

20          11. The term "benefit" must be defined in the franchise agreement that dispenses it, and its definition may not be  
21          left to the subjective whims of any judge or jury.

22          12. If the "benefit" is financial, then it is paid in lawful money rather than Federal Reserve Notes, which are non-  
23          interest bearing promissory notes that are not lawful money and are backed by nothing.

24          13. The franchise must expressly state that participation is voluntary and that no one can be prosecuted or  
25          punished for failure to participate.

26          14. The identifying numbers, if any, that administer the program may not be used for identification and may not  
27          be shared with or used by any nongovernmental entity other than the recipient him or her self.

28          15. May not be heard by any judge, jurist, or prosecutor who is a recipient or beneficiary of the same benefit,  
29          because this would cause a conflict of interest in violation of 18 U.S.C. §208, 28 U.S.C. §144, and 28 U.S.C.  
30          §455, 18 U.S.C. §597, and 18 U.S.C. §201.

31          16. During any litigation involving the "benefit", both the grantor and the grantee share equal obligation to  
32          prove that equally valuable consideration was provided to the other party. Note that Federal Reserve Notes do  
33          not constitute lawful money or therefore consideration.

34          17. Does NOT include a return of monies UNLAWFULLY withheld against a non-taxpayer. It is not a commercial  
35          "benefit" or "purposeful availment" to have property STOLEN by a corrupted government returned to me.

36          Anything offered by the government that does not meet ALL of the above criteria is herein defined as an INJURY  
37          and a TORT. Compelled participation is stipulated by both parties as being slavery in criminal violation of 18  
38          U.S.C. §1583, 42 U.S.C. §1994, and the Thirteenth Amendment.

39          Receipt of the attached government application constitutes consent by the recipient of the application to use the  
40          above definition of "benefit" in any disputes that might arise over this transaction. Government recipient and its  
41          agents, employees, and assignees forfeit their right as private individuals acting in any government office to define  
42          the term "benefit" and agree to use ONLY the above definition.

43          Because the Submitter is ineligible for and does not seek any kind of "benefit" by submitting any of the attached  
44          forms, the Submitter and Recipient both stipulate that the perjury statement has no "materiality" because it  
45          cannot produce any kind of injury to the Recipient.

The Founding Fathers warned that abuse of the above rules might lead to a complete circumvention of the Constitution when they said the following about “general welfare” clause of the constitution and the “benefits” it could be abused to confer:

*“With respect to the words general welfare, I have always regarded them as qualified by the detail of powers connected with them. To take them in a literal and unlimited sense would be a metamorphosis of the Constitution into a character which there is a host of proofs was not contemplated by its creator.”*

**“If Congress can employ money indefinitely to the general welfare, and are the sole and supreme judges of the general welfare, they may take the care of religion into their own hands; they may appoint teachers in every State, county and parish and pay them out of their public treasury; they may take into their own hands the education of children, establishing in like manner schools throughout the Union; they may assume the provision of the poor; they may undertake the regulation of all roads other than post-roads; in short, every thing, from the highest object of state legislation down to the most minute object of police, would be thrown under the power of Congress.... Were the power of Congress to be established in the latitude contended for, it would subvert the very foundations, and transmute the very nature of the limited Government established by the people of America.”**

*“If Congress can do whatever in their discretion can be done by money, and will promote the general welfare, the government is no longer a limited one possessing enumerated powers, but an indefinite one subject to particular exceptions.”*  
[James Madison. House of Representatives, February 7, 1792, On the Cod Fishery Bill, granting Bounties]

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*Congress has not unlimited powers to provide for the general welfare, but only those specifically enumerated.*

*They are not to do anything they please to provide for the general welfare, but only to lay taxes for that purpose. To consider the latter phrase not as describing the purpose of the first, but as giving a distinct and independent power to do any act they please which may be good for the Union, would render all the preceding and subsequent enumerations of power completely useless. It would reduce the whole instrument to a single phrase, that of instituting a Congress with power to do whatever would be for the good of the United States; and as they would be the sole judges of the good or evil, it would be also a power to do whatever evil they please.... Certainly no such universal power was meant to be given them. It was intended to lace them up straightly within the enumerated powers and those without which, as means, these powers could not be carried into effect.*

*That of instituting a Congress with power to do whatever would be for the good of the United States; and, as they would be the sole judges of the good or evil, it would be also a power to do whatever evil they please.*  
[Thomas Jefferson: Opinion on National Bank, 1791. ME 3:148; SOURCE:  
<http://famguardian.org/Subjects/Politics/ThomasJefferson/jeff1020.htm> and  
<http://thefederalistpapers.org/founders/jefferson/thomas-jefferson-opinion-on-national-bank-1791>]

For more on the subject of government “benefits” and how to fight the government’s use of them to destroy constitutional protections and private rights, see:

[The Government “Benefits” Scam, Form #05.040](http://sedm.org/Forms/FormIndex.htm)  
<http://sedm.org/Forms/FormIndex.htm>

## **2.6 The use of grants of government property to destroy constitutional rights is a biblical sin and usury**

We established in the preceding section that all privileges involve grants of government property to the benefit recipient with conditions or strings or change in status attached. Of grants of such property, the bible says:

### **Love Your Enemies**

*“But I say to you who hear: Love your enemies, do good to those who hate you, bless those who curse you, and pray for those who spitefully use you. To him who strikes you on the one cheek, offer the other also. And from him who takes away your cloak, do not withhold your tunic either. Give to everyone who asks of you. And from him who takes away your goods do not ask them back. And just as you want men to do to you, you also do to them likewise.*

1           *"But if you love those who love you, what credit is that to you? For even sinners love those who love them. And*  
2 *if you do good to those who do good to you, what credit is that to you? For even sinners do the same. And if you*  
3 *lend to those from whom you hope to receive back, what credit is that to you? For even sinners lend to sinners*  
4 *to receive as much back. But love your enemies, do good, and lend, hoping for nothing in return; and your*  
5 *reward will be great, and you will be sons of the Most High. For He is kind to the unthankful and evil.*  
6 *Therefore be merciful, just as your Father also is merciful.*  
7 *[Luke 6:27-36, Bible, NKJV]*

8 Asking or hoping to receive something back in return for the grant is what we just descried as "conditions or strings or change  
9 in status attached". In legal terminology, it is called "quid pro quo". Expecting something back is a biblical SIN. You don't  
10 ENSLAVE people who are in need because they are desperate, like Pharaoh did to the Egyptians in the Bible, as recorded in  
11 Genesis 47. That would be SIN, and it is probably the reason why God had to rescue the Israelites from the Egyptians and  
12 why he killed several Egyptians and punished Pharaoh because of it. Below is how Pharaoh SHOULD have treated the  
13 Israelites, who were transient foreigners in Egypt:

#### 14           *Lending to the Poor*

15           *If one of your brethren becomes poor [desperate], and falls into poverty among you, then you shall help him,*  
16 *like a stranger or a sojourner [transient foreigner and/or non-resident non-person, Form #05.020], that he*  
17 *may live with you. Take no usury or interest from him; but fear your God, that your brother may live with you.*  
18 *You shall not lend him your money for usury, nor lend him your food at a profit. I am the Lord your God,*  
19 *who brought you out of the land of Egypt, to give you the land of Canaan and to be your God.*

#### 20           *The Law Concerning Slavery*

21           *And if one of your brethren who dwells by you becomes poor, and sells himself to you, you shall not compel*  
22 *him to serve as a slave. As a hired servant and a sojourner he shall be with you, and shall serve you until the*  
23 *Year of Jubilee. And then he shall depart from you—he and his children with him—and shall return to his own*  
24 *family. He shall return to the possession of his fathers. For they are My servants [Form #13.007], whom I*  
25 *brought out of the land of Egypt; they shall not be sold as slaves. You shall not rule over him with rigor, but*  
26 *you shall fear your God."*  
27 *[Lev. 25:35-43, Bible, NKJV]*

28 The violation of the above scripture is the FOUNDATION of all franchises and the origin of most of the evil in present day  
29 America. It is how PRIVATE rights are converted to PUBLIC privileges and how the Federal Reserve works ALL of its  
30 evil. In fact it is the origin of ALL USURY. That usury is described in some of the following authorities, which are only  
31 just a sampling of the VAST resources documenting the extensive consequences of violating this mandate against usury  
32 within God's law:

- 33 1. *How the World Works*, John Perkins  
34 <https://sedm.org/liberty-university-2-6-how-the-world-works/>
- 35 2. *Government Mafia*, Clint Richardson  
36 <https://sedm.org/government-mafia/>
- 37 3. *Money, Banking and Credit Page*, Section 5: Corruption of the Financial System-Family Guardian Fellowship  
38 [https://famguardian.org/Subjects/MoneyBanking/MoneyBanking.htm#CORRUPTION\\_OF\\_FINANCIAL\\_SYSTEM:](https://famguardian.org/Subjects/MoneyBanking/MoneyBanking.htm#CORRUPTION_OF_FINANCIAL_SYSTEM:)
- 39 4. *Government Corruption*, Form #11.401  
40 <https://sedm.org/home/government-corruption/>
- 41 5. *Corporatization and Privatization of the Government, Form #05.024* -Shows how our de jure constitutional republic  
42 has been replaced by a private, for-profit corporate monopoly. The money system is de facto mechanism for recruiting  
43 people to become employees and officers of the corporation through compelled use of government numbers by banks  
44 and employers.  
45 <http://sedm.org/Forms/05-MemLaw/CorpGovt.pdf>
- 46 6. *Demonocracy.info* (OFFSITE LINK)- Economic Infographics  
47 <http://demonocracy.info/>
- 48 7. *The Money Scam, Form #05.041 -SEDM Forms Page*. Excellent.  
49 <http://sedm.org/Forms/05-MemLaw/MoneyScam.pdf>
- 50 8. *Merchants of the Earth* (OFFSITE LINK) -Guide to usury banking  
51 <https://famguardian.org/Publications/MerchantsOfTheEarth/MerchantsofEarth-BenWilliams.pdf>
- 52 9. *The American Captivity* (OFFSITE LINK) -ACM  
53 <https://famguardian.org/Subjects/MoneyBanking/Corruption/TheAmericanCaptivity-BenWilliams-st11-11&12.pdf>
- 54 10. *The Babylon Matrix* (OFFSITE LINK) -ACM

- 1 <https://famguardian.org/Subjects/MoneyBanking/Corruption/TheBabylonMatrix-BenWilliams-st12-1&2.pdf>  
2 11. [The Religion of Money](#) (OFFSITE LINK) -ACM  
3 <https://famguardian.org/Subjects/MoneyBanking/Corruption/TheReligionOfMoney-BenWilliams-st08-01.pdf>  
4 12. [What Is Mystery Babylon?](#) (OFFSITE LINK)-Sheldon Emry  
5 <https://famguardian.org/Subjects/Spirituality/Corruption/What%20is%20Mystery%20Babylon.pdf>

## 6 **2.7 Government franchise=privilege=public office**

7 Another name for a franchise is a “privilege”. All privileges attach to offices.

8 *privilege* \ 'priv-līj, 'pri-və- \ noun

9 [Middle English, from Anglo-French, from Latin *privilegium* law for or against a private person, from *privus*  
10 private + *leg-*, *lex* law] 12th century: a right or immunity granted as a peculiar benefit, advantage, or favor:  
11 prerogative especially: such a **right or immunity attached specifically to a position or an office**  
12 [Mish, F. C. (2003). Preface. Merriam-Websters collegiate dictionary. (Eleventh ed.). Springfield, MA: Merriam-  
13 Webster, Inc.]

14 Based on the definition of “privilege” above, all privileges and therefore franchises attach to OFFICES in the government if  
15 the privilege is GRANTED by government. An OFFICE in the government is called a “**PUBLIC OFFICE**”. It is interesting  
16 to note that the ENTIRE income tax code is built upon the presumption that all “taxpayers” are in fact public offices in the  
17 government.

18 [26 U.S.C. Sec. 7701\(a\)\(26\)](#)

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

20 The above is why we call the income tax a franchise tax and an excise tax. All excise taxes are based upon the exercise of  
21 “privileges”.

22 “**Excise tax.** A tax imposed on the performance of an act, the engaging in an occupation, or the enjoyment of a  
23 privilege. *Rapa v. Haines*, Ohio Comm.Pl., 101 N.E.2d. 733, 735. A tax on the manufacture, sale, or use of goods  
24 or on the carrying on of an occupation or activity or tax on the transfer of property. In current usage the term  
25 has been extended to include various license fees and practically every internal revenue tax except income tax  
26 (e.g., federal alcohol and tobacco excise taxes, I.R.C. §5011 et seq.)”  
27 [Black’s Law Dictionary, Sixth Edition, p. 563]

28 Blacks’ Law Dictionary above contains a falsehood. Even the income tax is an excise tax. The privilege is a “trade or  
29 business”, which is legally defined as a public office. All public offices are, in fact, privileges and franchises as we point out  
30 later in section 7.6. They obviously aren’t reading the definition above of the “activity” upon which the tax is based, which  
31 is “the FUNCTIONS of a public office”. In that sense, the legal dictionary is LYING to protect the biggest fraud in history.  
32 Note that no PRIVATE human can lawfully exercise such functions WITHOUT committing the crime of impersonating a  
33 public office in violation of 18 U.S.C. §912.

34 [TITLE 18 > PART I > CHAPTER 43 > § 912](#)  
35 [§ 912. Officer or employee of the United States](#)

36 *Whoever falsely assumes or pretends to be an officer or employee acting under the authority of the United States*  
37 *or any department, agency or officer thereof, and acts as such, or in such pretended character demands or obtains*  
38 *any money, paper, document, or thing of value, shall be fined under this title or imprisoned not more than three*  
39 *years, or both.*

40 The above also brings to mind another important aspect of all licensing and franchising, which is that for taxes on the activity  
41 to be lawful, the ACTIVITY subject to taxation has to be potentially dangerous to the public. The purpose of regulation of a  
42 specific marketplace is to prevent injuries involved is using the product. Examples include alcohol and cigarettes, which can  
43 injure your health and therefore need to be regulated to minimize the injury. That potential damage to the public is the only  
44 basis upon which they can make it a crime to engage in the activity WITHOUT a license, in fact.

45 In the case of the Internal Revenue Code, the “de facto license” to represent a public office is accomplished through the  
46 issuance and use of the Social Security Number or Taxpayer Identification Number. We cover this later in section 2.9. Public

officers need to be regulated and taxed because they can cause GREAT harm to large numbers of people if they violate their fiduciary duty to enrich themselves.

*“As expressed otherwise, the powers delegated to a public officer are held in trust for the people and are to be exercised in behalf of the government or of all citizens who may need the intervention of the officer.”<sup>13</sup> Furthermore, the view has been expressed that all public officers, within whatever branch and whatever level of government, and whatever be their private vocations, are trustees of the people, and accordingly labor under every disability and prohibition imposed by law upon trustees relative to the making of personal financial gain from a discharge of their trusts.<sup>14</sup> That is, a public officer occupies a fiduciary relationship to the political entity on whose behalf he or she serves,<sup>15</sup> and owes a fiduciary duty to the public.<sup>16</sup> It has been said that the fiduciary responsibilities of a public officer cannot be less than those of a private individual.<sup>17</sup> Furthermore, it has been stated that any enterprise undertaken by the public official which tends to weaken public confidence and undermine the sense of security for individual [PRIVATE] rights is against public policy.<sup>18</sup>”*  
[63C American Jurisprudence 2d, Public Officers and Employees, §247 (1999)]

The ONLY time in which the use of SSNs or TINs can be made mandatory is when the party is engaged in a public office and therefore a “trade or business” or when they are in receipt of a “privilege” or government benefit, as we point out in the following.

About SSNs and TINs On Government Forms and Correspondence, Form #05.012, Section 10  
<http://sedm.org/Forms/FormIndex.htm>

Since public monies cannot lawfully be paid to private people, then those in receipt of government “benefits” MUST be at least PRESUMED to ALSO be public officers. Otherwise, your government is a THIEF and a Robinhood.

To lay, with one hand, the power of the government on the property of the citizen, and with the other to bestow it upon favored individuals to aid private enterprises and build up private fortunes, is none the less a robbery because it is done under the forms of law and is called taxation. This is not legislation. It is a decree under legislative forms.

Nor is it taxation. ‘A tax,’ says Webster’s Dictionary, ‘is a rate or sum of money assessed on the person or property of a citizen by government for the use of the nation or State.’ ‘Taxes are burdens or charges imposed by the Legislature upon persons or property to raise money for public purposes.’ Cooley, Const. Lim., 479.

Coulter, J., in *Northern Liberties v. St. John’s Church*, 13 Pa.St. 104 says, very forcibly, ‘I think the common mind has everywhere taken in the understanding that taxes are a public imposition, levied by authority of the government for the purposes of carrying on the government in all its machinery and operations—that they are imposed for a public purpose.’ See, also *Pray v. Northern Liberties*, 31 Pa.St., 69; *Matter of Mayor of N.Y.*, 11 Johns., 77; *Camden v. Allen*, 2 Dutch., 398; *Sharpless v. Mayor*, supra; *Hanson v. Vernon*, 27 Ia., 47; *Whiting v. Fond du Lac*, supra.”  
[[Loan Association v. Topeka](#), 20 Wall. 655 (1874) ]

<sup>13</sup> State ex rel. Nagle v. Sullivan, 98 Mont. 425, 40 P.2d. 995, 99 A.L.R. 321; Jersey City v. Hague, 18 N.J. 584, 115 A.2d. 8.

<sup>14</sup> Georgia Dep’t of Human Resources v. Sistrunk, 249 Ga. 543, 291 S.E.2d. 524. A public official is held in public trust. Madlener v. Finley (1st Dist), 161 Ill.App.3d. 796, 113 Ill.Dec. 712, 515 N.E.2d. 697, app gr 117 Ill.Dec. 226, 520 N.E.2d. 387 and revd on other grounds 128 Ill.2d. 147, 131 Ill.Dec. 145, 538 N.E.2d. 520.

<sup>15</sup> Chicago Park Dist. v. Kenroy, Inc., 78 Ill.2d. 555, 37 Ill.Dec. 291, 402 N.E.2d. 181, appeal after remand (1st Dist) 107 Ill.App.3d. 222, 63 Ill.Dec. 134, 437 N.E.2d. 783.

<sup>16</sup> United States v. Holzer (CA7 Ill), 816 F.2d. 304 and vacated, remanded on other grounds 484 U.S. 807, 98 L.Ed. 2d 18, 108 S.Ct. 53, on remand (CA7 Ill) 840 F.2d. 1343, cert den 486 U.S. 1035, 100 L.Ed. 2d 608, 108 S.Ct. 2022 and (criticized on other grounds by United States v. Osser (CA3 Pa) 864 F.2d. 1056) and (superseded by statute on other grounds as stated in United States v. Little (CA5 Miss) 889 F.2d. 1367) and (among conflicting authorities on other grounds noted in United States v. Boylan (CA1 Mass), 898 F.2d. 230, 29 Fed.Rules.Evid.Serv. 1223).

<sup>17</sup> Chicago ex rel. Cohen v. Keane, 64 Ill.2d. 559, 2 Ill.Dec. 285, 357 N.E.2d. 452, later proceeding (1st Dist) 105 Ill.App.3d. 298, 61 Ill.Dec. 172, 434 N.E.2d. 325.

<sup>18</sup> Indiana State Ethics Comm’n v. Nelson (Ind App), 656 N.E.2d. 1172, reh gr (Ind App) 659 N.E.2d. 260, reh den (Jan 24, 1996) and transfer den (May 28, 1996).



## 2.8 Government franchises destroy equality and establish a state-sponsored religion

As we pointed out in our Foundations of Freedom Course, Form #12.021, Video 1, EQUALITY of RIGHTS between you and the government under the law is the foundation of all of your freedom:

*"No duty rests more imperatively upon the courts than the enforcement of those constitutional provisions intended to secure that equality of rights which is the foundation of free government."*  
[Gulf, C. & S.F.R. Co. v. Ellis, [165 U.S. 150](#) (1897) ]

The main purpose of franchises is to DESTROY equality between the governors and the governed and to destroy ALL your freedom in the process.

In addition to destroying the SOURCE of all of your freedom, government franchises also have another insidious effect. They create a state-sponsored and unconstitutional civil religion in violation of the First Amendment. Here is the definition of "privilege" to prove our point, keeping in mind that a "privilege" and a "public right" are equivalent:

*privilege verb transitive*

*-leged; -leging 14th century*

*1: to grant a privilege to*

*2: to accord a higher value or **superior position to** (privilege one mode of discourse over another)*  
[Mish, F. C. (2003). Preface. Merriam-Websters collegiate dictionary. (Eleventh ed.). Springfield, MA: Merriam-Webster, Inc.]

Based on the definition of "privilege" above, government franchises create a SUPERIOR position in relation to others. In religious terminology, this is called a "supernatural power", where YOU are the "natural". Since it is possessed by the government or government actor or agent as a public office, the government then acquires a SUPERNATURAL power, where YOU, the governed, are the natural.

By using "privileges" to elevate those who receive them above others, the result is:

1. Establishing an office or public office with rights above others through the granting of "privileges" or state favors.
2. Converting PRIVATE people accepting the privileges into PUBLIC officers.
3. The complete destruction of EQUALITY of all under the law. See:

[Requirement for Equal Protection and Equal Treatment](http://sedm.org/Forms/FormIndex.htm), Form #05.033  
<http://sedm.org/Forms/FormIndex.htm>

4. The violation of the constitutional prohibition against "Titles of Nobility", where the name of the PUBLIC OFFICE is the "Title of Nobility".

*United States Constitution  
Article 1: Legislative Department*

*Section 10 No Title of Nobility shall be granted by the United States: And no Person holding any Office of Profit or Trust under them, shall, without the Consent of the Congress accept of any present, Emolument, Office, or Title, of any kind whatever, from any King, Prince, or foreign State.*

5. The establishment of a state sponsored religion, where YOU as the "natural" have to "worship" and serve those with the state-granted "SUPERIOR" or "SUPER-NATURAL" powers. That superior being is the PUBLIC OFFICE produced by the franchise.

The definition of "dulocracy" is very instructive on the above process. It proves that the dulocracy we have now is a product of the abuse of franchises. Notice the use of the phrase "so much license and privilege that they domineer":

*"**Dulocracy.** A government where servants and slaves have so much license and privilege that they domineer."*  
[Black's Law Dictionary, Sixth Edition, p. 501]



The minute you grant any power to a public servant above that of any ordinary citizen, you impute an unconstitutional Title of Nobility and you turn a PUBLIC SERVANT into a MASTER. Jesus said that Christians are not allowed to set up a government like this:

**Greatness Is Serving**

*"You know that the rulers of the Gentiles lord it over them, and those who are great exercise authority over them. Yet it shall not be so among you; but whoever desires to become great among you, let him be your servant. And whoever desires to be first among you, let him be your slave—just as the Son of Man did not come to be served, but to serve, and to give His life a ransom for many."  
[Matt. 20:25-28, Bible, NKJV]*

Below is a definition of "religion" to prove our point:

*"Religion. Man's relation to Divinity, to reverence, **worship [servitude as a public officer]**, obedience, and **submission to mandates and precepts [franchise "codes"] of supernatural or superior beings**. In its broadest sense includes all forms of **belief in the existence of superior beings exercising power over human beings by volition, imposing rules of conduct, with future rewards and punishments**. Bond uniting man to God, and a virtue whose purpose is to render God worship due him as source of all being and **principle of all government of things**. Nikulnikoff v. Archbishop, etc., of Russian Orthodox Greek Catholic Church, 142 Misc. 894, 255 N.Y.S. 653, 663."  
[Black's Law Dictionary, Sixth Edition, p. 1292]*

Notice the phrase above: "source of all being and principle of all government of things". Religion is therefore what government is based on. President Nixon even called the District of Columbia the "civic temple", as did Congressman Heflin during the Sixteenth Amendment Congressional Debates:

*"Now, Mr. Speaker, **this Capitol is the civic temple of the people**, and we are here by direction of the people to reduce the tariff tax and enact a law in the interest of all the people. This was the expressed will of the people at the polls, and you promised to carry out that will, but **you have not kept faith with the American people**."  
[44 Cong.Rec. 4420, July 12, 1909; Congressman Heflin talking about the enactment of the Sixteenth Amendment]*

Read the above amazing admission yourself:

Sixteenth Amendment Congressional Debates, Exhibit #02.007  
<http://sedm.org/Exhibits/ExhibitIndex.htm>

By "worship" in the definition of "religion" above, they really mean "obedience" to the dictates of the supernatural or superior being.

*"**worship** 1. chiefly Brit: a person of importance—used as a title for various officials (as magistrates and some mayors) 2: **reverence [obedience] offered a divine being or supernatural power**; also: an act of expressing such reverence 3: a form of religious practice with its creed and ritual 4: extravagant respect or admiration for or devotion to an object of esteem <~ the dollar>."  
[Webster's Ninth New Collegiate Dictionary, 1983, ISBN 0-87779-510-X, p. 1361]*

In these respects, both law and religion are twin sisters, because the object of BOTH is "obedience" and "submission" to a "sovereign" or "superior being" of one kind or another. Those in such "submission" are called "subjects" in the legal field and "parishioners" in the religious field. The only difference between REAL religion and state worship is WHICH sovereign: God or man:

*"Obedientia est legis essentia.  
**Obedience is the essence of the law**, 11 Co. 100."  
[Bouvier's Maxims of Law, 1856;  
SOURCE: <http://famguardian.org/Publications/BouvierMaximsOfLaw/BouviersMaxims.htm>]*

Have you paid your church tithe called "taxes" this year? If you look through the story of Moses carefully, you also see that Pharaoh was called "my lord", meaning a deity. That in fact is what he was regarded as by his subjects.

*"When that year had ended, they came to him the next year and said to him, "We will not hide from **my lord** that our money is gone; **my lord** also has our herds of livestock. There is nothing left in the sight of **my lord** but our bodies and our lands. Why should we die before your eyes, both we and our land? Buy us and our land for bread,*

1 and we and our land will be servants of Pharaoh; give us seed, that we may live and not die, that the land may  
2 not be desolate.””  
3 [Gen. 47:18-22, Bible, NKJV]

4 How do government franchises establish a “religion” as legally defined?

- 5 1. “SUPERNATURAL OR SUPERIOR BEINGS” are those granted “privileges” of a franchise.
- 6 2. “WORSHIP” = Obedience to the dictates of the [franchise “codes”](#)
- 7 3. Those DOING the worship are called PUBLIC OFFICERS, meaning AGENTS of the “SUPERIOR BEING”.
- 8 4. The “SUPERIOR BEING” being rendered “WORSHIP” is the [“United States” government as a legal person AND a](#)  
9 [corporation](#).
- 10 5. That “SUPERIOR BEING” has an unconstitutional “Title of Nobility” because it has “SUPERNATURAL OR
- 11 SUPERIOR” powers above YOU as the “natural”.
- 12 6. The RESULT is what they call “all government of things”.
- 13 7. The purpose of all [franchises and privileges they create](#) is to [CREATE inequality](#) (and thereby [DESTROY THE](#)  
14 [SOURCE OF ALL YOUR FREEDOM, which is EQUALITY](#)), use that inequality to impose SERVITUDE, and  
15 [establish a state sponsored religion that worships government or civil rulers instead of God](#).

16 A quick way to determine whether you are engaging in idolatry is to look at whether the authority being exercised by a so-  
17 called “government” has a “natural” source, meaning whether any human being who is not IN the government can lawfully  
18 exercise such authority. If they cannot, you are dealing with a state-sponsored religion and a de facto government rather than  
19 a REAL, de jure government. Here is how one pastor describes that idolatry, and this link is on the opening page of our  
20 website:

[Counterfeit Gods](#), Tim Keller  
<https://www.youtube.com/watch?v=mK65lpveSM>

21 Ayn Rand (now deceased), famous author, describes how privileges and franchises can corrupt the finest of people and  
22 convert a free society based on equality into a slave colony full of public officer serfs in the following insightful quote from  
23 her wonderful book. The corrupting influence that accomplishes what she describes is what we call “The Federal Reserve  
24 Counterfeiting Franchise”. This quote comes from our memorandum entitled [The Money Scam](#), Form #05.041. Her use of  
25 “favors” means “privileges” and franchises:

26 *“Money is the barometer of a society's virtue. When you see that trading [for religious ministry, for that matter]*  
27 *is done, not by consent, but by [government] compulsion [or regulation]--when you see that in order to produce,*  
28 *you need to obtain permission from men [in the IRS] who produce nothing--when you see that money is flowing*  
29 *to those who deal, not in goods, but in [political] favors--when you see that men get richer by graft and by pull*  
30 *[“extortion under the color of law”] than by work, and your laws don't protect you against them [the*  
31 *government], but protect them [the government] against you--when you see corruption being rewarded [by a*  
32 *corrupted federal judiciary] and honesty [and hard work, and personal responsibility] becoming a self-*  
33 *sacrifice--you may know that your society is doomed[!]. Money is so noble a medium that it does not compete*  
34 *with guns and it does not make terms with brutality. It will not permit a country to survive as half-property,*  
35 *half-loot.*

36 *“Whenever destroyers [the IRS, the Federal Reserve, and the Dept of Justice] appear among men, they start by*  
37 *destroying money, for money is men's protection and the base of a moral existence. Destroyers [in the Federal*  
38 *Reserve] seize gold and leave to its owners a counterfeit pile of [fiat] paper. This kills all objective standards and*  
39 *delivers men into the arbitrary power of an arbitrary setter of values [a corrupted government, in this case]. Gold*  
40 *was [and continues to be] an objective value, an equivalent of wealth produced. Paper is a mortgage on wealth*  
41 *that does not exist, backed by a gun aimed [by a tyrant judge with a conflict of interest] at those who are expected*  
42 *to produce it. Paper [Federal Reserve Notes] is a check drawn by legal looters upon an account which is not*  
43 *theirs: upon the virtue of the victims. Watch for the day when it becomes, marked: ‘Account overdrawn.’*

44 *“When you have made evil [government looting through constructive fraud, obfuscation and complication of the*  
45 *tax laws, and through socialist/humanist tax system that rewards and subsidizes laziness, irresponsibility, and*  
46 *government dependency and punishes and taxes success] the means of survival, do not expect men to remain*  
47 *good. Do not expect them to stay moral and lose their lives for the purpose of becoming the fodder of the*  
48 *immoral [government parasites]. Do not expect them to produce, when production is punished and*  
49 *[government] looting rewarded. Do not ask, ‘Who is destroying the world?’ You are [by doing NOTHING to*  
50 *correct the corruption or by accepting ANY of the stolen loot in the form of a government handout/bribe].”*  
51 *[Atlas Shrugged, Ayn Rand, p. 387]*

Don't believe us that franchises establish a state-sponsored religion? Look at legally admissible evidence proving our assertion for yourself. Use these in court to prosecute the fraud, if you like:

1. Government Has Become Idolatry and a False Religion, Family Guardian Fellowship-also included in our [Path to Freedom, Form #09.015](#):  
<http://famguardian.org/Subjects/Taxes/Articles/Christian/GovReligion.htm>
2. Socialism: The New American Civil Religion, Form #05.016  
<http://sedm.org/Forms/FormIndex.htm>
3. Government Establishment of Religion, Form #05.038  
<http://sedm.org/Forms/FormIndex.htm>

## **2.9 Social Security Numbers (SSNs) and Taxpayer Identification Numbers (TINs) are what the FTC calls a “franchise mark”<sup>19</sup>**

The Federal Trade Commission (F.T.C.) has defined a commercial franchise as follows:

*“...a commercial business arrangement [e.g. a STATUTORY “trade or business” under 26 U.S.C. §7701(a)(26)] is a “franchise” if it satisfies three definitional elements. Specifically, the franchisor must:*

- (1) promise to provide a trademark or other commercial symbol [e.g. the STATUTORY Social Security Number or Taxpayer Identification Number];*
  - (2) promise to exercise significant control or provide significant assistance in the operation of the business [e.g. enforcement of the franchise “code” such as the Internal Revenue Code Subtitles A and C] and*
  - (3) require a minimum payment of at least \$500 during the first six months of operations [e.g. tax refunds annually, deductions most Americans DO NOT need because of EXCLUSIONS in 26 U.S.C. §872 because not from GEOGRAPHICAL “U.S.”, stimulus checks, etc]”.*
- [FTC Franchise Rule Compliance Guide, May 2008, p. 1;  
SOURCE: <http://business.ftc.gov/documents/bus70-franchise-rule-compliance-guide>]

In the context of the above document, the “Social Security Number” or “Taxpayer Identification Number” function essentially as what the FTC calls a “franchise mark”. It behaves as what we call a “de facto license” to represent Caesar as a public officer:

*“A franchise entails the right to operate a business that is “identified or associated with the franchisor’s trademark, or to offer, sell, or distribute goods, services, or commodities that are identified or associated with the franchisor’s trademark.” The term “trademark” is intended to be read broadly to cover not only trademarks, but any service mark, trade name, or other advertising or commercial symbol. This is generally referred to as the “trademark” or “mark” element.*

**The franchisor [the government] need not own the mark itself, but at the very least must have the right to license the use of the mark to others. Indeed, the right to use the franchisor’s mark in the operation of the business - either by selling goods or performing services identified with the mark or by using the mark, in whole or in part, in the business’ name - is an integral part of franchising. In fact, a supplier can avoid Rule coverage of a particular distribution arrangement by expressly prohibiting the distributor from using its mark.”**  
[FTC Franchise Rule Compliance Guide, May 2008;  
SOURCE: <http://business.ftc.gov/documents/bus70-franchise-rule-compliance-guide>]

The nature of Social Security Numbers as a franchise mark is implemented as follows from a legal perspective:

1. Like all contracts or agreements, franchises, or what are sometimes called “privileges” or “quasi-contracts”<sup>20</sup> by the

<sup>19</sup> Source: About SSNs and TINs on Government Forms and Correspondence, Form #05.012, Section 2; <https://sedm.org/Forms/FormIndex.htm>.

<sup>20</sup> Below is an example from the U.S. Supreme Court in the case of the “trade or business” excise taxable income tax franchise:

*“Even if the judgment is deemed to be colored by the nature of the obligation whose validity it establishes, and we are free to re-examine it, and, if we find it to be based on an obligation penal in character, to refuse to enforce it outside the state where rendered, see Wisconsin v. Pelican Insurance Co., 127 U.S. 265, 292, et seq. 8 S.Ct.*

*1370, compare Fauntleroy v. Lum, 210 U.S. 230, 28 S.Ct. 641, **still the obligation to pay taxes is not penal. It is a statutory liability, quasi contractual in nature, enforceable, if there is no exclusive statutory remedy,***

U.S. Supreme court, require:

- 1.1. An offer as the “Merchant” under U.C.C. §2-104(1). Sometimes also called a Creditor or Seller.
- 1.2. A voluntary acceptance as the “Buyer” under U.C.C. §2-103(1)(a). Sometimes also called a Debtor or Borrower.
- 1.3. Valuable consideration provided by the “Merchant” to the “Buyer” in the form of property or rights or services. Without consideration there can be no obligation or contract.
- 1.4. Mutual assent or understanding.
- 1.5. The absence of duress. This also implies a right to quit or to waive all or any portion of the “benefits” of the relationship and the corresponding obligation to pay for those future “benefits”.

*Invito beneficium non datur.*

*No one is obliged to accept a benefit against his consent. Dig. 50, 17, 69. But if he does not dissent he will be considered as assenting. Vide Assent.*

*Potest quis renunciare pro se, et suis, juri quod pro se introductum est.*

*A man may relinquish, for himself and his heirs, a right which was introduced for his own benefit. See 1 Bouv. Inst. n. 83.*

*Quilibet potest renunciare juri pro se inducto.*

*Any one may renounce a law introduced for his own benefit. To this rule there are some exceptions. See 1 Bouv. Inst. n. 83.*

*[Bouvier's Maxims of Law, 1856;*

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

2. The franchise mark may be a number and an associated civil status label such as an SSN or TIN, “person”, “taxpayer”, “citizen”, “resident”, etc. However, the NAME of the number, meaning “SSN” or “TIN” in this case, must DERIVE from the franchise contract DEFINED by the Merchant. Another way of stating this is that under the Uniform Commercial Code, the language of the offer and the language of the acceptance MUST be the same and the parties must agree on a SINGLE definition for all terms. Without a common definition, there can be no assent because the parties have a different understanding about what is being offered or accepted. See:
  - 2.1. *This Form is Your Form*, Mark Desantis  
<http://www.youtube.com/embed/b6-PRwhU7cg>
  - 2.2. *Mirror Image Rule*, Mark Desantis  
<http://www.youtube.com/embed/j8pgbZV757w>
3. The right of the Merchant to prescribe the terms of the contract or agreement derives from the consideration, services, or valuable property he brings to the relationship that the BUYER wants.
  - 3.1. In the case of the government, that authority derives from Article 4, Section 3, Clause 2 of the United States Constitution:

*U.S. Constitution, Article IV § 3 (2).*

*The Congress shall have Power to dispose of and make all needful Rules and Regulations respecting the Territory or other Property belonging to the United States [\*\*\*]*

- 3.2. In the case of the otherwise PRIVATE human being and BUYER, INCLUDING governments, the authority to make rules and definitions for the terms they use on any form, INCLUDING government forms, is the control over their own private property that they are lending or selling or renting to the government.

*“The State in such cases exercises no greater right than an individual may exercise over the use of his own property when leased or loaned to others. The conditions upon which the privilege shall be enjoyed being stated or implied in the legislation authorizing its grant, no right is, of course, impaired by their enforcement.*

*in the civil courts by the common-law action of debt or indebitatus assumpsit.* *United States v. Chamberlin*, 219 U.S. 250 , 31 S.Ct. 155; *Price v. United States*, 269 U.S. 492 , 46 S.Ct. 180; *Dollar Savings Bank v. United States*, 19 Wall. 227; and see *Stockwell v. United States*, 13 Wall. 531, 542; *Meredith v. United States*, 13 Pet. 486, 493. *This was the rule established in the English courts before the Declaration of Independence.* *Attorney General v. Weeks*, Bunbury's Exch. Rep. 223; *Attorney General v. Jewers and Batty*, Bunbury's Exch. Rep. 225; *Attorney General v. Hatton*, Bunbury's Exch. Rep. [296 U.S. 268, 272] 262; *Attorney General v. —*, 2 Ans.Rep. 558; see *Comyn's Digest* (Title 'Dett', A, 9); *1 Chitty on Pleading*, 123; cf. *Attorney General v. Sewell*, 4 M.&W. 77. “  
*[Milwaukee v. White*, 296 U.S. 268 (1935)]

*The recipient of the privilege, in effect, stipulates to comply with the conditions. It matters not how limited the privilege conferred, its acceptance implies an assent to the regulation of its use and the compensation for it."*  
[Munn v. Illinois, 94 U.S. 113 (1876) ]

4. Once consent or agreement is voluntarily procured, the parties VOLUNTARILY acquire a "civil status" (Form #13.008) under the terms of the franchise agreement or contract or parole agreement, such as "person", "taxpayer", "benefit recipient", "participant", etc. This right to volunteer is protected by your unalienable right to contract and your First Amendment right to politically and legally associate. Be careful HOW you exercise your right to contract! and associate, because its the MOST DANGEROUS right you have! Why?: Because it can literally DESTROY all of your other rights! This label or civil status (Form #13.008) is the object to which ALL statutory civil obligations against the Buyer and corresponding Rights of the Merchant, legally attach. If the status was not voluntarily accepted, there can be no enforceable contract or agreement. The ONLY way to defeat such a contract or agreement is to do one of the following:
  - 4.1. To claim that you were operating in a representative capacity and that your Principle expressly FORBIDS such consent in your delegation order. For instance, you can claim that you are God's representative 24 hours a day and 7 days a week under the First Amendment, and that your delegation of authority order, the Bible, forbids you to consent as God's representative to any such enticements.
  - 4.2. To claim that the rights alienated by the franchise are UNALIENABLE per the Declaration of Independence, and thus cannot be given away to a REAL DE JURE GOVERNMENT even WITH consent. A real, de jure government established ONLY to protect PRIVATE property and PRIVATE rights cannot be allowed to violate the purpose of its creation by establishing a profitable business called a franchise whose main purpose is to DESTROY such rights and convert all property into PUBLIC property or PUBLIC rights. That would violate the intent of the Constitution, in fact.
  - 4.3. To identify yourself as being UNELIGIBLE at the time of making application. See Why You Aren't Eligible for Social Security, Form #06.001 for proof of this, in the case of Social Security.
5. The SOURCE of the definition of the LABEL on the license number or franchise mark establishes WHO the "Merchant" is.
  - 5.1. If you accept the STATUTORY definition of "SSN", then GOVERNMENT is the Merchant and YOU are the Buyer.
  - 5.2. If you make your OWN definition for "SSN" or "TIN" on the government form or application and reject the STATUTORY definition, even though it uses the same LABEL (e.g. "SSN" or "TIN"), then YOU are the Merchant and GOVERNMENT is the Buyer. In other words, changing the definitions replaces the original Merchant's offer with a COUNTEROFFER by the Buyer. The Buyer then becomes the NEW Merchant and the roles switch.
  - 5.3. If the original Merchant then responds to your definition of terms by saying that you have to accept THEIR definition to get the "benefit" of the franchise, you simply respond that you have a right NOT to receive a "benefit" and that the only thing you want is for the government to LEAVE YOU ALONE, which is what "justice" itself is defined as. For instance, having government ID that does not impute a civil statutory status to you such as "citizen", "resident", or "person" has the effect of allowing you to be LEFT ALONE and not attaching any enforcement authority or "benefit" to you. By doing this, you are preventing what we call "bundling", where civil obligations are attached to the receipt of some government service by associating you with a civil statutory status that you don't want. More on this in:

Your Exclusive Right to Declare and Establish Your Civil Status, Form #13.008  
<https://sedm.org/Forms/FormIndex.htm>
  - 5.4. If the government Merchant then tries to advise you what to put on the form, or refuses to accept your form with your definitions, then they are discriminating against you, and also criminally tampering with a witness, because most government forms are signed under penalty of perjury as court admissible legal evidence.
6. A prospective Buyer SUBMITTING a government form is the CREATOR of the form. The CREATOR is always the OWNER of the thing, and thus the ONLY one who can define what it means. See:

Hierarchy of Sovereignty: The Power to Create is the Power to Tax, Family Guardian Fellowship  
<https://famguardian.org/Subjects/Taxes/Remedies/PowerToCreate.htm>
7. The only Party to the transaction who can "make rules" or definitions relating to property is the OWNER of that property. That's what legally "ownership" is defined as, in fact: CONTROL and the right to exclude any and all others from using or benefitting from a thing.
8. If a form is required to be submitted by the Buyer to the Merchant to receive custody or eligibility of specific property or rights under a franchise, the CREATOR of a form controls the outcome of the transaction rather than the author of the form. By "CREATOR" we mean the person who SUBMITS AND SIGNS the form, not the person who



PROVIDES or offers the form to use in the application process. The submitter is the ONLY one who can define the meaning or context of the terms of the form. The courts have held that you cannot trust ANYTHING on a government form or ANYTHING an executive branch employees says. Thus, you can't trust that you KNOW what the definition or context of the terms are. Thus you are OBLIGATED to define them in a way that benefits and protects ONLY YOU. See:

Federal Courts and the IRS' Own IRM Say the IRS is NOT RESPONSIBLE for its Actions or Its Words, or for Following Its Own Written Procedures, Family Guardian Fellowship  
<https://famguardian.org/Subjects/Taxes/Articles/IRSNotResponsible.htm>

9. If you want to FLIP the relationship of the parties so that YOU become the Merchant and government becomes the Buyer, simply define the term "SSN" or "TIN" on government forms as NOT the one in statutes, but one issued by YOU that makes government the Buyer. Here is an example:

NOTES:

1. All terms used on this form OTHER than "Social Security Number" shall be construed in their statutory sense. This is especially true in the case of money or finance. They are not used in their private, ordinary, or common law sense. The term "Social Security Number" identifies a PRIVATE number owned and issued by the Submitter to the government under license and franchise. It is not a number identified in any governments statute and does not pertain to anyone eligible to receive Social Security Benefits and may not be used to indicate or imply eligibility to receive said benefits. The license for the use of the number for use outside of the VA for any purpose, and especially civil or criminal enforcement purpose, is identified below and incorporated by reference herein. Acceptance or use of said number for such purpose constitutes constructive or implied consent to said agreement by all those so using said number:

Injury Defense Franchise and Agreement, Form #06.027; <https://sedm.org/Forms/06-AvoidingFranch/InjuryDefenseFranchise.pdf>.

This provision is repeated Section 0 in the attached form entitled Why It is Illegal for Me to Request or Use a Taxpayer Identification Number, Form #04.205. The reason for this provision is that everyone who asks for such number refers to them as "MINE" or "MY" or "YOUR", meaning that it is MY absolutely owned PRIVATE property. Therefore I am simply documenting the fact that it is my absolutely owned private property as a private human not affiliated with the government. All private property can be used as a basis to place conditions on its use or else it isn't mine. That's what "ownership" implies in a legal sense. Congress does the same thing with ITS property under Article 4, Section 3, Clause 2, and I am simply carrying out exactly the authority THEY claim over THEIR property in the same manner as them.  
[Veterans Administration Benefit Application, Form #06.041, <https://sedm.org/Forms/FormIndex.htm>]

Why can you emulate the government's tactics in doing this? Because ALL are treated equally under real law, and because if the government can CREATE obligations against you essentially by using equivocation to make you look like someone who is eligible, even if you are not, then you can use the SAME equivocation to AVOID becoming eligible and make THEM eligible for your ANTI-FRANCHISE. Otherwise, the constitutional requirement for equal protection and equal treatment is violated. Fight fire with fire! For proof, see:

Requirement for Equal Protection and Equal Treatment, Form #05.033  
<https://sedm.org/Forms/FormIndex.htm>

10. As far as NATIONAL franchises, Congress is FORBIDDEN from establishing excise taxable franchises or privileges such as the income tax within the exclusive jurisdiction of a constitutional state of the Union. Thus, the ONLY place they can establish them is within FEDERAL AREAS subject to the exclusive jurisdiction of Congress:

"Thus, Congress having power to regulate commerce with foreign nations, and among the several States, and with the Indian tribes, may, without doubt, provide for **granting** coasting **licenses**, licenses to pilots, licenses to trade with the Indians, and any other **licenses** necessary or proper for the exercise of that great and extensive power; and the same observation is applicable to every other power of Congress, to the exercise of which the granting of licenses may be incident. All such licenses confer authority, and give rights to the licensee.

But very different considerations apply to the **internal commerce** or **domestic trade** of the States. Over this commerce and trade Congress has **no power of regulation nor any direct control**. This power belongs **exclusively** to the States. **No interference by Congress with the business of citizens transacted within a State is warranted by the Constitution, except such as is strictly incidental to the exercise of powers clearly granted to the legislature**. The power to authorize a business within a State is plainly repugnant to the exclusive power of the State over the same subject. It is true that the power of Congress to tax is a very extensive power. It is given in the Constitution, with only one exception and only two qualifications. Congress cannot tax exports, and it must impose direct taxes by the rule of apportionment, and indirect taxes by the rule of uniformity. Thus limited, and thus only, it reaches every subject, and may be exercised at discretion. But, it reaches only existing subjects.

**Congress cannot authorize [e.g. LICENSE using a Social Security Number] a trade or business within a State in order to tax it.**  
[License Tax Cases, [72 U.S. 462](#), 18 L.Ed. 497, 5 Wall. 462, 2 A.F.T.R. 2224 (1866) ]

11. For more about tricks with definitions, changing the context, and the equivocation that changing context of words on a form does, see:

[Avoiding Traps in Government Forms](#), Form #12.023  
<https://sedm.org/Forms/FormIndex.htm>

This same SSN or TIN “ franchise mark” is what the Bible calls “the mark of the beast”. It defines “the Beast” as the government or civil rulers:

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

*“He [the government BEAST] causes all, both small and great, rich and poor, free and slave, to receive a mark on their right hand or on their foreheads,<sup>17</sup> and that no one may buy or sell except one who has the mark or<sup>18</sup> the name of the beast, or the number of his name.  
[[Rev. 13:16-17](#), Bible, NKJV]*

The “business” that is “operated” or “licensed” by THE BEAST in statutes is called a “trade or business” which is defined as follows:

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

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

Those engaged in “the trade or business” franchise activity are officers of Caesar and have fired God as their civil protector. By becoming said public officers or officers of Caesar, they have violated the FIRST COMMANDMENT of the Ten Commandments, because they are “serving other gods”, and the pagan god they serve is a man:

*“You shall have no other gods [including governments or civil rulers] before Me.*

*“You shall not make for yourself a carved image—any likeness of anything that is in heaven above, or that is in the earth beneath, or that is in the water under the earth; **you shall not bow down to them nor serve them. For I, the LORD your God, am a jealous God, visiting the iniquity of the fathers upon the children to the third and fourth generations of those who hate Me**, but showing mercy to thousands, to those who love Me and keep My commandments.  
[Exodus 20:3-6, Bible, NKJV]*

By “bowing down” as indicated above, the Bible means that you cannot become UNEQUAL or especially INFERIOR to any government or civil ruler under the civil law. In other words, you cannot surrender your equality and be civilly governed by any government or civil ruler under the Roman system of jus civile, civil law, or civil “statutes”. That is not to say that you are lawless or an “anarchist” by any means, because you are still accountable under criminal law, equity, and the common law in any court. All civil statutory codes make the government superior and you inferior so you can’t consent to a domicile and thereby become subject to it. The word “subjection” in the following means INFERIORITY:

*“Protectio trahit subjectionem, subjectio projectionem.  
Protection draws to it subjection, subjection, protection. Co. Litt. 65.”  
[Bouvier’s Maxims of Law, 1856;  
SOURCE: <http://famguardian.org/Publications/BouvierMaximsOfLaw/BouviersMaxims.htm>]*

Below are ways one becomes subject to Caesar’s civil statutory “codes” and civil franchises as a “subject”, and thereby surrenders their equality to engage in government idolatry:

1. Domicile by choice: Choosing domicile within a specific jurisdiction. because not from GEOGRAPHICAL “U.S.”
2. Domicile by operation of law. Also called domicile of necessity:
  - 2.1. Representing an entity that has a domicile within a specific jurisdiction even though not domiciled oneself in said jurisdiction. For instance, representing a federal corporation as a public officer of said corporation, even though

domiciled outside the federal zone. The authority for this type of jurisdiction is, for instance, Federal Rule of Civil Procedure 17(b).

- 2.2. Becoming a dependent of someone else, and thereby assuming the same domicile as that of your care giver. For instance, being a minor and dependent and having the same civil domicile as your parents. Another example is becoming a government dependent and assuming the domicile of the government paying you the welfare check.
- 2.3. Being committed to a prison as a prisoner, and thereby assuming the domicile of the government owning or funding the prison.

Those who violate the First Commandment by doing any of the above become subject to the civil statutory franchises or codes. They are thereby committing the following form of idolatry because they are nominating a King to be ABOVE them rather than EQUAL to them under the common law:

*Then all the elders of Israel gathered together and came to Samuel at Ramah, and said to him, "Look, you are old, and your sons do not walk in your ways. Now make us a king to judge us like all the nations [and be OVER them]".*

*But the thing displeased Samuel when they said, "Give us a king to judge us." So Samuel prayed to the Lord. And the Lord said to Samuel, "Heed the voice of the people in all that they say to you; for they have rejected Me [God], that I should not reign over them. According to all the works which they have done since the day that I brought them up out of Egypt, even to this day—with which they have forsaken Me and served other gods [Kings, in this case]—so they are doing to you also [government becoming idolatry]. Now therefore, heed their voice. However, you shall solemnly forewarn them, and show them the behavior of the king who will reign over them."*

*So Samuel told all the words of the LORD to the people who asked him for a king. And he said, "This will be the behavior of the king who will reign over you: He will take [STEAL] your sons and appoint them for his own chariots and to be his horsemen, and some will run before his chariots. He will appoint captains over his thousands and captains over his fifties, will set some to plow his ground and reap his harvest, and some to make his weapons of war and equipment for his chariots. He will take [STEAL] your daughters to be perfumers, cooks, and bakers. And he will take [STEAL] the best of your fields, your vineyards, and your olive groves, and give them to his servants. He will take [STEAL] a tenth of your grain and your vintage, and give it to his officers and servants. And he will take [STEAL] your male servants, your female servants, your finest young men, and your donkeys, and put them to his work [as SLAVES]. He will take [STEAL] a tenth of your sheep. And you will be his servants. And you will cry out in that day because of your king whom you have chosen for yourselves, and the LORD will not hear you in that day."*

*Nevertheless the people refused to obey the voice of Samuel; and they said, "No, but we will have a king over us, that we also may be like all the nations, and that our king may judge us and go out before us and fight our battles." [1 Sam. 8:4-20, Bible, NKJV]*

In support of this section, the following evidence is provided for use in court which PROVES that those who use SSNs or TINs are considered to be and MUST, by law, be considered to be public officers:

1. The U.S. Supreme Court has held in the case of the State Action doctrine that those receiving government "benefits" are to be regarded as state actors, meaning public officers.

*"One great object of the Constitution is to permit citizens to structure their private relations as they choose subject only to the constraints of statutory or decisional law. [500 U.S. 614, 620]*

*To implement these principles, courts must consider from time to time where the governmental sphere [e.g. "public purpose" and "public office"] ends and the private sphere begins. Although the conduct of private parties lies beyond the Constitution's scope in most instances, governmental authority may dominate an activity to such an extent that its participants must be deemed to act with the authority of the government and, as a result, be subject to constitutional constraints. This is the jurisprudence of state action, which explores the "essential dichotomy" between the private sphere and the public sphere, with all its attendant constitutional obligations. Moose Lodge, supra, at 172. "*

*[. . .]*

*Given that the statutory authorization for the challenges exercised in this case is clear, the remainder of our state action analysis centers around the second part of the Lugar test, whether a private litigant, in all fairness, must be deemed a government actor in the use of peremptory challenges. Although we have recognized that this aspect of the analysis is often a fact-bound inquiry, see Lugar, supra, 457 U.S. at 939, our cases disclose certain principles of general application. Our precedents establish that, in determining whether a particular action or course of conduct is governmental in character, it is relevant to examine the following: the extent to which the*

actor relies on governmental assistance and benefits, see *Tulsa Professional Collection Services, Inc. v. Pope*, 485 U.S. 478 (1988); *Burton v. Wilmington Parking Authority*, 365 U.S. 715 (1961); whether the actor is performing a traditional governmental function, see *Terry v. Adams*, 345 U.S. 461 (1953); *Marsh v. Alabama*, 326 U.S. 501 (1946); cf. *San Francisco Arts & Athletics, Inc. v. United States Olympic [500 U.S. 614, 622] Committee*, 483 U.S. 522, 544 -545 (1987); and whether the injury caused is aggravated in a unique way by the incidents of governmental authority, see *Shelley v. Kraemer*, 334 U.S. 1 (1948). Based on our application of these three principles to the circumstances here, we hold that the exercise of peremptory challenges by the defendant in the District Court was pursuant to a course of state action.  
[*Edmonson v. Leesville Concrete Company*, 500 U.S. 614 (1991)]

2. The U.S. Supreme Court has held that government identifying numbers may be mandated against those seeking to receive government “benefits”.

Appellees raise a constitutional challenge to two features of the statutory scheme here.<sup>[4]</sup> They object to Congress' requirement that a state AFDC plan "must . . . provide (A) that, as a condition of eligibility under the plan, each applicant for or recipient of aid shall furnish to the State agency his social security account number." 42 U.S.C. §602(a)(25) (emphasis added). They also object to Congress' requirement that "such State agency shall utilize such account numbers. . . in the administration of such plan." Ibid. (emphasis added).<sup>[5]</sup> We analyze each of these contentions, turning to the latter contention first.

**Our cases have long recognized a distinction between the freedom of individual belief, which is absolute, and the freedom of individual conduct, which is not absolute.** This case implicates only the latter concern. Roy objects to the statutory requirement that state agencies "shall utilize" Social Security numbers not because it places any restriction on what he may believe or what he may do, but because he believes the use of the number may harm his daughter's spirit.

**Never to our knowledge has the Court interpreted the First Amendment to require the Government itself to behave in ways that the individual believes will further his or her spiritual development or that of his or her family. The Free Exercise Clause simply cannot be understood to require the Government to conduct its own internal affairs in ways that comport with the religious beliefs of particular citizens.** Just as the Government may not insist that appellees engage in [476 U.S. 693, 700] any set form of religious observance, so appellees may not demand that the Government join in their chosen religious practices by refraining from using a number to identify their daughter. "[T]he Free Exercise Clause is written in terms of what the government cannot do to the individual, not in terms of what the individual can extract from the government." *Sherbert v. Verner*, 374 U.S. 398, 412 (1963) (Douglas, J., concurring).

As a result, Roy may no more prevail on his religious objection to the Government's use of a Social Security number for his daughter than he could on a sincere religious objection to the size or color of the Government's filing cabinets. **The Free Exercise Clause affords an individual protection from certain forms of governmental compulsion; it does not afford an individual a right to dictate the conduct of the Government's internal procedures.**  
[*Bowen v. Roy*, 476 U.S. 693 (1986)]

#### FOOTNOTES:

<sup>[4]</sup> They also raise a statutory argument — that the Government's denial of benefits to them constitutes illegal discrimination on the basis of religion or national origin. See 42 U.S.C. §2000d; 7 U.S.C. §2011. We find these claims to be without merit.

<sup>[5]</sup> The Food Stamp program restrictions that appellees challenge contain restrictions virtually identical to those in the AFDC program quoted in the text. See 7 U.S.C. § 2025(e).

3. The U.S. Supreme Court has also held that no one can RECEIVE government payments without actually WORKING for the government. Any abuse of the taxing power to redistribute wealth is unconstitutional.

**To lay, with one hand, the power of the government on the property of the citizen, and with the other to bestow it upon favored individuals to aid private enterprises and build up private fortunes, is none the less a robbery because it is done under the forms of law and is called taxation. This is not legislation. It is a decree under legislative forms.**

**Nor is it taxation. 'A tax,' says Webster's Dictionary, 'is a rate or sum of money assessed on the person or property of a citizen by government for the use of the nation or State.' 'Taxes are burdens or charges imposed by the Legislature upon persons or property to raise money for public purposes.'** *Cooley*, Const. Lim., 479.

Coulter, J., in *Northern Liberties v. St. John's Church*, 13 Pa.St. 104 says, very forcibly, 'I think the common mind has everywhere taken in the understanding that **taxes are a public imposition, levied by authority of the government for the purposes of carrying on the government in all its machinery and operations—that they are imposed for a public purpose.**' See, also *Pray v. Northern Liberties*, 31 Pa.St. 69; *Matter of Mayor of N.Y.*, 11 Johns., 77; *Camden v. Allen*, 2 Dutch., 398; *Sharpless v. Mayor*, supra; *Hanson v. Vernon*, 27 Ia., 47; *Whiting v. Fond du Lac*, supra."  
[*Loan Association v. Topeka*, 20 Wall. 655 (1874)]

"A tax, in the general understanding of the term and as used in the constitution, signifies an exaction for the support of the government. The word has never thought to connote the expropriation of money from one group for the benefit of another."  
[*U.S. v. Butler*, 297 U.S. 1 (1936)]

4. Those eligible to receive government "benefits" are identified in Title 5 of the U.S. Code as "federal personnel".

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

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

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

5. Those not subject to the Internal Revenue Code and a "foreign estate" are described as NOT engaged in a "trade or business", meaning a public office.

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

(31) Foreign estate or trust

(A) Foreign estate The term "foreign estate" means an estate the income of which, from sources without the United States which is not effectively connected with the conduct of a [trade or business](#) within the [United States](#), is not includible in gross income under subtitle A.

(B) Foreign trust The term "foreign trust" means any trust other than a trust described in subparagraph (E) of paragraph (30).

6. Those who work for the government or receive the "benefit" of any government civil statute are presumed to waive ALL of their constitutional rights and cannot invoke ANY of them in court.

"The principle is invoked that one who accepts the benefit of a statute cannot be heard to question its constitutionality. [Great Falls Manufacturing Co. v. Attorney General](#), 124 U.S. 581, 8 S.Ct. 631, 31 L.Ed. 527; [Wall v. Parrot Silver & Copper Co.](#), 244 U.S. 407, 37 S.Ct. 609, 61 L.Ed. 1229; [St. Louis, etc., Co., v. George C. Prendergast Const. Co.](#), 260 U.S. 469, 43 S.Ct. 178, 67 L.Ed. 351.

[. . .]

6. The Court will not pass upon the constitutionality of a statute at the instance of one who has availed himself of its benefits.<sup>21</sup> [Great Falls Mfg. Co. v. Attorney General](#), 124 U.S. 581, 8 S.Ct. 631, 31 L.Ed. 527; [Wall v. Parrot Silver & Copper Co.](#), 244 U.S. 407, 411, 412, 37 S.Ct. 609, 61 L.Ed. 1229; [St. Louis Malleable Casting Co. v. Prendergast Construction Co.](#), 260 U.S. 469, 43 S.Ct. 178, 67 L.Ed. 351."  
[*Ashwander v. T.V.A.*, 297 U.S. 288, 56 S.Ct. 466, 80 L.Ed. 688 (1936)]

"It is not open to question that one who has acquired rights of property necessarily based upon a statute may not attack that statute as unconstitutional, for he cannot both assail it and rely upon it in the same proceeding. \*528 [Hurley v. Commission of Fisheries](#), 257 U.S. 223, 225, 42 S.Ct. 83, 66 L.Ed. 206."  
[*Frost v. Corporation Commission*, 278 U.S. 515, 49 S.Ct. 235 (U.S., 1929)]

<sup>21</sup> Compare [Electric Co. v. Dow](#), 166 U.S. 489, 17 S.Ct. 645, 41 L.Ed. 1088; [Pierce v. Somerset Ry.](#), 171 U.S. 641, 648, 19 S.Ct. 64, 43 L.Ed. 316; [Leonard v. Vicksburg, etc., R. Co.](#), 198 U.S. 416, 422, 25 S.Ct. 750, 49 L.Ed. 1108.



Based on the preceding overwhelming evidence, the inference and conclusion that Social Security Numbers are regarded and treated as a de facto license to occupy a public office is inescapable. The taxation of the exercise of that office, in fact, is the main object of the entire Internal Revenue Code Subtitles A and C. It is de facto, because those exercising said office do so illegally and unconstitutionally in the vast majority of cases.

## **2.10 Basis for the legal authority to establish government franchises and privileges**

### **2.10.1 Overview**

The basis for the legal authority to establish government franchises and/or privileges is the right to preemptively protect the public from harmful or injurious activities:

1. This form of “protection” is called “regulation”.
2. Civil statutory law implements the regulation.
3. The Executive Branch of the government institutes all enforcement actions that do the regulating.
4. The regulation or enforcement CANNOT lawfully be instituted against EXCLUSIVELY PRIVATE or NONRESIDENT people or activities. The right to regulate EXCLUSIVELY private rights and private property is repugnant to the constitution, as held by the U.S. Supreme Court.
5. Those who are the subject of the civil regulation have to volunteer to be regulated by filling out a government application. The process of APPLYING is synonymous with the implied consent of the applicant to BE civilly regulated. Such applications are called by any of the following name:
  - 5.1. License application. Examples: Driver License or Contractor License applications.
  - 5.2. Registration. Examples: Vehicle registration or voter registration.
  - 5.3. Application for a Social Security Number card, SSA Form SS-5.
  - 5.4. Application for a Taxpayer Identification Number (TIN), I.R.S. Form W-9.
6. The process of applying for the “benefit” of the protection afforded by the regulation, such as filling out a license application:
  - 6.1. Constitutes implied or constructive consent to donate formerly PRIVATE property to a public use, public purpose, or public office in order to procure the “benefits” of the franchise.
  - 6.2. Changes the status of the property associated with the application or license number from ABSOLUTE ownership to QUALIFIED ownership. You become the QUALIFIED owner and the GOVERNMENT becomes the LEGAL owner, who can take the property away from you if you violate the terms of the franchise.
  - 6.3. Changes the status of the applicant into the equivalent of a public officer in the government managing public property. A public officer, after all, is legally defined as a person in charge of the property of the public, which property is the “benefit” or property conveyed or granted to the applicant.
  - 6.4. Is interpreted by courts of justice as what is called a “purposeful availment” of commerce within the legislative jurisdiction of the government grantor which waives sovereign immunity under the Foreign Sovereign Immunities Act (F.S.I.A.), 28 U.S.C. Chapter 97, and the Longarm Statutes of your state.
  - 6.5. Constitutes evidence of implied consent to obey the regulation that delivers the so-called “benefit”:

CALIFORNIA CIVIL CODE  
DIVISION 3. OBLIGATIONS  
PART 2. CONTRACTS  
CHAPTER 3. CONSENT  
[Section 1589](#)

*1589. A voluntary acceptance of the benefit of a transaction is equivalent to a consent to all the obligations arising from it, so far as the facts are known, or ought to be known, to the person accepting.*

7. Under the common law, government may only get involved between PRIVATE parties to provide a remedy AFTER an injury occurs and not before. They cannot act in a PREVENTIVE role and regulate the parties to PREVENT an injury before it happens unless at least the moving party can show that there has been a past history of injury that is likely to repeat. Hence, BOTH parties to PREVENTIVE regulations must CONSENT to be regulated BEFORE the PREVENTIVE rather than CORRECTIVE regulation can occur. Those who have not VOLUNTARILY applied or consented and who are threatened with illegal enforcement when they DO NOT apply may not lawfully or justly become the target of civil regulation of their activities or conduct under the franchise. For instance, a nonresident PRIVATE human being NOT lawfully engaged in a public office and NOT using the public roadways for hire, if he is

indicted or convicted of driving without a license, is the subject of criminal duress, simulation of legal process, witness tampering, and international terrorism.

"The legislation in question is nothing less than a bold assertion of absolute power by the State to control at its discretion the property and business of the citizen, and fix the compensation he shall receive. The will of the legislature is made the condition upon which the owner shall receive the fruits of his property and the just reward of his labor, industry, and enterprise. "That government," says Story, "can scarcely be deemed to be free where the rights of property are left solely dependent upon the will of a legislative body without any restraint. The fundamental maxims of a free government seem to require that the rights of personal liberty and private property should be held sacred." Wilkeson v. Leland, 2 Pet. 657."  
[Munn v. Illinois, 94 U.S. 113 (1876) ]

8. The output of the application process results in the transfer of SPECIFIC material property that REMAINS government property AFTER the applicant receives it, and therefore constitutes a REVOCABLE TEMPORARY GRANT. The applicant, in effect, is a BORROWER of government property and the government is the LENDER.

"The rich rules over the poor,  
And the borrower is servant to the lender."  
[Prov. 22:7, Bible, NKJV]

9. The act of borrowing government property creates jurisdiction that would not otherwise exist. The following treatise of law on nonresidents establishes this, keeping in mind that grants of ANY kind of property, not just MONEY, should be considered in reading it. The U.S. Supreme Court cite below also confirms this approach:

"There is one principle which permeates the law of "NonResidents and Foreign Corporations," so far as it treats of the relation of debtor and creditor. That principle is that, when debtor and creditor are residents of different states, the situs of the debt is the creditor's residence and not the debtor's residence ; the creditor's state has jurisdiction over the debt and the debtor's state has not. The result is that the creditor's state has the power to tax the debt or to discharge it by operation of law; but the debtor's state has not this power, because it has not jurisdiction of the debt. Among discharges by operation of law may be mentioned discharges under state limitation laws, and discharges under state garnishee laws. In these cases, when the debtor and creditor are citizens of different states, the better view is that the creditor's state has the power and the debtor's state has not the power to discharge the debt. So, in the case of discharges under state insolvent laws, it is well settled that the debtor's state has no jurisdiction over a debt due to a non-resident creditor, and that therefore a discharge is void as against a non-resident and nonconsenting creditor."  
[A Treatise on the Law of Non-Residents and Foreign Corporations as Administered in The State and Federal Courts of the United States, Conrad Reno, 1892, p. vi]

"The compensation which the owners of property, not having any special rights or privileges from the government in connection with it, may demand for its use, or for their own services in union with it, forms no element of consideration in prescribing regulations for that purpose."

[. . .]

"It is only where some right or privilege [which are GOVERNMENT PROPERTY] is conferred by the government or municipality upon the owner, which he can use in connection with his property, or by means of which the use of his property is rendered more valuable to him, or he thereby enjoys an advantage over others, that the compensation to be received by him becomes a legitimate matter of regulation. Submission to the regulation of compensation in such cases is an implied condition of the grant, and the State, in exercising its power of prescribing the compensation, only determines the conditions upon which its concession shall be enjoyed. When the privilege ends, the power of regulation ceases."  
[Munn v. Illinois, 94 U.S. 113 (1876) ]

10. The right to take back the government/franchise property, public right, or "benefit" is the method of REVOKING the franchise or privilege. Such property might include:

- 10.1. Driver license.
- 10.2. Social Security Card.
- 10.3. Government ID.
- 10.4. Resident ID card.
- 10.5. Professional license.
- 10.6. USA passport.
- 10.7. License to practice law.

10.8. Vehicle license plate and registration card.

10.9. Resident green card.

11. Consonant with the civil regulation of the applicant is the franchise grantor's right to extract "fees" and/or "taxes" that pay ONLY for the "benefit" of the regulation. This would include vehicle registration fees, property taxes, Social Security deductions, etc.

11.1. If the fees collected pay for any purpose OTHER than DIRECTLY delivering the regulation under ONLY that specific franchise, then a "revenue scheme" and abuse has occurred.

11.2. If the franchise forces you to sign up for ANOTHER not directly related franchise, it is an abuse and a tort. For instance, if the driver licensing forces you to provide a Social Security Number, then indirectly they are forcing you to sign up for YET ANOTHER franchise not directly related to safe travel on the roadways. This violates the Unconstitutional Conditions Doctrine of the U.S. Supreme Court.

## 2.10.2 Abuses of franchises or privileges

The most flagrant and blatant abuse of franchises and privileges is to:

1. Establish them to prevent an activity that the applicant does NOT:

1.1. Regard as harmful or which does not in fact protect anything or anyone but the undeserving.

1.2. Constitute a "benefit" not as the grantor defines it, but as the applicant defines it.

2. Call participation voluntary and yet actively interfere with remedies and administrative methods to either NOT volunteer or remove consent to participate.

3. Establish them PRIMARILY for revenue (the love of money), and then to PRETEND that some public injury will occur if they are NOT instituted that in fact is NOT an injury according to the intended applicants or participants. Many examples come to mind, such as Obamacare, Social Security, Medicare, etc.

4. Extract fees and taxes FAR BEYOND the cost of administering the regulation. For instance, the income tax is used to pay deadbeat welfare recipients who are NOT public officers engaged in a "trade or business". Hence, income taxes are used by corrupt politicians to illegally and criminally bribe voters so as to perpetuate their socialist benefits.

5. Make each and every franchise into a gateway to FORCE the applicant to be subject to ANY AND EVERY OTHER franchise offered by the government. This is called an "adhesion contract" and it is unconscionable. For instance:

5.1. Force everyone signing up for driver licenses to become a statutory "U.S. citizen" domiciled on federal territory and subject to ANY and ALL federal law, even though the separation of powers doctrine does NOT permit it.

5.2. Force welfare recipients to apply for and use Social Security Numbers. Social Security has NOTHING to do with welfare.

6. Illegally prosecute those who do not consent to participate for "failure to obtain a license". The status associated with the crime of failure to obtain a license, in turn, attaches usually to a public office in the government and NOT to either a PRIVATE party or human being, but they refuse to recognize this constitutional limitation upon such enforcement activity.

7. Redistribute the excess fees generated for totally unrelated purposes to bribe voters to expand the franchise and the corresponding revenues, in what amounts to a Ponzi scheme.

We describe the above combination of tactics as socialism and define it as follows:

*"Ineptocracy (in-ep-toc'-ra-cy) - a system of government where the least capable to lead are elected by the least capable of producing, and where the members of society least likely to sustain themselves or succeed, are rewarded with goods and services paid for by the confiscated wealth of a diminishing number of producers."*

*Synonyms: Electile dysfunction. "  
[SEDM Political Dictionary]*

## 2.10.3 Franchises and their relation to common law

Lastly, there are some very important things to realize about franchises should you find yourself litigating against their illegal enforcement in court:

1. The common law furnishes remedies ONLY for PAST civil injuries AFTER THEY OCCUR. Other than possibly the subject of injunctions, it does not affect and cannot affect FUTURE conduct.

2. The common law requires an INJURED PARTY to file the suit against.

2.1. Most franchise violations do not HAVE an injured party.

2.2. Without a specific injured party, there can be no damages and therefore no jurisdiction to civilly sue.

3. Whenever the legislature intends to PREVENT FUTURE injury rather than provide a remedy for PAST injury, then it must do so WITH the consent of the party. The reason is that only by your consent can they deprive you of the exercise of a right that did NOT injure a SPECIFIC other person:

*"Volunt non fit injuria.*

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

*Consensus tollit errorem.*

*Consent removes or obviates a mistake. Co. Litt. 126.*

*Melius est omnia mala pati quam malo concentire.*

*It is better to suffer every wrong or ill, than to consent to it. 3 Co. Inst. 23.*

*Nemo videtur fraudare eos qui sciunt, et consentiunt.*

*One cannot complain of having been deceived when he knew the fact and gave his consent. Dig. 50, 17, 145."*

*[Bouvier's Maxims of Law, 1856;*

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

4. Civil penalties for actions that have no injured party are an example of franchises that are operating in a PREVENTIVE rather than CORRECTIVE mode, because they have no injury or injured party.
- 4.1. They are also called "infractions" and they can only be instituted against those who CONSENT by applying for a "license".
- 4.2. Absent consent, then they are called a "bill of attainder" if instituted against a non-franchisee or licensee. All such penalties are ILLEGAL and unconstitutional.
5. Most courts that administer franchises are NOT in fact "courts" as constitutionally defined, but the equivalent of arbitration boards within the Executive Branch. Thus, for the purposes of administering penalties, they do not satisfy the criteria for a "court" within the meaning of the constitutional prohibitions against "bills of attainder":

*United States Constitution*

*Article 1, Section. 10*

*No State shall enter into any Treaty, Alliance, or Confederation; grant Letters of Marque and Reprisal; coin Money; emit Bills of Credit; make any Thing but gold and silver Coin a Tender in Payment of Debts; pass any Bill of Attainder, ex post facto Law, or Law impairing the Obligation of Contracts, or grant any Title of Nobility.*

6. Because all franchises are considered "contracts" from a civil legal perspective, then no government official can lawfully interfere with enforcing the contract AGAINST you that you consented to by filling out a government application for the "benefit". That would amount to essentially protecting you from your own ignorance. Caveat emptor.
7. It is perfectly within your rights to choose to do business with those who are UNLICENSED within any and every field or occupation. It is within your rights because:
- 7.1. Government cannot compel you to contract with them by forcing the Seller to be a licensed public officer.
- 7.2. You have a right to contract the government OUT of your life and your business interactions.
- 7.3. Governments are established to PROTECT your right to either contract or NOT contract with ANY and EVERYONE else. Hence, they have to protect you from being forced to contract with THEM.
- 7.4. When this approach is taken, the Seller who would normally be licensed should document in writing that it is the intention of BOTH parties to ensure that the government is not involved and that they are BOTH acting in an EXCLUSIVELY PRIVATE capacity beyond the regulation by any government.
- 7.5. If a government violates this provision or prosecutes the seller for being unlicensed, then they are engaging in a mafia protection racket and committing a criminal tort.

## **2.11 Franchise operation in a simplified nutshell**

This section presents a simplified description of how franchises operate that is useful to the common man and as a conversation piece at social events.

To fully understand how franchises work, one must understand the nature of "property" from a legal perspective. Below is a definition:

**Property.** That which is peculiar or proper to any person; that which **belongs exclusively to one**. In the strict legal sense, **an aggregate of rights which are guaranteed and protected by the government**. *Fulton Light, Heat & Power Co. v. State*, 65 Misc.Rep. 263, 121 N.Y.S. 536. The term is said to extend to every species of valuable right and interest. More specifically, ownership; the unrestricted and exclusive right to a thing; the right to dispose of a thing in every legal way, to possess it, to use it, and to exclude everyone else from interfering with it. That dominion or indefinite right of use or disposition which one may lawfully exercise over particular things or subjects. The exclusive right of possessing, enjoying, and disposing of a thing. The highest right a man can have to anything; being used to refer to that right which one has to lands or tenements, goods or chattels, which no way depends on another man's courtesy.

The word is also commonly used to denote everything which is the subject of ownership, corporeal or incorporeal, tangible or intangible, visible or invisible, real or personal, everything that has an exchangeable value or which goes to make up wealth or estate. **It extends to every species of valuable right and interest, and includes real and personal property, easements, franchises, and incorporeal hereditaments, and includes every invasion of one's property rights by actionable wrong.** *Labberton v. General Cas. Co. of America*, 53 Wash.2d. 180, 332 P.2d. 250, 252, 254.

Property embraces everything which is or may be the subject of ownership, whether a legal ownership, or whether beneficial, or a private ownership. *Davis v. Davis*. TexCiv.App., 495 S.W.2d. 607. 611. Term includes not only ownership and possession but also the right of use and enjoyment for lawful purposes. *Hoffmann v. Kinealy, Mo.*, 389 S.W.2d. 745, 752.

Property, within constitutional protection, denotes group of rights inhering in citizen's relation to physical thing, as right to possess, use and dispose of it. *Cereghino v. State By and Through State Highway Commission*, 230 Or. 439, 370 P.2d. 694, 697.

Goodwill is property, *Howell v. Bowden*, TexCiv. App., 368 S.W.2d. 842, &18; as is an insurance policy and rights incident thereto, including a right to the proceeds, *Harris v. Harris*, 83 N.M. 441,493 P.2d. 407, 408.

Criminal code. "Property" means anything of value, including real estate, tangible and intangible personal property, contract rights, choses-in-action and other interests in or claims to wealth, admission or transportation tickets, captured or domestic animals, food and drink, electric or other power. Model Penal Code. Q 223.0. See also Property of another, *infra*. Dests. Under definition in Restatement, Second, Trusts, Q 2(c), it denotes interest in things and not the things themselves.  
[Black's Law Dictionary, Fifth Edition, p. 1095]

The idea of owning property carries with it the right to exclude all others from using said property and the right to control HOW the property is used by others in every particular. The right to control how people use your property is how franchises and trusts are created, in fact. One's right to control their property, who uses it, and how they use it is defensible in court by the owner as a matter of equity.

When one takes federal money, which is property, it always comes with regulatory strings attached. Well, they are not so much as "strings" but rather, they are massive - sized chain links, linking the federal benefit recipient to the U.S. Government in a way that always requires the surrender by the Citizen/benefit recipient, of some Right. Here is how a book on the common law describes the method by which distributing government property called "benefits" can be used to control the recipient:

"How, then, are purely equitable obligations created? For the most part, either by the acts of third persons or by equity alone. **But how can one person impose an obligation upon another? By giving property to the latter on the terms of his assuming an obligation in respect to it. At law there are only two means by which the object of the donor could be at all accomplished, consistently with the entire ownership of the property passing to the donee, namely: first, by imposing a real obligation upon the property; secondly, by subjecting the title of the donee to a condition subsequent.** The first of these the law does not permit; the second is entirely inadequate. Equity, however, can secure most of the objects of the doner, and yet avoid the mischiefs of real obligations by imposing upon the donee (and upon all persons to whom the property shall afterwards come without value or with notice) **a personal obligation with respect to the property; and accordingly this is what equity does.** It is in this way that all trusts are created, and all equitable charges made (i.e., equitable hypothecations or liens created) by testators in their wills. In this way, also, most trusts are created by acts inter vivos, except in those cases in which the trustee incurs a legal as well as an equitable obligation. **In short, as property is the subject of every equitable obligation, so the owner of property is the only person whose act or acts can be the means of creating an obligation in respect to that property. Moreover, the owner of property can create an obligation in respect to it in only two ways: first, by incurring the obligation himself, in which case he commonly also incurs a legal obligation; secondly, by imposing the obligation upon some third person; and this he does in the way just explained.**"  
[Readings on the History and System of the Common Law, Second Edition, Roscoe Pound, 1925, p. 543]

The U.S. Supreme Court describes the above process as follows:



*“When Sir Matthew Hale, and the sages of the law in his day, spoke of property as affected by a public interest, and ceasing from that cause to be juris privati solely, that is, ceasing to be held merely in private right, they referred to*

*[1] property dedicated [DONATED] by the owner to public uses, or*

*[2] to property the use of which was granted by the government [e.g. Social Security Card], or*

*[3] in connection with which special privileges were conferred [licenses].*

*Unless the property was thus dedicated [by one of the above three mechanisms], or some right bestowed by the government was held with the property, either by specific grant or by prescription of so long a time as to imply a grant originally, the property was not affected by any public interest so as to be taken out of the category of property held in private right.”*

*[Munn v. Illinois, 94 U.S. 113, 139-140 (1876)]*

The “title of the donee” that Roscoe Pound is referring to above, in the case of government franchises, for instance, is “taxpayer” and or “citizen”. The following maxims of law implement the above principle of equity:

*“Cujus est commodum ejus debet esse incommodum.  
He who receives the benefit should also bear the disadvantage.”*

*“Que sentit commodum, sentire debet et onus.  
He who derives a benefit from a thing, ought to feel the disadvantages attending it. 2 Bouv. Inst. n. 1433.”*  
*[Bouvier’s Maxims of Law, 1856;*  
*SOURCE: <http://famguardian.org/Publications/BouvierMaximsOfLaw/BouviersMaxims.htm>]*

The principle that borrowing someone else’s property makes the borrower the servant of the lender is also biblical in origin. Keep in mind that the thing borrowed need NOT be “money” and can be ANY KIND OF PROPERTY, from a legal perspective:

*“The rich rules over the poor,  
And **the borrower is servant to the lender.**”*  
*[Prov. 22:7, Bible, NKJV]*

What kind of government property can be GRANTED to you that might impose an obligation upon you as the “donee”? How about any of the following, all of which are treated as GOVERNMENT property and not PRIVATE property. Receipt or use of any of the following types of property creates a prima facie presumption that you are a public officer “donee” exercising agency on behalf of the government, which agency is the other half of the mutual “consideration” involved in the implied contract regulating the use of the property:

1. Any kind of “status” you claim to which legal rights attach under a franchise. Remember: All “rights” are property”!  
This includes:
  - 1.1. “taxpayer” (I.R.C. “trade or business” franchise).
  - 1.2. “citizen” or “resident” (civil law protection franchise”).
  - 1.3. “driver” (vehicle code of your state).
  - 1.4. “spouse” (family code of your state, which is a voluntary franchise).
2. A Social Security Card. 20 C.F.R. §422.103(d) says the card and the number belong to the U.S. government.
3. A “Taxpayer Identification Number” (TIN) issued under the authority of 26 U.S.C. §6109. All “taxpayers” are public officers in the U.S. government. Per 26 C.F.R. §301.6109-1, use of the number provides prima facie evidence that the user is engaged in official government business called a “trade or business”, which is defined in 26 U.S.C. §7701(a)(26) as “the functions of a public office” (in the U.S. and not state government).
4. Any kind of license. Most licenses say on the back or in the statutes regulating them that they are property of the government and must be returned upon request. This includes:
  - 4.1. Driver’s licenses.
  - 4.2. Contracting licenses.
5. A USA Passport. The passport indicates on page 6, note 2 that it is property of the U.S. government and must be returned upon request. So does 22 C.F.R. §51.7.
6. Any kind of government ID, including state Resident ID cards. Nearly all such ID say they belong to the government. This includes Common Access Cards (CACs) used in the U.S. military.
7. A vehicle license plate. Attaching it to the car makes a portion of the vehicle public property.

8. Stock in a public corporation. All stock holders in corporations are regarded by the courts as GOVERNMENT CONTRACTORS!

*"The court held that the first company's charter was a contract between it and the state, within the protection of the constitution of the United States, and that the charter to the last company was therefore null and void., Mr. Justice DAVIS, delivering the opinion of the court, said that, if anything was settled by an unbroken chain of decisions in the federal courts, it was that an act of incorporation was a contract between the state and the stockholders, 'a departure from which now would involve dangers to society that cannot be foreseen, would shock the sense of justice of the country, unhinge its business interests, and weaken, if not destroy, that respect which has always been felt for the judicial department of the government.'"*  
[New Orleans Gas Co. v. Louisiana Light Co., 115 U.S. 650 (1885)]

Essentially, Uncle Sam is in the property renting business, and the above types of property are the thing being rented:

*"We have repeatedly held that the Federal Government may impose appropriate conditions on the use of federal property or privileges and may require that state instrumentalities comply with conditions that are reasonably related to the federal interest in particular national projects or programs. See, e. g., Ivanhoe Irrigation Dist. v. McCracken, 357 U.S. 275, 294-296 (1958); Oklahoma v. Civil Service Comm'n, 330 U.S. 127, 142-144 (1947); United States v. San Francisco, 310 U.S. 16 (1940); cf. National League of Cities v. Usery, 426 U.S. 833, 853 (1976); Fry v. United States, 421 U.S. 542 (1975). A requirement that States, like all other users, pay a portion of the costs of the benefits they enjoy from federal programs is surely permissible since it is closely related to the [435 U.S. 444, 462] federal interest in recovering costs from those who benefit and since it effects no greater interference with state sovereignty than do the restrictions which this Court has approved."*  
[Massachusetts v. United States, 435 U.S. 444 (1978)]

Once they lend you government property essentially as a "bribe", you consent to be treated as a de facto "public officer" in the government. A "public officer" is, after all, legally defined as someone who is in charge of the property of the public. Receipt and temporary custody of the valuable property of the public therefore constitutes your "employment consideration" to act as a public officer!:

*"Public office. The right, authority, and duty created and conferred by law, by which for a given period, either fixed by law or enduring at the pleasure of the creating power, an individual is invested with some portion of the sovereign functions of government for the benefit of the public. Walker v. Rich, 79 Cal.App. 139, 249 P. 56, 58. An agency for the state, the duties of which involve in their performance the exercise of some portion of the sovereign power, either great or small. Yaselli v. Goff, C.C.A., 12 F.2d 396, 403, 56 A.L.R. 1239; Lacey v. State, 13 Ala.App. 212, 68 So. 706, 710; Curtin v. State, 61 Cal.App. 377, 214 P. 1030, 1035; Shelmadine v. City of Elkhart, 75 Ind.App. 493, 129 N.E. 878. State ex rel. Colorado River Commission v. Frohmiller, 46 Ariz. 413, 52 P.2d 483, 486. Where, by virtue of law, a person is clothed, not as an incidental or transient authority, but for such time as de- notes duration and continuance, with Independent power to control the property of the public, or with public functions to be exercised in the supposed interest of the people, the service to be compensated by a stated yearly salary, and the occupant having a designation or title, the position so created is a public office. State v. Brennan, 49 Ohio.St. 33, 29 N.E. 593.*  
[Black's Law Dictionary, Fourth Edition, p. 1235]

Why do they use property as the means to effect or create the franchise? The reason is because they have jurisdiction over their property WHEREVER it is situated, including within states of the Union.

*"The Constitution permits Congress to dispose of and to make all needful rules and regulations respecting the territory or other property belonging to the United States. This power applies as well to territory belonging to the United States within the States, as beyond them. It comprehends all the public domain, wherever it may be. The argument is, that the power to make 'ALL needful rules and regulations' 'is a power of legislation,' 'a full legislative power;' 'that it includes all subjects of legislation in the territory,' and is without any limitations, except the positive prohibitions which affect all the powers of Congress. Congress may then regulate or prohibit slavery upon the public domain within the new States, and such a prohibition would permanently affect the capacity of a slave, whose master might carry him to it. And why not? Because no power has been conferred on Congress. This is a conclusion universally admitted. But the power to 'make rules and regulations respecting the territory' is not restrained by State lines, nor are there any constitutional prohibitions upon its exercise in the domain of the United States within the States; and whatever rules and regulations respecting territory Congress may constitutionally make are supreme, and are not dependent on the situs of 'the territory.'"*  
[Dred Scott v. Sandford, 60 U.S. 393, 509-510 (1856)]

If they didn't use the lending of their property to reach you, they would otherwise not have civil jurisdiction over those domiciled in a legislatively (but not constitutionally) foreign state such as a Constitutional state of the Union through their civil law, since all law is prima facie territorial and they don't own and don't have civil jurisdiction over Constitutional states of the Union:

1 “The canon of construction which teaches that legislation of Congress, unless a contrary intent appears, is meant  
2 to apply only within the territorial jurisdiction of the United States, [Blackmer v. United States, supra, at 437](#), is a  
3 valid approach whereby unexpressed congressional intent may be ascertained. It is based on the assumption that  
4 Congress is primarily concerned with domestic conditions.”  
5 [Foley Brothers, Inc. v. Filardo, 336 U.S. 281 (1949)]

6 “The laws of Congress in respect to those matters [outside of Constitutionally delegated powers] do not extend  
7 into the territorial limits of the states, but have force only in the District of Columbia, and other places that are  
8 within the exclusive jurisdiction of the national government.”)  
9 [Caha v. U.S., 152 U.S. 211 (1894)]

10 “There is a canon of legislative construction which teaches Congress that, unless a contrary intent appears  
11 [legislation] is meant to apply only within the territorial jurisdiction of the United States.”)  
12 [U.S. v. Spelar, 338 U.S. 217 at 222.]

13 Below is an example of a ruling relating to Social Security which identifies it as a LOAN of property:

14 But this is not the situation with which we are called upon to deal in the present case. For here, the state must  
15 deposit the proceeds of its taxation in the federal treasury, upon terms which make the deposit suspiciously  
16 like a forced loan to be repaid only in accordance with restrictions imposed by federal law. Title IX, §§ 903 (a)  
17 (3), 904 (a), (b), (e). All moneys withdrawn from this fund must be used exclusively for the payment of  
18 compensation. § 903 (a) (4). And this compensation is to be paid through public employment offices in the state  
19 or such other agencies as a federal board may approve. § 903 (a) (1). The act, it is true, recognizes [§ 903 (a)  
20 (6)] the power of the legislature to amend or repeal its compensation law at any time. But there is nothing in the  
21 act, as I read it, which justifies the conclusion that the state may, in that event, unconditionally withdraw its  
22 613\*613 funds from the federal treasury. Section 903 (b) provides that the board shall certify in each taxable  
23 year to the Secretary of the Treasury each state whose law has been approved. But the board is forbidden to  
24 certify any state which the board finds has so changed its law that it no longer contains the provisions specified  
25 in subsection (a), “or has with respect to such taxable year failed to comply substantially with any such provision.”  
26 The federal government, therefore, in the person of its agent, the board, sits not only as a perpetual overseer,  
27 interpreter and censor of state legislation on the subject, but, as lord paramount, to determine whether the state  
28 is faithfully executing its own law — as though the state were a dependency under pupilage[\*] and not to be  
29 trusted. The foregoing, taken in connection with the provisions that money withdrawn can be used only in payment  
30 of compensation and that it must be paid through an agency approved by the federal board, leaves it, to say the  
31 least, highly uncertain whether the right of the state to withdraw any part of its own funds exists, under the act,  
32 otherwise than upon these various statutory conditions. It is true also that subsection (f) of § 904 authorizes the  
33 Secretary of the Treasury to pay to any state agency “such amount as it may duly requisition, not exceeding the  
34 amount standing to the account of such State agency at the time of such payment.” But it is to be observed that  
35 the payment is to be made to the state agency, and only such amount as that agency may duly requisition. It is  
36 hard to find in this provision any extension of the right of the state to withdraw its funds except in the manner and  
37 for the specific purpose prescribed by the act.

38 By these various provisions of the act, the federal agencies are authorized to supervise and hamper the  
39 administrative powers of the state to a degree which not only does not comport with the dignity of a quasi-  
40 sovereign 614\*614 state — a matter with which we are not judicially concerned — but which denies to it that  
41 supremacy and freedom from external interference in respect of its affairs which the Constitution contemplates  
42 — a matter of very definite judicial concern. I refer to some, though by no means all, of the cases in point.  
43 [Steward Machine Co. v. Davis, 301 U.S. 548 (1937)]

## 44 2.12 Mechanisms of unconstitutional or illegal abuse of government franchises and effective 45 defenses against them

46 Ultimately, however, what your corrupted public servants are doing is both criminal and illegal. None of the franchises they  
47 administer expressly authorize the creation of any new public offices in the government, but rather add benefits to EXISTING  
48 public offices. The unlawful creation of public offices is the main source of government franchise abuse. In the Internal  
49 Revenue Code it is even called “an election”! It is the MAIN method to turn a de jure government into a de facto government,  
50 in fact, as we prove in De Facto Government Scam, Form #05.043:

51 “An unconstitutional act is not a law; it confers no rights; it imposes no duties; it affords no protection; it creates  
52 no office; it is in legal contemplation, as inoperative as though it had never been passed.”  
53 [Norton v. Shelby County, [118 U.S. 425](#) (1885)]  
54

55 de facto: In fact, in deed, actually. This phrase is used to characterize an officer, a government, a past action  
56 or a state of affairs which must be accepted for all practical purposes, but is illegal or illegitimate. Thus,

**an office, a position or status existing under a claim or color of right such as a de facto corporation.**

*In this sense it is the contrary of de jure, which means rightful, legitimate, just, or constitutional. Thus, an officer, king, or government de facto is one who is in actual possession of the office or supreme power, but by usurpation, or without lawful title; while an officer, king, or governor de jure is one who has just claim and rightful title to the office or power, but has never had plenary possession of it, or is not in actual possession.* MacLeod v. United States, 229 U.S. 416, 33 S.Ct. 955, 57 L.Ed. 1260. A wife de facto is one whose marriage is voidable by decree, as distinguished from a wife de jure, or lawful wife. But the term is also frequently used independently of any distinction from de jure; thus a blockade de facto is a blockade which is actually maintained, as distinguished from a mere paper blockade. Compare De jure.

[Black's Law Dictionary, Sixth Edition, p. 416]

If they abuse public funds and programs to bribe otherwise PRIVATE and FOREIGN people to accept the duties of a public office, the U.S. Code says this is a serious crime:

[TITLE 18 > PART 1 > CHAPTER 11 > § 210](#)

[§210. Offer to procure appointive public office](#)

*Whoever pays or offers or promises any money or thing of value, to any person, firm, or corporation in consideration of the use or promise to use any influence to procure any appointive office or place under the United States for any person, shall be fined under this title or imprisoned not more than one year, or both.*

[TITLE 18 > PART 1 > CHAPTER 11 > § 211](#)

[§211. Acceptance or solicitation to obtain appointive public office](#)

*Whoever solicits or receives, either as a political contribution, or for personal emolument, any money or thing of value, in consideration of the promise of support or use of influence in obtaining for any person any appointive office or place under the United States, shall be fined under this title or imprisoned not more than one year, or both.*

*Whoever solicits or receives any thing of value in consideration of aiding a person to obtain employment under the United States either by referring his name to an executive department or agency of the United States or by requiring the payment of a fee because such person has secured such employment shall be fined under this title, or imprisoned not more than one year, or both. This section shall not apply to such services rendered by an employment agency pursuant to the written request of an executive department or agency of the United States.*

If you collude with your criminal public servants in this FRAUD by accepting the bribe and carry on the charade of pretending to be a public officer, you too become a criminal who is impersonating a public officer. You also become hated in God's eyes because you are simultaneously trying to serve two masters, meaning God and Caesar:

[TITLE 18 > PART 1 > CHAPTER 43 > § 912](#)

[§912. Officer or employee of the United States](#)

*Whoever falsely assumes or pretends to be an officer or employee acting under the authority of the United States or any department, agency or officer thereof, and acts as such, or in such pretended character demands or obtains any money, paper, document, or thing of value, shall be fined under this title or imprisoned not more than three years, or both.*

*"No one can serve two masters; for either he will hate the one and love the other, or else he will be loyal to the one and despise the other. **You cannot serve God and mammon [unrighteous gain or any other false god].**"<sup>22</sup>  
[Jesus in Matt. 6:24, Bible, NKJV]*

Everything they give you will always be a GRANT with conditions rather than a GIFT. Everything they give you will always have legal strings attached that make the property they give you into a Trojan Horse designed to destroy and enslave you. The proverb "Beware of Greeks bearing gifts." definitely applies to everything the government does. Please keep these critical facts in mind as you try and decide whether you want you and your family to give the corrupted U.S. Government the

<sup>22</sup>The New King James Version. 1996, c1982 . Thomas Nelson: Nashville

1 right to intrude into your personal health care. Also keep in mind that under the concept of equal protection, you can use the  
2 SAME tactic to entrap and prejudice the government and defend yourself from this tactic.

3 Here is this principle of equity in action, as espoused by the U.S. Supreme Court in *Fullilove v. Klotznick*, 448 U.S. 448, at  
4 474 (1990). What the U.S. Supreme Court is describing is the basic principle for how franchises operate and how they are  
5 used to snare you. In a 6 -3 decision that dealt with the 10% minority set - aside issue, the Court held the following:

6 *"...Congress has frequently employed the Spending Power to further broad policy objectives... by conditioning*  
7 *receipt of federal moneys upon compliance by the recipient... with federal statutory and administrative directives.*  
8 *This Court has repeatedly upheld... against constitutional challenge... the use of this technique to induce*  
9 *governments and private parties to cooperate voluntarily with federal policy."*  
10 *[Fullilove v. Klotznick, 448 U.S. 448, at 474 (1990)]*

11 Note the phrase "cooperate VOLUNTARILY with federal policy", which implies that ENFORCEMENT is ILLEGAL and  
12 that payment for the "benefit" is a GIFT rather than an enforceable TAX. The minute that payment is ENFORCED is the  
13 minute it ceases to be voluntary and becomes a usurpation. That is why all tax withholdings are classified as "Tax Class 5",  
14 which is a "GIFT":

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

17 (d)

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

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

26 The IRS 6209 manual confirms that withholdings are classified as GIFTS:

27 **Table 3: Tax Class as appearing in Section 4 of the 6209 or ADP/IDRS Manual**

<i><b>Tax Class (Third digit of Document Locator Number or DLN)</b></i>	<i><b>Tax Class</b></i>
0	Employee Plans Master File (EPMF)
1	Withholding and Social Security
2	Individual Income Tax, Fiduciary Income Tax, Partnership return
3	Corporate Income Tax, 990C, 990T, 8083 Series, 8609, 8610
4	Excise Tax
5	Information Return Processing (IRP), Estate and Gift Tax
6	NMF
7	CT-1
8	FUTA
9	Mixed-Segregation by tax class not required

28 For more on the nature of income taxes as GIFTS that aren't enforceable against those not domiciled on federal territory, see  
29 [\*Great IRS Hoax\*](#), Form #11.032, Section 5.6.16.

30 When those who are unknowingly party to a franchise challenge the constitutionality or violation of due process resulting  
31 from the enforcement of the franchise provisions against them that the Supreme Court said above were VOLUNTARY, here  
32 is how the U.S. Supreme Court has historically responded:



1                   *"We can hardly find a denial of due process in these circumstances, particularly since it is even doubtful that*  
2                   *appellee's burdens under the program outweigh his benefits. It is hardly lack of due process for the*  
3                   *Government to regulate that which it subsidizes."*  
4                   *[Wickard v. Filburn, 317 U.S. 111, 63 S.Ct. 82 (1942)]*

5 Well then, if they get their AUTHORITY to enforce from the right to regulate things they subsidize and YOU are subsidizing  
6 them, then why can't you regulate and enforce against THEM by the same mechanisms? The foundation of our system of  
7 jurisprudence is EQUALITY of rights and treatment between you and the government. We prove this in Requirement for  
8 Equal Protection and Equal Treatment, Form #05.033. The answer is that if you can't enforce against THEM for grants of  
9 YOUR property by the same mechanisms, then they can't possibly have that authority EITHER. To suggest otherwise is to  
10 sanction religious idolatry, the establishment of the state as a civil religion, and the establishment of government and civil  
11 rulers as pagan deities owed "tithes" that are falsely called "taxes". Furthermore, this is EXACTLY the mechanism we  
12 exploit in the following form as a DEFENSE against the illegal enforcement of franchises against us:

<u>Injury Defense Franchise and Agreement</u> , Form #06.027 <a href="http://sedm.org/Forms/FormIndex.htm">http://sedm.org/Forms/FormIndex.htm</a>
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13 The above form is cited in many of our forms as a source of private law obligating the government and authorizing  
14 ENFORCEMENT against them in every dispute involving them. The only requirement you have to meet to use the above  
15 agreement is to give them the constitutionally required REASONABLE NOTICE before they attempt the enforcement. That  
16 is what our Path to Freedom, Form #09.015, Section 2 process does. If they challenge your right to use the above anti-  
17 franchise, indirectly they are:

- 18 1. Challenging THEIR OWN enforcement authority against you in the process.
- 19 2. Proving that they are SUPERIOR and UNEQUAL, which can only happen with your express consent.
- 20 3. Proving that they are implementing a state sponsored religion that violates the First Amendment. See:
  - 21 3.1. Socialism: The New American Civil Religion, Form #05.016  
22 <http://sedm.org/Forms/FormIndex.htm>
  - 23 3.2. Government Establishment of Religion, Form #05.038  
24 <http://sedm.org/Forms/FormIndex.htm>

25 Hand them a gun and let them shoot themselves with it! This is the Sun Tzu approach: Use your enemy's strengths against  
26 him.

27 The key to the effect of the conveyance of property is the NATURE of the funds or property conveyed by the government.  
28 If it was property of the government at the time it was conveyed, then it is a subsidy and conveys rights to the government.  
29 If, on the other hand, the property was someone else's property temporarily granted to the government under a franchise of  
30 the REAL owner, it ceases to be a subsidy and cannot convey any rights to the government under ITS franchise, because the  
31 government is not the rightful owner of the property. That is why everything that members of the Ministry convey to the  
32 government is identified legally not as a gift, but a GRANT with conditions, on the following form. Section 6 establishes  
33 what we call an "anti-franchise franchise" which reverses the relationship between the parties and makes all those who receive  
34 monies from the sender into officers and servants of the sender under franchise contract:

<u>Tax Form Attachment</u> , Form #04.201 <a href="http://sedm.org/Forms/FormIndex.htm">http://sedm.org/Forms/FormIndex.htm</a>
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35 If you want to win at this game, you have to use all the same weapons and tactics as your enemy and INSIST vociferously  
36 on complete equality of treatment and rights as the Constitution mandates. You can't do that until you have identified and  
37 fully understand how all of the weapons function.

38 Here is yet more proof of why those who accept government benefits cannot assert their constitutional rights as a defense to  
39 challenge the statutes that regulate the benefit. The language below comes from the Brandeis Rules for the U.S. Supreme  
40 Court:

41                   *"The principle is invoked that one who accepts the benefit of a statute cannot be heard to question its*  
42                   *constitutionality. Great Falls Manufacturing Co. v. Attorney General, 124 U.S. 581, 8 S.Ct. 631, 31 L.Ed. 527;*  
43                   *Wall v. Parrot Silver & Copper Co., 244 U.S. 407, 37 S.Ct. 609, 61 L.Ed. 1229; St. Louis, etc., Co., v. George C.*  
44                   *Prendergast Const. Co., 260 U.S. 469, 43 S.Ct. 178, 67 L.Ed. 351."*  
45                   *[Ashwander v. Tennessee Valley Authority, 297 U.S. 288, 56 S.Ct. 466 (1936)]*

What the court is saying in the above statute is that those who accept federal benefits HAVE NO CONSTITUTIONAL RIGHTS and have voluntarily surrendered ALL such rights!

Here is how franchises enslave and entrap you:

1. Congress borrows money in your name (like they were using your credit card) from the private Federal Reserve Bank. You and your descendants must pay this money back at interest.

*"I sincerely believe ... that banking establishments are more dangerous than standing armies, and that the principle of spending money to be paid by posterity under the name of funding is but swindling futurity on a large scale."*

*[Thomas Jefferson to John Taylor, 1816]*

2. Congress wants to further its broad policy objectives (like making America a socialist state under a "unitary executive"...or invading another country for its natural resources.)
3. So Congress offers private people and state and foreign governments BRIBES using the money borrowed/STOLEN in #1. above...On condition that those private people and state and foreign governments cooperate "VOLUNTARILY" with federal policy, which is really just PRIVATE business activity disguised to LOOK like "government business".
4. Federal policy is whatever federal judges and other bureaucrats say it is.
5. Among the "federal policy" you must comply with is for them to be able to lawfully and administratively take from you ANY amount of money they want to fund their program. This is done through false information return reporting, IRS administrative levies that would otherwise be a constitutional tort, etc.
6. In short, once you accept the bribe, you change from being the BOSS of your public servants into their "employee"/officer and cheap whore. They turn the relationship upside down with trickery and words of art.
7. If you create your own franchise (we call it an anti-franchise franchise) and call EVERYTHING you pay them a privilege and use their own game rules against them, they will hypocritically and unlawfully apply different rules against themselves than they apply to you, in violation of the requirement for equal protection. If they are going to defend the above method of acquiring rights, they have to defend your EQUAL right to play the same rules with them and prohibit themselves from abusing sovereign immunity to make the game rules unequal. They call what you give to them a non-refundable gift in 31 U.S.C. §321(d), and yet everything they give to you is a mere temporary grant that makes you their voluntary, uncompensated public officer. HYPOCRITES!

Notice the word "voluntarily" in Fullilove v. Klotznick above. The federal government cannot coerce a state citizen not domiciled on federal land and not taking money from King Congress. The only way the federal government can make you a subject of itself and rule over you, and tax you, is by your CONSENT in taking federal "benefits" (bribes... to entice you to agree to its jurisdiction – The Declaration of Independence requires the federal government to get your consent in order to exercise its powers).

Parents tell their children:

*"As long as you live in my house...you play by my rules."*

The federal government says, and the Supreme Court agrees:

*"As long as you take money from me...you play by my rules (e.g. compulsory health care...compulsory flu injections...compulsory education for your children in government schools...federal income tax...etc.,) not by constitutional rules."*

Now...:

1. Are you a free self-determining sovereign man/woman of your state...or are you a subject of the federal government?
2. Did you sign the social security APPLICATION (giving your consent) for your newborn children to be subjects of federal bureaucrats and tyrants?

If you are a subject of the federal government, and have made your children subjects of the federal government by writing them off as privileged tax deductions on a federal tax return, the Supreme Court has held over and over that you cannot bring constitutional challenges against the federal government in federal court. Federal judges will dismiss you... and rightly so... for "lack of standing".

"These general rules are well settled:

(1) That the United States, when it creates rights in individuals against itself [a "public right", which is a euphemism for a "franchise" to help the court disguise the nature of the transaction], is under no obligation to provide a remedy through the courts. *United States ex rel. Dunlap v. Black*, 128 U.S. 40, 9 Sup.Ct. 12, 32 L.Ed. 354; *Ex parte Atocha*, 17 Wall. 439, 21 L.Ed. 696; *Gordon v. United States*, 7 Wall. 188, 195, 19 L.Ed. 35; *De Groot v. United States*, 5 Wall. 419, 431, 433, 18 L.Ed. 700; *Comegys v. Vasse*, 1 Pet. 193, 212, 7 L.Ed. 108.

(2) That where a statute creates a right and provides a special remedy, that remedy is exclusive. *Wilder Manufacturing Co. v. Corn Products Co.*, 236 U.S. 165, 174, 175, 35 Sup.Ct. 398, 59 L.Ed. 520, Ann.Cas. 1916A, 118; *Arnson v. Murphy*, 109 U.S. 238, 3 Sup.Ct. 184, 27 L.Ed. 920; *Barnet v. National Bank*, 98 U.S. 555, 558, 25 L.Ed. 212; *Farmers' & Mechanics' National Bank v. Dearing*, 91 U.S. 29, 35, 23 L.Ed. 196. Still the fact that the right and the remedy are thus intertwined might not, if the provision stood alone, require U.S. to hold that the remedy expressly given excludes a right of review by the Court of Claims, where the decision of the special tribunal involved no disputed question of fact and the denial of compensation was rested wholly upon the construction of the act. See *Medbury v. United States*, 173 U.S. 492, 198, 19 Sup.Ct. 503, 43 L.Ed. 779; *Parish v. MacVeagh*, 214 U.S. 124, 29 Sup.Ct. 556, 53 L.Ed. 936; *McLean v. United States*, 226 U.S. 374, 33 Sup.Ct. 122, 57 L.Ed. 260; *United States v. Laughlin* (No. 200), 249 U.S. 440, 39 Sup.Ct. 340, 63 L.Ed. 696." [U.S. v. Babcock, 250 U.S. 328, 39 S.Ct. 464 (1919)]

Since the U.S. Constitution offers no remedy to statutory "subjects" and serfs of the federal government when Rights [which state citizens have surrendered for a bribe] are violated, what is it they actually celebrate on the 4th of July by waving those federal flags made in COMMUNIST China? Hmmmm...

What is really going on is that there is an invisible war being waged against your constitutional rights by people who are supposed to be serving and protecting you, but who have stealthily and invisibly transformed from protectors into predators. As a result of these stealthful transformations, Americans are largely unaware that they are a conquered people. The conquerors are aliens from a legislatively foreign land called the District of Columbia, who bribed you to put on chains and go not into a physical cage, but a LEGAL cage called a franchise.

"Behold, I will make My words in your mouth fire,  
And this people wood,  
And it shall devour them.  
**Behold, I will bring a nation [in the District of Columbia, Washington D.C.] against you from afar,**  
O house of Israel," says the LORD.  
"It is a mighty nation,  
It is an ancient nation,  
A nation whose language [legalese] you do not know,  
Nor can you understand what they say [[in their deceitful laws](#)].  
Their quiver is like an open tomb;  
They are all mighty [[deceitful](#)] men.  
**And they [and the IRS, their henchmen] shall eat up your harvest and your bread,**  
Which your sons and daughters should eat.  
**They shall eat up your flocks and your herds;**  
**They shall eat up your vines and your fig trees;**  
**They shall destroy your fortified cities [and businesses and families],**  
In which you trust, with the sword.  
[Jeremiah 5:14-17, Bible, NKJV]

This is the same thing that Jacob did to Esau, his brother, in the Bible: Persuaded him to give up his freedom and inheritance for a stinking bowl of pottage. Here is the way the Bible dictionary describes it, wherein "taxes" used to be called "tribute" in biblical times:

"**TRIBUTE.** Tribute in the sense of an impost paid by one state to another, as a mark of subjugation, is a common feature of international relationships in the biblical world. The tributary could be either a hostile state or an ally. Like deportation, its purpose was to weaken a hostile state. Deportation aimed at depleting the man-power. The aim of tribute was probably twofold: to impoverish the subjugated state and at the same time to increase the conqueror's own revenues and to acquire commodities in short supply in his own country. As an instrument of administration it was one of the simplest ever devised: the subjugated country could be made responsible for the payment of a yearly tribute. Its non-arrival would be taken as a sign of rebellion, and an expedition would then be sent to deal with the recalcitrant. This was probably the reason for the attack recorded in Gn. 14. [New Bible Dictionary. Third Edition. Wood, D. R. W., Wood, D. R. W., & Marshall, I. H. 1996, c1982, c1962; InterVarsity Press: Downers Grove]

Your devious conquerors are doing and will continue to do EVERYTHING in their power to keep you in their legal cage as their SATANIC SEX SLAVE, PRISONER, and WHORE. This is the same whore that the Bible refers to as "Babylon the

Great Harlot” in the Book of Revelation. By “sex”, we mean commerce between you and a corrupted de facto government that loves money more than it loves YOUR freedom. Black’s Law defines “commerce”, in fact, as “intercourse” and therefore “sex” in a figurative sense:

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

Here are the things your covetous conquerors have done and will continue to do to compel you, AT GUNPOINT, to bend over and be a good little whore, or be slapped silly with what the Constitution calls a “bill of attainder” for rattling your legal cage:

1. They will willfully lie to you in their publications with judicial impunity about what the law requires. See:  
Reasonable Belief About Income Tax Liability, Form #05.007  
<http://sedm.org/Forms/FormIndex.htm>
2. They will tempt you with socialist bribes called “benefits”. See:  
The Government “Benefits” Scam, Form #05.040  
<http://sedm.org/Forms/FormIndex.htm>
3. They will rig their forms so that it is impossible to truthfully declare your status, leaving as the only options available statuses that connect you to consent to their franchises, even if you DO NOT consent.
4. If you already ate the bait and signed up, they will falsely tell you that you aren’t allowed to quit, meaning that you are a slave FOR LIFE.
5. They will hide the forms and procedures that can be used to quit the franchise by removing them from their website, but still making them available to people who specifically ask.
6. They will make false, prejudicial, and self –serving presumptions or determinations about your status that they are not allowed to do until AFTER you expressly consent to give them that authority IN WRITING and they will do so in violation of due process of law. See:  
Presumption: Chief Weapon for Unlawfully Enlarging Federal Jurisdiction, Form #05.017  
<http://sedm.org/Forms/FormIndex.htm>
7. They will deceive you with “words of art”. See:  
Legal Deception, Propaganda, and Fraud, Form #05.014  
<http://sedm.org/Forms/FormIndex.htm>
8. They will publish false propaganda encouraging third parties to file knowingly false and fraudulent reports about your status such as information returns that constitute prima facie evidence of consent to participate in government franchises. Such reports include IRS Forms W-2, 1042-S, 1098, and 1099. See:  
Correcting Erroneous Information Returns, Form #04.001  
<http://sedm.org/Forms/FormIndex.htm>
9. They will willfully refuse or omit to prosecute the filers of false information returns, thus compelling you to unlawfully and criminally impersonate a public officer who is compelled to fill a position as a franchisee. It is called theft by omission and it is also a criminal conspiracy against your constitutional rights. Both OMISSIONS and COMMISSIONS that cause injury to you are CRIMES. They might even protect criminals filing these false reports INSTEAD of the victims.
10. They will disestablish all constitutional courts that could serve as a remedy against such abuses and replace them with statutory franchise courts that can’t recognize or even rule on Constitutional issues or rights. See:  
What Happened to Justice?, Form #06.012  
<http://sedm.org/Forms/FormIndex.htm>
11. They will use “selective enforcement” of the tax laws as a way to silence and punish those who expose their monumental scam. They don’t need to torture you physically. All they have to do is destroy your ability to survive commercially, and it is as good as putting you in jail and subjecting you to physical torture.
12. They will remove the subject of law from the curricula in public schools, so that they can do all the above things without you even realizing it is happening so that you don’t become alarmed as they tighten the bars of your cage.

Welcome to the Matrix, Neo! Agent Smith with the IRS is waiting for you in the next room. See:

The tactics suggested as a defense for the government franchise abuse in this section can be and often are slandered in front of juries by government prosecutors with statements like the following:

*"Ladies and gentlemen of the jury. John Doe is living in this country and receiving all the 'benefits' without paying his or her fair share, which increases YOUR tax bill. We want you to hang him!"*

In response to such a malicious accusation, the proper stance to take is:

1. "Mr. Prosecutor, you have just disqualified the jury and they must ALL be disqualified or else a CRIME is being committed by EVERYONE in this courtroom. I DEMAND that the entire jury AND the prosecutor all be recused for cause. Their participation is hereby challenged. 18 U.S.C. §208 makes it a crime for a federal officer to be a decision maker in any matter that he or she has a financial conflict of interest in. 18 U.S.C. §201 describes jurors as government officers. You, Mr. Prosecutor, have just established on the record of this court that EVERYONE sitting on the jury and possibly even YOURSELF has such a conflict of financial interest. The most BASIC element of due process is a DISINTERESTED fact finder with no conflict of interest. Due process is therefore IMPOSSIBLE beyond this point. This is an OUTRAGE!"
2. "Ladies and gentlemen of the jury, it is a fact that the government doesn't need to enforce PAYMENT in order to balance the contributions and the "benefits". It is a very simple matter to base the personal "benefits" I receive upon what I actually paid. They don't need to FORCE me to pay for benefits that I don't want or which exceed that which currently paid into the system. Merely REDUCING my personal "benefits" as a punishment is all that is needed. An example would be reducing them to ZERO by law AND then telling me I'm not required to pay for them AT ALL. That's all I've ever asked for. That's also all the leverage this corrupt government needs to balance the payments with the benefits and keep the program solvent. A criminal enforcement such as this one is therefore entirely unnecessary."
3. "Ladies and gentlemen of the jury, the government's management of the "benefit" program in question ought to be run like every other business. Every other business allows me to NOT buy their product if I don't like it or it costs too much. The government maliciously interferes with my ability to NOT "buy" their only product, which is "social insurance" and even puts people in jail for not buying their product. What other business can lawfully do that? And if they can do it, why can't I use the same tactic against them with the sale of my PRIVATE personal property, such as my labor and time? What you are unknowingly enforcing is in effect an unconstitutional Title of Nobility and making government into a pagan deity with superior or supernatural powers. You are forcing me to pay tithes to this government "church", refusing to hold it accountable for anything that it says or does, and using this courtroom to conduct a human sacrifice because I don't want to join their church. That clearly violates the First Amendment. The foundation of our system of law is equality of rights and equality of treatment. Here I am expecting equal treatment and you are abusing illegal franchise enforcement to DESTROY that equal treatment and not giving me the same EQUAL right to use franchises to defend myself."

## **2.13 Where franchises may lawfully be enforced**

The important thing to remember about franchises is that Congress is FORBIDDEN from creating franchises within states of the Union. Why? Because:

1. The Declaration of Independence, which is organic law, says our constitutional rights are "unalienable". It was published as organic law in the very first enactment of Congress in the first volume of the Statutes At Large.
2. An "unalienable right" is one that you AREN'T ALLOWED BY LAW to consent to give away in relation to a real, de jure government! Such a right cannot lawfully be sold, bargained away, or transferred through any commercial process, INCLUDING A FRANCHISE. Hence, even if we consent, the forfeiture of such rights is unconstitutional, unauthorized, and a violation of the fiduciary duty to the public officer we surrender them to.

*"Unalienable. Inalienable; incapable of being aliened, that is, sold and transferred."  
[Black's Law Dictionary, Fourth Edition, p. 1693]*

3. The only place you can lawfully give up constitutional rights is where they physically do not exist, which is either outside the country or among those physically present on federal territory not part of any state of the Union.



1                   *"Indeed, the practical interpretation put by Congress upon the Constitution has been long continued and uniform*  
2 *to the effect [182 U.S. 244, 279] that the Constitution is applicable to territories acquired by purchase or*  
3 *conquest, only when and so far as Congress shall so direct. Notwithstanding its duty to 'guarantee to every*  
4 *state in this Union a republican form of government' (art. 4, 4), by which we understand, according to the*  
5 *definition of Webster, 'a government in which the supreme power resides in the whole body of the people, and*  
6 *is exercised by representatives elected by them,' Congress did not hesitate, in the original organization of the*  
7 *territories of Louisiana, Florida, the Northwest Territory, and its subdivisions of Ohio, Indiana, Michigan,*  
8 *Illinois, and Wisconsin and still more recently in the case of Alaska, to establish a form of government bearing*  
9 *a much greater analogy to a British Crown colony than a republican state of America, and to vest the legislative*  
10 *power either in a governor and council, or a governor and judges, to be appointed by the President. It was not*  
11 *until they had attained a certain population that power was given them to organize a legislature by vote of the*  
12 *people. In all these cases, as well as in territories subsequently organized west of the Mississippi, Congress*  
13 *thought it necessary either to extend to Constitution and laws of the United States over them, or to declare that*  
14 *the inhabitants should be entitled to enjoy the right of trial by jury, of bail, and of the privilege of the writ of*  
15 *habeas corpus, as well as other privileges of the bill of rights."*  
16 *[Downes v. Bidwell, 182 U.S. 244 (1901)]*

- 17 4. All de jure governments are created exclusively to protect PRIVATE RIGHTS. The way you protect them is to  
18 LEAVE THEM ALONE and not burden their exercise in any way. A lawful de jure government cannot and does not  
19 protect your rights by making a business out of destroying, regulating, and taxing their exercise, implementing the  
20 business as a franchise, and hiding the nature of what they are doing as a franchise and an excise. This would cause  
21 and has caused the money changers to take over the charitable public trust and "civic temple" and make it into a  
22 warehouse in violation of the Constitutional trust indenture. This kind of money changing in fact, is the very reason  
23 that Jesus flipped tables over in the temple out of anger: Turning the bride of Christ and God's minister for justice into  
24 a WHORE. The nuns are now pimped out and the church is open for business for all the statutory "taxpayer" Johns  
25 who walk in.

26 The above explains why:

- 27 1. The geographical definitions within every franchise we have seen, including the Income Tax, Social Security, etc.,  
28 limit themselves to federal territory exclusively and include no part of any state of the Union. See 26 U.S.C. §7701, 42  
29 U.S.C. §1301, and 4 U.S.C. §110.  
30 2. The Unconstitutional Conditions Doctrine of the U.S. Supreme Court, limits what you can consent to in the context of  
31 franchises. See section 28.1 later.  
32 3. The U.S. Supreme Court held the following about licenses enforced in areas protected by the Constitution, keeping in  
33 mind that licensing implements franchises:

34                   *"... the acceptance of a license, in whatever form, will not impose upon the licensee an obligation to respect or*  
35 *to comply with any provisions of the statute . . . that are repugnant to the Constitution of the United States."*  
36 *[Power Mfg. Co. v. Saunders, 274 U.S. 490 (1927)]*

## 37 **2.14 How franchises are stealthily introduced and propagated by a corrupted government** 38 **within jurisdictions outside their territory**

39 The states of the Union are legislatively but not constitutionally foreign and alien and sovereign in respect to the national  
40 government. Maintaining that separation of legislative powers, in fact, is one of the main purposes of the United States  
41 Constitution:

42                   *"We start with first principles. The Constitution creates a Federal Government of enumerated powers. See U.S.*  
43 *Const., Art. I, 8. As James Madison wrote, "[t]he powers delegated by the proposed Constitution to the federal*  
44 *government are few and defined. Those which are to remain in the State governments are numerous and*  
45 *indefinite." The Federalist No. 45, pp. 292-293 (C. Rossiter ed. 1961). This constitutionally mandated division*  
46 *of authority "was adopted by the Framers to ensure protection of our fundamental liberties." Gregory v.*  
47 *Ashcroft, 501 U.S. 452, 458 (1991) (internal quotation marks omitted). "Just as the separation and*  
48 *independence of the coordinate branches of the Federal Government serves to prevent the accumulation of*  
49 *excessive power in any one branch, a healthy balance of power between the States and the Federal Government*  
50 *will reduce the risk of tyranny and abuse from either front." Ibid.*  
51 *[U.S. v. Lopez, 514 U.S. 549 (1995)]*

52 In order to break down this separation of powers and enact law that regulates the conduct of nonresident and alien parties  
53 domiciled in a legislatively foreign state such as a state of the Union, the national government has to use contracts and

franchises to unlawfully reach outside of federal territory. It is a maxim of law that debt and contract know no place, meaning that they can be enforced anywhere.

*Debt and contract [franchise agreement, in this case] are of no particular place.*

*Locus contractus regit actum.*

*The place of the contract [franchise agreement, in this case] governs the act.*

*[Bouvier's Maxims of Law, 1856;*

*SOURCE: <http://fanguardian.org/Publications/BouvierMaximsOfLaw/BouviarsMaxims.htm>]*

Those who are domiciled in a state of the Union, in order to acquire a “commercial existence”, identity, or right in a legislatively but not necessarily constitutionally foreign jurisdiction such as the federal zone are mandatorily required to become privileged. Here is an explanation of this phenomenon by the U.S. Supreme Court. They are talking about the CONSTITUTIONAL context. Note also that legislatively foreign and alien inhabitants who are FOREIGN NATIONALS NOT within any state of the Union must be treated as possessing an “implied license” to do business in a foreign jurisdiction, which in this case is the national government, and therefore become privileged “resident aliens”. It is also a violation of the Constitution for the national government to treat those born in or domiciled within Constitutional states of the Union the same as FOREIGN nationals because it deprives them of the “privileges and immunities of [CONSTITUTIONAL] citizens of the United States” and thereby “alienates” their constitutional rights:

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

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

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

The above is another way of expressing the operation of the Foreign Sovereign Immunities Act (F.S.I.A.), 28 U.S.C. Chapter 97, in which 28 U.S.C. §1605 identifies the criteria by which foreign sovereigns such as states of the Union, and the inhabitants within them “waive sovereignty immunity” and become subject to the jurisdiction of otherwise foreign law. Those mechanisms imply that when one “purposefully avails” himself of commerce in a foreign jurisdiction, they are to be deemed “resident aliens” within that otherwise foreign jurisdiction, but only for the purposes of THAT specific transaction and not generally.

**TITLE 28 > PART IV > CHAPTER 97 > § 1605**

**§ 1605. General exceptions to the jurisdictional immunity of a foreign state**

(a) A foreign state shall not be immune from the jurisdiction of courts of the United States or of the States in any case—

(2) **in which the action is based upon a commercial activity carried on in the United States by the foreign state; or upon an act performed in the United States in connection with a commercial activity of the foreign state elsewhere; or upon an act outside the territory of the United States in connection with a commercial activity of the foreign state elsewhere and that act causes a direct effect in the United States;**

The key is the phrase “purposeful availment”. If you did not consent to do business in the forum, and instead had your money stolen by an ignorant payroll clerk or financial institution and sent to the corrupt United States, then that government:

1. Becomes the custodian over STOLEN money.
2. Becomes a “bailee” and “transferee” in temporary possession of property rightfully belonging to the party who was the subject of unlawful withholding and/or reporting.
3. Is required to return the funds, even if no law or even the franchise agreement itself authorizes the return of funds. Hence, a statutory “tax return” available ONLY to statutory franchisees called “taxpayers” need not be filled out and a NON-statutory claim should suffice.

*“A claim against the United States is a right to demand money from the United States.”<sup>23</sup> Such claims are sometimes spoken of as gratuitous in that they cannot be enforced by suit without statutory consent.<sup>24</sup> **The general rule of non-liability of the United States does not mean that a citizen cannot be protected against the wrongful governmental acts that affect the citizen or his or her property.**<sup>25</sup> **If, for example, money or property of an innocent person goes into the federal treasury by fraud to which a government agent was a party, the United States cannot [lawfully] hold the money or property against the claim of the injured party.**<sup>26</sup>”  
[American Jurisprudence 2d, United States, §45 (1999)]*

*“When the Government has illegally received money which is the property of an innocent citizen and when this money has gone into the Treasury of the United States, there arises an implied contract on the part of the Government to make restitution to the rightful owner under the Tucker Act and this court has jurisdiction to entertain the suit.*

*90 Ct.Cl. at 613, 31 F.Supp. at 769.”*  
*[Gordon v. U.S., 227 Ct.Cl. 328, 649 F.2d. 837 (Ct.Cl., 1981)]*

California Civil Code  
Section 2224

*“One who gains a thing by fraud, accident, mistake, undue influence, the violation of a trust, or other wrongful act, is, unless he or she has some other and better right thereto, an involuntary trustee of the thing gained, for the benefit of the person who would otherwise have had it.”*

***“The United States, we have held, cannot, as against the claim of an innocent party, hold his money which has gone into its treasury by means of the fraud of its agent. While here the money was taken through mistake without element of fraud, the unjust retention is immoral and amounts in law to a fraud of the taxpayer's rights. What was said in the State Bank Case applies with equal force to this situation. ‘An action will lie whenever the defendant has received money which is the property of the plaintiff, and which the defendant is obligated by natural justice and equity to refund. The form of the indebtedness or the mode in which it was incurred is immaterial.’”***

*[Bull v. United States, 295 U.S. 247, 261, 55 S.Ct. 695, 700, 79 L.Ed. 1421]*

4. May be sued in state court under a REPLEVIN action without invoking the franchise contract because the party whose funds were stolen did not consent to be a franchisee and therefore never “purposefully availed” themselves of the franchise or the commercial consequences of the franchise.

Here is how the above process of recovering funds unlawfully taken against a nonresident party as described in the FSIA:

[TITLE 28 > PART IV > CHAPTER 97 > § 1605](#)  
[§ 1605. General exceptions to the jurisdictional immunity of a foreign state](#)

*(a) A foreign state shall not be immune from the jurisdiction of courts of the United States or of the States in any case—*

<sup>23</sup> United States ex rel. Angarica v Bayard, 127 U.S. 251, 32 L.Ed. 159, 8 S.Ct. 1156, 4 A.F.T.R. 4628 (holding that a claim against the Secretary of State for money awarded under a treaty is a claim against the United States); Hobbs v McLean, 117 U.S. 567, 29 L.Ed. 940, 6 S.Ct. 870; Manning v Leighton, 65 Vt. 84, 26 A. 258, motion dismd 66 Vt. 56, 28 A. 630 and (disapproved on other grounds by Button's Estate v Anderson, 112 Vt. 531, 28 A.2d. 404, 143 A.L.R. 195).

<sup>24</sup> Blagge v Balch, 162 U.S. 439, 40 L.Ed. 1032, 16 S.Ct. 853.

<sup>25</sup> Wilson v Shaw, 204 U.S. 24, 51 L.Ed. 351, 27 S.Ct. 233.

<sup>26</sup> Bull v. United States, 295 US 247, 79 L.Ed. 1421, 55 S.Ct. 695, 35-1 USTC ¶ 9346, 15 AFTR 1069; United States v State Bank, 96 US 30, 96 Otto 30, 24 L.Ed. 647.

(3) in which rights in property taken in violation of international law are in issue and that property or any property exchanged for such property is present in the United States in connection with a commercial activity carried on in the United States by the foreign state; or that property or any property exchanged for such property is owned or operated by an agency or instrumentality of the foreign state and that agency or instrumentality is engaged in a commercial activity in the United States;

Below is the sequence of events that creates implied consent to the franchise, creates the statutory civil “person”, “individual”, and “resident”, transports your identity to federal territory, places it within the jurisdiction of a federal FRANCHISE court, and creates what the courts call a “federal question” to be heard ONLY in a federal court. In other words, the franchise agreement dictates choice of law that kidnaps your identity and moves it outside the protections of state law and the constitution and onto federal territory.

1. Through deceit, fraud, and adhesion contracts within financial account applications and employment withholding paperwork, you are illegally coerced to apply to receive and become a custodian of government property. The legal definition of “public office” confirms that a public officer is, in fact, someone who manages public property. The property you receive is the Social Security Card, Social Security Number, and the Taxpayer Identification Number. These numbers act as the equivalent of de facto license numbers giving permission from the state for you to engage in “the functions of a public office”. IRS Regulations at 26 C.F.R. §301.6109-1 confirm that the use of the number is ONLY mandatory in the case of those engaging in a “trade or business”, which is defined in 26 U.S.C. §7701(a)(26) as “the functions of a public office”.

***“Public office.** The right, authority, and duty created and conferred by law, by which for a given period, either fixed by law or enduring at the pleasure of the creating power, an individual is invested with some portion of the sovereign functions of government for the benefit of the public. Walker v. Rich, 79 Cal.App. 139, 249 P. 56, 58. An agency for the state, the duties of which involve in their performance the exercise of some portion of the sovereign power, either great or small. Yaselli v. Goff, C.C.A., 12 F.2d. 396, 403, 56 A.L.R. 1239; Lacey v. State, 13 Ala.App. 212, 68 So. 706, 710; Curtin v. State, 61 Cal.App. 377, 214 P. 1030, 1035; Sheldmadine v. City of Elkhart, 75 Ind.App. 493, 129 N.E. 878. State ex rel. Colorado River Commission v. Frohmiller, 46 Ariz. 413, 52 P.2d. 483, 486. Where, by virtue of law, a person is clothed, not as an incidental or transient authority, but for such time as de- notes duration and continuance, with Independent power to control the property of the public, or with public functions to be exercised in the supposed interest of the people, the service to be compensated by a stated yearly salary, and the occupant having a designation or title, the position so created is a public office. State v. Brennan, 49 Ohio.St. 33, 29 N.E. 593. [Black’s Law Dictionary, Fourth Edition, p. 1235]*

2. The USE of said public property and de facto license and the number that goes with it constitutes “prima facie implied consent” to engage in the franchise and accept all of its terms and conditions. Hence, your implied consent makes you into a PRESUMED, DE FACTO public officer and transferee managing federal property. Any commercial transaction you connect the de facto license number to constitutes consent to donate the FRUITS of the transaction to a public purpose in order to receive the benefits of a government franchise.
3. Implied consent to the franchise contract creates “agency” on the part of the applicant. All contracts create agency, which as a bare minimum consists of delivering the “consideration” called for under the contract. The courts and the government illegally treat this agency as a public office as described in 26 U.S.C. §7701(a)(26). They do this unlawfully, because NO WHERE in the I.R.C. are the creation of any new public offices in the government authorized by the use of any tax form or any identifying number. The “consideration” they define by fiat as consisting of obedience to the laws and dictates of a legislatively foreign jurisdiction.
4. Third parties are LIED TO by the IRS into producing FALSE legal evidence that connects PRIVATE people with a public office. For instance, IRS FALSELY tells everyone that:
  - 4.1. Every payment IN A LEGISLATIVELY FOREIGN JURISDICTION AND OUTSIDE THEIR TERRITORY must be reported using information returns such as IRS Forms W-2, 1042-S, 1098, and 1099.
  - 4.2. The reports MUST contain Taxpayer Identification Numbers, Employer Identification Numbers, and Social Security Numbers, all of which are ONLY mandatory in the case of those lawfully occupying a public office in ONLY the District of Columbia and not elsewhere pursuant to 4 U.S.C. §72.This has the practical effect of “electing” third parties into a public office without their consent, and in most cases ALSO without even their knowledge. Since they aren’t aware how the SCAM works, they never bother to rebut the FALSE evidence and hence, are compelled to act as a de facto public officer in criminal violation of 18 U.S.C. §912 and to satisfy all the obligations of the office WITHOUT any real compensation. See:

Correcting Erroneous Information Returns, Form #04.001

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

5. The public office (the “trade or business”) that is fraudulently created using your implied consent means that you:

- 5.1. Are acting in a representative capacity on behalf of a federal corporation, which in this case is the national government.
- 5.2. Are a statutory “U.S. citizen”, because the United States federal corporation you represent is a statutory but not constitutional citizen.

*“A corporation is a citizen, resident, or inhabitant of the state or country by or under the laws of which it was created, and of that state or country only.”*  
[19 Corpus Juris Secundum (C.J.S.), Corporations, §886 (2003)]

6. Federal Rule of Civil Procedure 17(b) is used to transport your identity to the District of Columbia, because that is where “U.S. Inc.” is domiciled and located, who is the REAL party in interest for those acting in a representative capacity.

IV. PARTIES > Rule 17.  
Rule 17. Parties Plaintiff and Defendant; Capacity

*(b) Capacity to Sue or be Sued.*

**Capacity to sue or be sued is determined as follows:**

**(1) for an individual who is not acting in a representative capacity, by the law of the individual's domicile;**  
**(2) for a corporation[the “United States”, in this case, or its officers on official duty representing the corporation], by the law under which it was organized [laws of the District of Columbia]; and**  
**(3) for all other parties, by the law of the state where the court is located, except that:**  
*(A) a partnership or other unincorporated association with no such capacity under that state's law may sue or be sued in its common name to enforce a substantive right existing under the United States Constitution or laws; and*  
*(B) 28 U.S.C. §§754 and 959(a) govern the capacity of a receiver appointed by a United States court to sue or be sued in a United States court.*  
[SOURCE: <http://www.law.cornell.edu/rules/frcp/Rule17.htm>]

7. The franchise contract is then used to transport your identity against your will to the domicile of “U.S. Inc.” in the District of Criminals. For example, 26 U.S.C. §7701(a)(39) and 26 U.S.C. §7408(d) are used to transport your identity to the District of Columbia under the I.R.C. The “citizen or resident” they are talking about is the PUBLIC OFFICE, and NOT the human being and OFFICER filling the office.

TITLE 26 > Subtitle F > CHAPTER 79 > § 7701  
§ 7701. Definitions

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

*(39) Persons residing outside United States*

*If any citizen or resident of the United States does not reside in (and is not found in) any United States judicial district, such citizen or resident **shall be treated as residing in the District of Columbia for purposes of any provision of this title** relating to—*

*(A) jurisdiction of courts, or*

*(B) enforcement of summons*

TITLE 26 > Subtitle F > CHAPTER 76 > Subchapter A > § 7408  
§ 7408. Actions to enjoin specified conduct related to tax shelters and reportable transactions

*(d) Citizens and residents outside the United States*

*If any citizen or resident of the United States does not reside in, and does not have his principal place of business in, any United States judicial district, such citizen or resident **shall be treated for purposes of this section as residing in the District of Columbia.***



## 2.15 How private parties abuse franchises to compel you to contract with the government

Since all franchises are contracts or agreements that acquire the force of law ONLY by your express or implied consent, then any of the following activities represent an attempt to contract with the government grantor of the franchise:

1. Using a government form available only to franchisees.
2. Invoking or claiming any status within a government franchise. Such statuses include the following statutory statuses:
  - 2.1. "U.S. citizen", "U.S. resident", "U.S. person", or "taxpayer" (under the Internal Revenue Code).
  - 2.2. "Employee" under 26 U.S.C. §3401(c) .
  - 2.3. "Employer" under 26 U.S.C. §3401(d) .
  - 2.4. "Spouse" (under the family code of your state).
  - 2.5. "Driver" (under the vehicle code of your state).
  - 2.6. "Buyer" or "Seller" (under the FIRPTA provisions of the I.R.C., as described in Income Taxation of Real Estate Sales, Form #05.028).
3. Invoking or claiming any right or privilege within a government franchise. For instance:
  - 3.1. Receiving or being eligible to receive Social Security Benefits.
  - 3.2. Invoking a graduated and thereby REDUCED rather than fixed rate of tax under 26 U.S.C. §1.
  - 3.3. Invoking Earned income Credits under 26 U.S.C. §32.
  - 3.4. Invoking "trade or business" deductions available ONLY to those lawfully engaged in a public office within the U.S. and not State government under 26 U.S.C. §162.

As a risk reduction strategy, the legal departments of most companies will insist that all the people they deal with AGREE or CONSENT to be in a privileged state by insisting that they meet one of the above criteria. This is their technique essentially of:

1. Producing evidence to defend themselves from damages they cause to their clients by their ILLEGAL honoring of a levy or lien against a "nontaxpayer".
2. Producing evidence that you CONSENTED to be privileged, and therefore do not have standing in court to claim an injury against them.
3. Preventing themselves from becoming the target for IRS enforcement because they might be misconstrued as violating provisions within the I.R.C. "trade or business" franchise agreement.

Keenly aware of the above, private companies such as escrow companies, financial services companies, businesses, and employers typically will tacitly compel you to contract with the government using the following means:

1. Invoking statutory franchise statuses on their application forms for service or the contracts (real estate sales contracts, for instance) that are the output of their services.
2. Saying they won't do business with you or provide the service you contract with them for unless:
  - 2.1. You invoke a statutory franchise status.
  - 2.2. You agree not to remove references to statutory statuses on their forms or output of their services.
  - 2.3. Submit knowingly FALSE withholding forms that misrepresent your status as a statutory "individual", "nonresident alien individual", or "taxpayer".
3. Secretly filing reports that connect you to franchise statuses without your knowledge, as retribution for insisting that they NOT misrepresent your status in their records. Such reports include
  - 3.1. Currency Transaction Report (CTR), Form 8300. See:

*Demand for Verified Evidence of "Trade or Business" Activity: Currency Transaction Report*, Form #04.008  
<http://sedm.org/Forms/FormIndex.htm>
  - 3.2. Suspicious Activity Report (SAR) filed with the FINCEN of the Dept. of Treasury.

As an example of the above, here is a provision that a real estate escrow company put within a sales contract that FORCES the Seller to be subject to FIRPTA who would not otherwise be, as a precondition of the sale. Any astute reader will ensure that such provisions are NOT in THEIR land sale contract. This is an example of PRIVATE PARTIES compelling you into a privileged state and therefore destroying your constitutional rights.

**Figure 1: FIRPTA provision within land sale contract**

- 3i. 130. **IRS and FIRPTA Reporting:** Seller agrees to comply with IRS reporting requirements. If applicable, Seller agrees to complete, sign, 131. and deliver to Escrow Company a certificate indicating whether Seller is a foreign person or a non-resident alien pursuant to the 132. Foreign Investment in Real Property Tax Act ("FIRPTA"). Buyer and Seller acknowledge that if the Seller is a foreign person, the 133. Buyer must withhold a tax equal to 10% of the purchase price, unless an exemption applies.

1

2 The following defensive strategies should be pointed out in response to such CRIMINAL tactics by escrow companies:

- 3 1. FIRPTA only pertains to "United States" properties, which are properties physically located in a territory or possession  
4 in which the United States government has outright or equity ownership of the entire property or a portion thereof.  
5 This is covered in Forms #04.214, and 05.028.
- 6 2. An exclusively PRIVATE party who is not managing PUBLIC property does not have any status under the I.R.C. All  
7 "individuals" within the Internal Revenue Code are public officers or instrumentalities within the U.S. government.
- 8 3. By including the above provision within a land sale contract against an otherwise exclusively PRIVATE party who is  
9 not a public officer "taxpayer", they are acting as the equivalent of employment recruiters for the national government,  
10 and doing so ILLEGALLY and in violation of 18 U.S.C. §§912, 201, 208, and 210.
- 11 4. One cannot, by exercising their right to contract with an otherwise PRIVATE party, LAWFULLY do any of the  
12 following without criminally impersonating a public officer within the U.S. Government:
- 13 4.1. Invoke any franchise status, including "individual", "nonresident alien INDIVIDUAL", "taxpayer", "person", etc.  
14 4.2. Invoke any privilege, payment, or "benefit" within a franchise. It is ILLEGAL for the government to pay  
15 "benefits" to exclusively PRIVATE parties or to abuse their taxing power to redistribute wealth or "benefits"  
16 among otherwise PRIVATE parties.
- 17 5. An exclusively PRIVATE party not acting as a public officer within the U.S. government at the time of executing the  
18 above transaction would be committing perjury under penalty of perjury to sign any form that connects them to any  
19 franchise status, benefit, or eligibility for benefit in violation of [18 U.S.C. §1542](#), [18 U.S.C. §1001](#), and [18 U.S.C.](#)  
20 [§1621](#) if the document or any of its attachments require a perjury statement.
- 21 6. All attempts by third parties you do business with that encourage you to put knowingly false statements on the  
22 application for their services of the output of their services constitute a conspiracy to commit perjury.
- 23 7. It is VERY important to define ALL terms on all forms you fill out as being OTHER than the terms used in any state or  
24 federal law. The contract provisions above, for instance, did not precisely define all terms, thus delegating UNDUE  
25 DISCRETION to both the clerk receiving the form or the judge or jury viewing the form in future legal proceeding to  
26 define the term in a way that needlessly benefits the government at your expense. The following form prevents such  
27 abuse of language in the context of taxation and is an excellent and highly recommended way to prevent such abuses:

[Tax Form Attachment](#), Form #04.201  
<http://sedm.org/Forms/FormIndex.htm>

- 28 8. All forms signed under penalty of perjury become testimony of a witness. It is a crime in violation of 18 U.S.C. §1512  
29 and state law to tamper with, advise, or threaten such a witness to change or alter their testimony, and especially to  
30 change it to something that they KNOW is false. That means they can't threaten you, withhold service from you, or  
31 punish you in any way because they don't like what you put on their forms, or don't like the attachments you mandate  
32 to their forms.
- 33 9. To protect oneself from such stealthful attempts by third parties to recruit you into a public office in the government,  
34 you should ensure that the crimes and misrepresentations described herein are thoroughly and completely documented  
35 IN WRITING in the administrative record of the party who attempted it AND in your own records, and that such  
36 documentation is served upon them with the following form providing proof that you formally did so. This will  
37 produce the evidence you will later need to prosecute the perpetrator of these injuries. They will try to avoid this by  
38 talking with you on the phone or in person, but you should hang up the phone and tell them you want their responses  
39 and ALL communications IN WRITING signed by a specific person in the company so that they CANNOT avoid  
40 producing evidence admissible in court of their own wrongdoing:

[Certificate/Proof/Affidavit of Service](#), Form #01.002  
<http://sedm.org/Forms/FormIndex.htm>

41 The greatest irony of all is that governments are CREATED to PROTECT your right to PRIVATELY CONTRACT, and yet  
42 every opportunity where you could invoke their authority to protect the exercise of that right turns into an opportunity to  
43 FORCE you to contract with THEM under THEIR franchises. They in effect through deceptive "words of art" attempt to  
44 INSERT themselves as parties INTO EVERY contract, and then use that relationship to STEAL FROM, and ENSLAVE both  
45 parties to the contract to themselves and extract AS MUCH wealth from the transaction as they want without contributing  
46 ANYTHING to the transaction that either party regards as having any value at all. That's TOTALLY EVIL. The right to

contract, if it is a right at all, certainly includes the right to contract the government OUT of the relationship between the parties. The reason for this is found in the legal definition of “property”, the essence of which is the RIGHT TO EXCLUDE ALL OTHERS from using or “benefitting” from said property. Below is how the U.S. Supreme Court describes the right of the federal government to INTERFERE with rather than PROTECT your PRIVATE right to contract:

Independent of these views, there are many considerations which lead to the conclusion that the power to impair contracts, by direct action to that end, does not exist with the general government. In the first place, one of the objects of the Constitution, expressed in its preamble, was the establishment of justice, and what that meant in its relations to contracts is not left, as was justly said by the late Chief Justice, in *Hepburn v. Griswold*, to inference or conjecture. As he observes, at the time the Constitution was undergoing discussion in the convention, the Congress of the Confederation was engaged in framing the ordinance for the government of the Northwestern Territory, in which certain articles of compact were established between the people of the original States and the people of the Territory, for the purpose, as expressed in the instrument, of extending the fundamental principles of civil and religious liberty, upon which the States, their laws and constitutions, were erected. By that ordinance it was declared, that, in the just preservation of rights and property, 'no law ought ever to be made, or have force in the said Territory, that shall, in any manner, interfere with or affect private contracts or engagements bona fide and without fraud previously formed.' The same provision, adds the Chief Justice, found more condensed expression in the prohibition upon the States against impairing the obligation of contracts, which has ever been recognized as an efficient safeguard against injustice; and though the prohibition is not applied in terms to the government of the United States, he expressed the opinion, speaking for himself and the majority of the court at the time, that it was clear 'that those who framed and those who adopted the Constitution intended that the spirit of this prohibition should pervade the entire body of legislation, and that the justice which the Constitution was ordained to establish was not thought by them to be compatible with legislation of an opposite tendency.' 8 Wall. 623. [99 U.S. 700, 765] Similar views are found expressed in the opinions of other judges of this court. In *Calder v. Bull*, which was here in 1798, Mr. Justice Chase said, that there were acts which the Federal and State legislatures could not do without exceeding their authority, and among them he mentioned a law which punished a citizen for an innocent act; a law that destroyed or impaired the lawful private contracts of citizens; a law that made a man judge in his own case; and a law that took the property from A. and gave it to B. 'It is against all reason and justice,' he added, 'for a people to intrust a legislature with such powers, and therefore it cannot be presumed that they have done it. They may command what is right and prohibit what is wrong; but they cannot change innocence into guilt, or punish innocence as a crime, or violate the right of an antecedent lawful private contract, or the right of private property. To maintain that a Federal or State legislature possesses such powers if they had not been expressly restrained, would, in my opinion, be a political heresy altogether inadmissible in all free republican governments.' 3 Dall. 388.

In *Ogden v. Saunders*, which was before this court in 1827, Mr. Justice Thompson, referring to the clauses of the Constitution prohibiting the State from passing a bill of attainder, an ex post facto law, or a law impairing the obligation of contracts, said: 'Neither provision can strictly be considered as introducing any new principle, but only for greater security and safety to incorporate into this charter provisions admitted by all to be among the first principles of our government. No State court would, I presume, sanction and enforce an ex post facto law, if no such prohibition was contained in the Constitution of the United States; so, neither would retrospective laws, taking away vested rights, be enforced. Such laws are repugnant to those fundamental principles upon which every just system of laws is founded.'

In the *Federalist*, Mr. Madison declared that laws impairing the obligation of contracts were contrary to the first principles of the social compact and to every principle of sound legislation; and in the *Dartmouth College Case* Mr. Webster contended that acts, which were there held to impair the obligation of contracts, were not the exercise of a power properly legislative, [99 U.S. 700, 766] as their object and effect was to take away vested rights. 'To justify the taking away of vested rights,' he said, 'there must be a forfeiture, to adjudge upon and declare which is the proper province of the judiciary.' Surely the Constitution would have failed to establish justice had it allowed the exercise of such a dangerous power to the Congress of the United States.

In the second place, legislation impairing the obligation of contracts impinges upon the provision of the Constitution which declares that no one shall be deprived of his property without due process of law; and that means by law in its regular course of administration through the courts of justice. Contracts are property, and a large portion of the wealth of the country exists in that form. Whatever impairs their value diminishes, therefore, the property of the owner; and if that be effected by direct legislative action operating upon the contract, forbidding its enforcement or transfer, or otherwise restricting its use, the owner is as much deprived of his property without due process of law as if the contract were impounded, or the value it represents were in terms wholly or partially confiscated.  
[*Sinking Fund Cases*, 99 U.S. 700 (1878)]

## 2.16 How franchises are abused as snares by corrupt rulers to trap and enslave the innocent and the ignorant and Undermine the Constitutional separation of powers

Franchises are the method of choice in a free society by which the innocent, the sinful, or the ignorant are cunningly snared, abused and enslaved to the whims of civil rulers LAWFULLY.

*“The hand of the diligent will rule, but the lazy man will be put to **forced labor** [slavery!].”  
[Prov. 12:24, Bible, NKJV]*

Since participation is at least theoretically consensual and contractual, then no one who participates can claim an injury cognizable in a real, Article III court under the common law:

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

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

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

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

Everything the government gives you or promises you, and which is commonly called a “benefit” is, in fact, a snare used to entice you into servitude to them because everything they give you will always have strings attached. The snare is not physical, but legal and contractual. The mechanism of the snare works as follows:

### *Catching Wild Pigs*

*A chemistry professor in a large college had some exchange students in the class. One day while the class was in the lab the Professor noticed one young man (exchange student) who kept rubbing his back, and stretching as if his back hurt.*

*The professor asked the young man what was the matter. The student told him he had a bullet lodged in his back. He had been shot while fighting communists in his native country who were trying to overthrow his country's government and install a new communist government.*

*In the midst of his story he looked at the professor and asked a strange question. He asked, 'Do you know how to catch wild pigs?'*

*The professor thought it was a joke and asked for the punch line. The young man said this was no joke. 'You catch wild pigs by finding a suitable place in the woods and putting corn on the ground. The pigs find it and begin to come every day to eat the free corn. When they are used to coming every day, you put a fence down one side of the place where they are used to coming. When they get used to the fence, they begin to eat the corn again and you put up another side of the fence. They get used to that and start to eat again. You continue until you have all four sides of the fence up with a gate in the last side. The pigs, who are used to the free corn, start to come through the gate to eat, you slam the gate on them and catch the whole herd.*

*Suddenly the wild pigs have lost their freedom. They run around and around inside the fence, but they are caught. Soon they go back to eating the free corn. They are so used to it that they have forgotten how to forage in the woods for themselves, so they accept their captivity.*

*The young man then told the professor that is exactly what he sees happening to America. The government keeps pushing us toward socialism and keeps spreading the free corn out in the form of programs such as supplemental income, tax credit for unearned income, tobacco subsidies, dairy subsidies, payments not to plant crops (CRP), welfare, medicine, drugs, etc.. While we continually lose our freedoms -- just a little at a time.*

*One should always remember: There is no such thing as a free lunch! Also, a politician will never provide a service for you cheaper than you can do it yourself.*

Also, if you see that all of this wonderful government 'help' is a problem confronting the future of democracy in America, you might want to send this on to your friends. If you think the free ride is essential to your way of life then you will probably delete this email, but God help you when the gate slams shut!

Keep your eyes on the newly elected politicians who are about to slam the gate on America.

Those who want to trap animals lay out “bait” and rig the door of the trap to slam shut when the animal grabs the bait. People can be trapped just as easily as animals and it happens all the time. For the government, this “bait” is called “benefits”. You “grab” or consume this bait by filling out an “application” such as an SSA Form SS-5, or IRS Forms W-7 or W-9. The courts call this process of grabbing the bait and waiving your sovereign immunity “purposeful availment”.<sup>27</sup> Beyond the point of taking the bait, you are effectively treated as a public officer in the government corporation or what the U.S. Supreme Court calls “the body corporate”. Hence, the “cage”, from a legal perspective, is a corporation and the animal in the cage is a public officer. Why? Because the government can’t lawfully pay public funds to private people. Therefore, you must be assimilated into the government corporation as a public officer and a public “person” in order to lawfully receive the payment or “benefit” and in effect, become one of them.

To lay, with one hand, the power of the government on the property of the citizen, and with the other to bestow it upon favored individuals to aid private enterprises and build up private fortunes, is none the less a robbery because it is done under the forms of law and is called taxation. This is not legislation. It is a decree under legislative forms.

Nor is it taxation. ‘A tax,’ says Webster’s Dictionary, ‘is a rate or sum of money assessed on the person or property of a citizen by government for the use of the nation or State.’ ‘Taxes are burdens or charges imposed by the Legislature upon persons or property to raise money for public purposes.’ Cooley, Const. Lim., 479.

Coulter, J., in *Northern Liberties v. St. John’s Church*, 13 Pa.St. 104 says, very forcibly, ‘I think the common mind has everywhere taken in the understanding that taxes are a public imposition, levied by authority of the government for the purposes of carrying on the government in all its machinery and operations—that they are imposed for a public purpose.’ See, also *Pray v. Northern Liberties*, 31 Pa.St., 69; *Matter of Mayor of N.Y.*, 11 Johns., 77; *Camden v. Allen*, 2 Dutch., 398; *Sharpless v. Mayor*, supra; *Hanson v. Vernon*, 27 Ia., 47; *Whiting v. Fond du Lac*, supra.”  
[[Loan Association v. Topeka](#), 20 Wall. 655 (1874) ]

<sup>27</sup> See, for instance, [Yahoo! Inc. v. La. Ligue Contre Le Racisme Et L’Antisemitisme](#), 433 F.3d. 1199 (9th Cir. 01/12/2006), in which the court held the following, which is entirely consistent with the Foreign Sovereign Immunities Act (F.S.I.A.), 28 U.S.C. §1605 et seq:

*In this circuit, we analyze specific jurisdiction according to a three-prong test:*

*(1) The non-resident defendant must purposefully direct his activities or consummate some transaction with the forum or resident thereof; or perform some act by which he purposefully avails himself of the privilege of conducting activities in the forum, thereby invoking the benefits and protections of its laws;*

*(2) the claim must be one which arises out of or relates to the defendant's forum-related activities; and*

*(3) the exercise of jurisdiction must comport with fair play and substantial justice, i.e. it must be reasonable.*

*Schwarzenegger v. Fred Martin Motor Co.*, 374 F.3d. 797, 802 (9th Cir. 2004) (quoting *Lake v. Lake*, 817 F.2d. 1416, 1421 (9th Cir. 1987)). The first prong is determinative in this case. We have sometimes referred to it, in shorthand fashion, as the “purposeful availment” prong. *Schwarzenegger*, 374 F.3d. at 802. Despite its label, this prong includes both purposeful availment and purposeful direction. It may be satisfied by purposeful availment of the privilege of doing business in the forum; by purposeful direction of activities at the forum; or by some combination thereof.

We have typically treated “purposeful availment” somewhat differently in tort and contract cases. In tort cases, we typically inquire whether a defendant “purposefully direct[s] his activities” at the forum state, applying an “effects” test that focuses on the forum in which the defendant’s actions were felt, whether or not the actions themselves occurred within the forum. See *Schwarzenegger*, 374 F.3d. at 803 (citing *Calder v. Jones*, 465 U.S. 783, 789-90 (1984)). By contrast, in contract cases, we typically inquire whether a defendant “purposefully avails itself of the privilege of conducting activities” or “consummate[s] [a] transaction” in the forum, focusing on activities such as delivering goods or executing a contract. See *Schwarzenegger*, 374 F.3d. at 802. However, this case is neither a tort nor a contract case. Rather, it is a case in which Yahoo! argues, based on the First Amendment, that the French court’s interim orders are unenforceable by an American court.



Why must they assimilate you into the federal corporation and “body corporate” called “government” as a public officer rather than just a private worker or simply a human being? Because the only human beings they can lawfully impose duties upon are those who consent to do so by contract and all franchises are contracts between the government grantor and the formerly private person. Otherwise, the Thirteenth Amendment prohibits “involuntary servitude”. It doesn’t prohibit **VOLUNTARY SERVITUDE**.

Like every type of animal trap, the cage or trap is chained to the ground and destroys the mobility, liberty, sovereignty, and freedom of those who eat or who are even eligible to eat the “bait”. That cage, in legal contemplation, is portable and can be moved wherever the owner deems proper for their malicious purposes. By examining 26 U.S.C. §§7701(a)(9) and (a)(10), 7701(a)(39), and §7408(d), we see that both the cage and the headquarters of Babylon the Great Harlot federal corporation called the “United States” is the District of Columbia, or what Mark Twain calls “The District of Criminals”. Therefore you are chained to the District of Criminals because you are representing an office in the District of Columbia. The chain or cage:

1. Attaches to you at the point you consent by filling out the application for the “benefit”. Even if you were threatened and intimidated to fill out the form and thereby render it void, the government will look the other way by deliberately omitting to prosecute the source of the duress because doing so would stop the legal plunder.
2. Consists of the franchise contract that obligates you, the trapped animal, into economic and political servitude to the whims of bureaucrats in the government. This is your half of the “consideration” that forms the contract.
3. Attaches you to a legal “status” such as that of a statutory “taxpayer” (26 U.S.C. §7701(a)(14) ), “citizen” (8 U.S.C. §1401), “benefit recipient”, or “federal personnel” (see 5 U.S.C. §552a(a)(12)). Only those who have this “status” can be the object of enforcement of the franchise contract. This status can ONLY be procured through your consent, as demonstrated in the following:

*Your Exclusive Right to Declare or Establish Your Civil Status, Form #13.008*  
<http://sedm.org/Forms/FormIndex.htm>

The following document proves that the “bait” or “benefit” they snare you with, like the bait in real animal traps, was actually worth NOTHING from a legal standpoint because it created no real “right” to anything cognizable in a REAL court of law. So they create FAKE franchise courts that FALSELY PRETEND like it is a “benefit” and then charge you for the PRIVILEGE of participating:

*The Government “Benefits” Scam, Form #05.040*  
<http://sedm.org/Forms/FormIndex.htm>

We document visually how the government franchise TRAP works in the following video on our website:

*How to Leave the Government Farm, Form #12.020*  
<https://youtu.be/Mp1gJ3iF2Ik>

None of these concepts ought to be new or unfamiliar to Christians who regularly read the word of God. The very first city described in the Bible, which was Babylon, was established by a man name Nimrod who was described as a “mighty hunter”. What he hunted were MEN, and he did so by establishing cities full of “benefits” to lure them into the city from out of their agrarian primitive dwellings. To wit:

*Cush begot Nimrod; he began to be a mighty one on the earth. He was a mighty hunter before the LORD; therefore it is said, “Like Nimrod the mighty hunter before the LORD.” And the beginning of his kingdom was Babel, Erech, Accad, and Calneh, in the land of Shinar. From that land he went to Assyria and built Nineveh, Rehoboth Ir, Calah, and Resen between Nineveh and Calah (that is the principal city). [Gen. 10:8-12, Bible, NKJV]*

You can learn the story of Nimrod by listening to the following sermon on our website:

SEDM Sermons Page, Section 5.1: Statism  
<http://sedm.org/Sermons/Sermons.htm>

The following video very powerfully proves that all present nations and countries are, in fact, simply “people farms” for “government livestock”, where YOU are the livestock!:

The Bible also speaks directly, through the Prophet Jeremiah, about those “who devise evil by law” as a way to trap and enslave men. The “snares” they are referring to, at least in the area of government and the legal field, are franchises. The phrase “fearing the Lord” is defined in Proverbs 8:13 as hating, and by implication punishing and preventing, violation of God’s laws such as those described here:

*“Let U.S. now fear the LORD our God,  
Who gives rain, both the former and the latter, in its season.  
He reserves for U.S. the appointed weeks of the harvest.”  
Your iniquities have turned these things away, [filling out government forms for “benefits”]  
**And your sins have withheld good from you.**  
**‘ For among My people are found wicked men [the District of Criminals, who are foreigners posing as protectors];**  
**They lie in wait as one who sets snares;**  
**They set a trap;**  
**They catch men.**  
As a cage is full of birds,  
So their houses are full of deceit. [in their usurious “codes” that are not law, but contracts]  
Therefore they have become great and grown rich. [by stealing and spending TRILLIONS of dollars from those who were unjustly compelled to participate in government franchises]  
They have grown fat, they are sleek;  
Yes, they surpass the deeds of the wicked;  
They do not plead the cause, [who pleads such a cause?: LAWYERS!]  
The cause of the fatherless; [or the “nontaxpayer”]  
Yet they prosper,  
And the right of the needy [or the “nontaxpayer”] they do not defend.  
**Shall I not punish them for these things?’ says the LORD.**  
  
‘ Shall I not avenge Myself on such a nation as this?’  
**“ An astonishing and horrible thing**  
**Has been committed in the land:**  
The prophets [pastors in 501c3 “privileged” churches] prophesy falsely,  
**And the priests [judges, who preside over a civil religion of socialism that worships the “state”] rule by their own power;**  
**And My people love to have it so.**  
**But what will you do in the end?”**  
[Jeremiah 5:24-31, Bible, NKJV]*

It is interesting to note that our most revered founding fathers understood these concepts and warned against engaging in contracts or alliances, and by implication “franchises”, with any government, when they said:

*“My ardent desire is, and my aim has been...to comply strictly with all our engagements foreign and domestic;  
**but to keep the United States free from political connections with every other Country. To see that they may be independent of all, and under the influence of none. In a word, I want an American character, that the powers of Europe may be convinced we act for ourselves and not for others** [as “public officers”]; this, in my judgment, is the only way to be respected abroad and happy at home.”  
[George Washington, (letter to Patrick Henry, 9 October 1775);  
Reference: The Writings of George Washington, Fitzpatrick, ed., vol. 34 (335)]*

*“About to enter, fellow citizens, on the exercise of duties which comprehend everything dear and valuable to you, it is proper that you should understand what I deem the essential principles of our government, and consequently those which ought to shape its administration. I will compress them within the narrowest compass they will bear, stating the general principle, but not all its limitations. Equal and exact justice to all men, of whatever state or persuasion, religious or political; **peace, commerce, and honest friendship with all nations – entangling alliances [contracts, treaties, franchises] with none;**”  
[Thomas Jefferson, First Inaugural Address, March 4, 1801]*

The Bible also disdains contracts, covenants, and franchises with those who are not believers and especially with foreign governments:

*“Take heed to yourself, lest you make a covenant or mutual agreement [contract, franchise agreement] with the inhabitants of the land to which you go, lest it become a snare in the midst of you.”  
[Exodus 34:12, Bible, Amplified version]*

Franchises are the main method by which malicious public servants in the government have systematically and surreptitiously:

1. Corrupted the original purpose of the charitable public trust called “government” and usurped it in order to:
  - 1.1. Unconstitutionally expand their power and influence.
  - 1.2. Increase the pecuniary benefits of those serving the government.
  - 1.3. Deprive most Americans of equal protection that is the foundation of the United States Constitution.
2. Exceeded their territorial jurisdiction very deliberately put there for the protection of private rights.

*Debitum et contractus non sunt nullius loci.*

*Debt and contract [franchise agreement, in this case] are of no particular place.*

*Locus contractus regit actum.*

*The place of the contract [franchise agreement, in this case] governs the act.*

[Bouvier's Maxims of Law, 1856;

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

3. Destroyed the separation of powers between the states and the federal government put there by the founding fathers for the protection of our liberties. Franchises are abused to pay bribes to state officials to disregard and invade the rights of those under their care and protection by condoning the illegal enforcement of federal statutory civil law and within their borders. See:

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

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

4. Enforced federal statutory law directly against persons domiciled outside their territorial jurisdiction in states of the Union who do not work for the government and avoided the requirement to publish implementing enforcement regulations in the Federal Register. See:

*Federal Enforcement Authority Within States of the Union*, Form #05.032

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

5. Introduced and expanded communism and socialism within America and inducted Americans unwittingly into the service of these causes:

TITLE 50 > CHAPTER 23 > SUBCHAPTER IV > Sec. 841.

Sec. 841. – Findings and declarations of fact

*The Congress finds and declares that the Communist Party of the United States [consisting of the IRS, DOJ, and a corrupted federal judiciary], although purportedly a political party, is in fact an instrumentality of a conspiracy to overthrow the [de jure] Government of the United States [and replace it with a de facto government ruled by the judiciary]. It constitutes an authoritarian dictatorship [IRS, DOJ, and corrupted federal judiciary in collusion] within a [constitutional] republic, demanding for itself the rights and [FRANCHISE] privileges [including immunity from prosecution for their wrongdoing in violation of Article I, Section 9, Clause 8 of the Constitution] accorded to political parties, but denying to all others the liberties [Bill of Rights] guaranteed by the Constitution [Form #10.002]. Unlike political parties, which evolve their policies and programs through public means, by the reconciliation of a wide variety of individual views, and submit those policies and programs to the electorate at large for approval or disapproval, the policies and programs of the Communist Party are secretly [by corrupt judges and the IRS in complete disregard of, Form #05.014, the tax franchise “codes”, Form #05.001] prescribed for it by the foreign leaders of the world Communist movement [the IRS and Federal Reserve]. Its members [the Congress, which was terrorized to do IRS bidding by the framing of Congressman Traficant] have no part in determining its goals, and are not permitted to voice dissent to party objectives. Unlike members of political parties, members of the Communist Party are recruited for indoctrination [in the public FOOL system by homosexuals, liberals, and socialists] with respect to its objectives and methods, and are organized, instructed, and disciplined [by the IRS and a corrupted judiciary] to carry into action slavishly the assignments given them by their hierarchical chieftains. Unlike political parties, the Communist Party [thanks to a corrupted federal judiciary] acknowledges no constitutional or statutory limitations upon its conduct or upon that of its members [ANARCHISTS!, Form #08.020]. The Communist Party is relatively small numerically, and gives scant indication of capacity ever to attain its ends by lawful political means. The peril inherent in its operation arises not from its numbers, but from its failure to acknowledge any limitation as to the nature of its activities, and its dedication to the proposition that the present constitutional Government of the United States ultimately must be brought to ruin by any available means, including resort to; force and violence [for using income taxes]. Holding that doctrine, its role as the agency of a hostile foreign power [the Federal Reserve and the American Bar Association (ABA)] renders its existence a clear present and continuing danger to the security of the United States. It is the means whereby individuals are seduced [illegally KIDNAPPED via identity theft!, Form #05.046] into the service of the world Communist movement [using FALSE information returns and other PERJURIOUS government forms, Form #04.001], trained to do its bidding [by FALSE government publications and statements that the government is not accountable for the accuracy of, Form*

[#05.007](#), and directed and controlled [using FRANCHISES illegally enforced upon NONRESIDENTS, Form #05.030] in the conspiratorial performance of their revolutionary services. Therefore, the Communist Party should be outlawed

For further details, see:

[Socialism: The New American Civil Religion](#), Form #05.016  
<http://sedm.org/Forms/FormIndex.htm>

6. Created the “administrative state”, whereby federal agencies are empowered to directly and unconstitutionally supervise the activities of otherwise private citizens and enforce federal statutory law against them. This sort of intrusion is repugnant to the Constitution:

“The power to “legislate generally upon” life, liberty, and property, as opposed to the “power to provide modes of redress” against offensive state action, was “repugnant” to the Constitution. *Id.*, at 15. See also *United States v. Reese*, [92 U.S. 214, 218](#) (1876) ; *United States v. Harris*, [106 U.S. 629, 639](#) (1883) ; *James v. Bowman*, [190 U.S. 127, 139](#) (1903). Although the specific holdings of these early cases might have been superseded or modified, see, e.g., *Heart of Atlanta Motel, Inc. v. United States*, [379 U.S. 241](#) (1964) ; *United States v. Guest*, [383 U.S. 745](#) (1966) , their treatment of Congress’ §5 power as corrective or preventive, not definitional, has not been questioned.”  
[*City of Boerne v. Flores, Archbishop of San Antonio*, [521 U.S. 507](#) (1997) ]

7. Caused a destruction of sovereign immunity and rights of persons domiciled in states of the Union that brings them under the control of the foreign law system that makes up the U.S. Code. See [28 U.S.C. §1605](#).

“If men, through fear, fraud, or mistake, should in terms renounce or give up any natural right, the eternal law of reason and the grand end of society would absolutely vacate such renunciation. The right to freedom being a gift of ALMIGHTY GOD, it is not in the power of man to alienate this gift and voluntarily become a slave.”  
[Samuel Adams, 1772]

8. Invaded the exclusive sovereignty of families and churches over charitable causes. Only churches and families can lawfully engage in charitable causes. The U.S. Supreme Court has said that the government may not use its power to tax to compel anyone to subsidize “benefits”, whether charitable or not, to the public at large:

“Men are endowed by their Creator with certain unalienable rights, - ‘life, liberty, and the pursuit of happiness;’ and to ‘secure,’ not grant or create, these rights, governments are instituted. That property [or income] which a man has honestly acquired he retains full control of, subject to these limitations: First, that he shall not use it to his neighbor’s injury, and that does not mean that he must use it for his neighbor’s benefit [e.g. SOCIAL SECURITY, Medicare, and every other public “benefit”]; second, that if he devotes it to a public use, he gives to the public a right to control that use; and third, that whenever the public needs require, the public may take it upon payment of due compensation.”  
[*Budd v. People of State of New York*, [143 U.S. 517](#) (1892)]

To lay, with one hand, the power of the government on the property of the citizen, and with the other to bestow it upon favored individuals to aid private enterprises and build up private fortunes, is none the less a robbery because it is done under the forms of law and is called taxation. This is not legislation. It is a decree under legislative forms.

Nor is it taxation. ‘A tax,’ says Webster’s Dictionary, ‘is a rate or sum of money assessed on the person or property of a citizen by government for the use of the nation or State.’ ‘Taxes are burdens or charges imposed by the Legislature upon persons or property to raise money for public purposes.’ Cooley, *Const. Lim.*, 479.

Coulter, J., in *Northern Liberties v. St. John’s Church*, 13 Pa.St. 104 says, very forcibly, ‘I think the common mind has everywhere taken in the understanding that taxes are a public imposition, levied by authority of the government for the purposes of carrying on the government in all its machinery and operations—that they are imposed for a public purpose.’ See, also *Pray v. Northern Liberties*, 31 Pa.St., 69; *Matter of Mayor of N.Y.*, 11 Johns., 77; *Camden v. Allen*, 2 Dutch., 398; *Sharpless v. Mayor*, *supra*; *Hanson v. Vernon*, 27 Ia., 47; *Whiting v. Fond du Lac*, *supra*.  
[*Loan Association v. Topeka*, 20 Wall. 655 (1874)]

**WARNING:** Participating in ANY government franchise can leave you entirely without standing or remedy in any federal court! Essentially, by eating out of the government's hand, you are SCREWED, BLACK AND BLUED, and TATTOOED! Below is the first rule of what the U.S. Supreme Court calls the Brandeis Rules:

*"These general rules are well settled: (1) That the United States, when it creates rights in individuals against itself [a "public right", which is a euphemism for a "franchise" to help the court disguise the nature of the transaction], is under no obligation to provide a remedy through the courts. United States ex rel. Dunlap v. Black, 128 U.S. 40, 9 Sup.Ct. 12, 32 L.Ed. 354; Ex parte Atocha, 17 Wall. 439, 21 L.Ed. 696; Gordon v. United States, 7 Wall. 188, 195, 19 L.Ed. 35; De Groot v. United States, 5 Wall. 419, 431, 433, 18 L.Ed. 700; Comegys v. Vasse, 1 Pet. 193, 212, 7 L.Ed. 108. (2) That where a statute creates a right and provides a special remedy, that remedy is exclusive. Wilder Manufacturing Co. v. Corn Products Co., 236 U.S. 165, 174, 175, 35 Sup.Ct. 398, 59 L.Ed. 520, Ann.Cas. 1916A, 118; Arnson v. Murphy, 109 U.S. 238, 3 Sup.Ct. 184, 27 L.Ed. 920; Barnet v. National Bank, 98 U.S. 555, 558, 25 L.Ed. 212; Farmers' & Mechanics' National Bank v. Dearing, 91 U.S. 29, 35, 23 L.Ed. 196. Still the fact that the right and the remedy are thus intertwined might not, if the provision stood alone, require U.S. to hold that the remedy expressly given excludes a right of review by the Court of Claims, where the decision of the special tribunal involved no disputed question of fact and the denial of compensation was rested wholly upon the construction of the act. See Medbury v. United States, 173 U.S. 492, 198, 19 Sup.Ct. 503, 43 L.Ed. 779; Parish v. MacVeagh, 214 U.S. 124, 29 Sup.Ct. 556, 53 L.Ed. 936; McLean v. United States, 226 U.S. 374, 33 Sup.Ct. 122, 57 L.Ed. 260; United States v. Laughlin (No. 200), 249 U.S. 440, 39 Sup.Ct. 340, 63 L.Ed. 696, decided April 14, 1919.: [U.S. v. Babcock, 250 U.S. 328, 39 S.Ct. 464 (1919) ]*

For a detailed exposition of why the above is true, see also [Allen v. Graham, 8 Ariz.App. 336, 446 P.2d. 240 \(Ariz.App. 1968\)](#). Signing up for government entitlements hands them essentially a blank check, because they, and not you, determine the cost for the service and how much you will pay for it beyond that point. This makes the public servant into your Master and beyond that point, you must lick the hands that feed you. Watch Out! NEVER, EVER take a hand-out from the government of ANY kind, or you'll end up being their CHEAP WHORE. The Bible calls this WHORE "Babylon the Great Harlot". **Remember:** Black's Law Dictionary defines "commerce", e.g. commerce with the GOVERNMENT, as "intercourse". Bend over!

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

Government franchises and licenses are the main method for destroying the sovereignty of the people pursuant to [28 U.S.C. §1603\(b\)\(3\)](#) and [28 U.S.C. §1605\(a\)\(2\)](#). They are also the MAIN method that our public servants abuse to escape the straight jacket limits of the constitution. Below is an admission by the U.S. Supreme Court of this fact in relation to Social Security:

*"We must conclude that a person covered by the Act has not such a right in benefit payments... This is not to say, however, that Congress may exercise its power to modify the statutory scheme **free of all constitutional restraint.**"*  
[Flemming v. Nestor, [363 U.S. 603](#) (1960)]

For further details on how franchises destroy rights and undermine the constitutional requirement for equal protection, read the [Sovereignty Forms and Instructions Manual, Form #10.005, Form #10.005 Sections 1.4 through 1.11.](#)

Those who exercise their right to contract in procuring a franchise become "residents" of the forum or jurisdiction where the other party to the franchise agreement resides or where the agreement itself specifies. In the context of the Internal Revenue Code, Subtitle A "trade or business" franchise agreement, the agreement itself, in [26 U.S.C. §§7701\(a\)\(39\)](#) and [7408\(d\)](#), specifies where the parties to the agreement MUST litigate all disputes. That place is the District of Columbia for all persons who have no domicile in the District of Columbia because they are either domiciled in a foreign country or a state of the Union.

Finally, if you would like an excellent secular version of this section in written and video form from famous freedom personalities, see:

1. [The Fall of Rome and Modern Parallels Video](#), Foundation for Economic Education (F.E.E.)  
<https://www.youtube.com/watch?v=FPFIH6eGqsg>



2. *The Fall of Rome and Modern Parallels, Written Version*, Foundation for Economic Education (F.E.E.)  
[http://www.fee.org/the\\_freeman/detail/the-fall-of-rome-and-modern-parallels/](http://www.fee.org/the_freeman/detail/the-fall-of-rome-and-modern-parallels/)
3. *The Fall of Rome and Modern Parallels Video*, Stefan Molyneux. Reads the above.  
<https://www.youtube.com/watch?v=K0zacaIard0>

## **2.17 Franchises are the main method by which democracies become corrupted, turn socialist, and become “de facto” rather than “de jure”**

The design for our system of government came from Charles de Montesquieu in his seminal treatise entitled *The Spirit of Laws*. The Founding Fathers used this book more often than any other in the drafting of the Constitution. See:

*The Spirit of Laws*, Charles de Montesquieu, 1758  
<http://famguardian.org/Publications/SpiritOfLaws/sol.htm>

It was Montesquieu who first invented the idea of a republican government based on three branches, which is what we have, and we were the first country to implement his plan. He wrote his book in 1752 and the USA was first to implement it in 1789. In this book, Montesquieu predicted the very corruption personified in any kind of "benefit" or franchise, that would cause people to sell their vote to get more state favors. He talked about how franchises would extinguish what he called the "spirit of equality" that is the foundation of the constitution, and replace it with privilege, hypocrisy, injustice, and corruption on the scale we have now. His predictions are coming true in spades both with the original Social Security Act of 1935, the federal income tax, and with other SOCIALIST programs such as Medicare, Unemployment insurance, etc. The corruption, Montesquieu said, would come from the "benefits" and privileges and the flow of money that would corrupt the voters and cause the indolent to sanction the government through their vote to steal from the rich and give to the poor. This prediction is precisely the same prediction that the U.S. Supreme Court made in the *Pollock* case in 1895 after the first income tax was declared unconstitutional: That income tax, and every other type of franchise tax, would pit the poor against the rich in a battle of class warfare using the voting booth as the battlefield.

*"The principle of democracy is corrupted not only when the spirit of equality is extinct [BECAUSE OF FRANCHISES!], but likewise when they fall into a spirit of extreme equality, and when each citizen would fain be upon a level with those whom he has chosen to command him. Then the people, incapable of bearing the very power they have delegated, want to manage everything themselves, to debate for the senate, to execute for the magistrate, and to decide for the judges. When this is the case, virtue can no longer subsist in the republic. The people are desirous of exercising the functions of the magistrates, who cease to be revered. The deliberations of the senate are slighted; all respect is then laid aside for the senators, and consequently for old age. If there is no more respect for old age, there will be none presently for parents; deference to husbands will be likewise thrown off, and submission to masters. This license will soon become general, and the trouble of command be as fatiguing as that of obedience. Wives, children, slaves will shake off all subjection. No longer will there be any such thing as manners, order, or virtue.*

*We find in Xenophon's Banqueta very lively description of a republic in which the people abused their equality. Each guest gives in his turn the reason why he is satisfied. "Content I am," says Chamides, "because of my poverty. When I was rich, I was obliged to pay my court to informers, knowing I was more liable to be hurt by them than capable of doing them harm. The republic constantly demanded some new tax of me; and I could not decline paying. Since I have grown poor, I have acquired authority; nobody threatens me; I rather threaten others. I can go or stay where I please. The rich already rise from their seats and give me the way. I am a king, I was before a slave: I paid taxes to the republic, now it maintains [PAYS "BENEFITS" TO] me: I am no longer afraid of losing; but I hope to acquire."*

*The people fall into this misfortune when those in whom they confide, desirous of concealing their own corruption, endeavour to corrupt them. To disguise their own ambition, they speak to them only of the grandeur of the state; to conceal their own avarice, they incessantly flatter theirs.*

*The corruption will increase among the corruptors, and likewise among those who are already corrupted. The people will divide the public money among themselves [to pay "BENEFITS"], and, having added the administration of affairs to their indolence, will be for blending their poverty with the amusements of luxury. But with their indolence and luxury, nothing but the public treasure ["BENEFITS"] will be able to satisfy their demands.*

*We must not be surprised to see their suffrages [VOTES at the ballot box] given for money [GOVERNMENT "BENEFITS" UNDER A FRANCHISE]. It is impossible to make great largesses to the people without great extortion; and to compass this, the state must be subverted. The greater the advantages they seem to derive from their liberty, the nearer they approach towards the critical moment of losing it. Petty tyrants arise who*

have all the vices of a single tyrant. The small remains of liberty soon become insupportable; a single tyrant starts up, and the people are stripped of everything, even of the profits of their corruption."

[The Spirit of Laws, Charles de Montesquieu, 1758,  
SOURCE: [http://famguardian.org/Publications/SpiritOfLaws/sol\\_08.htm](http://famguardian.org/Publications/SpiritOfLaws/sol_08.htm)]

Montesquieu states that franchises and the "benefits" that implement and pay for them will subvert the state. What he means is that it will undermine the sovereignty of the "state", which is "We the People" in this country, by destroying their sovereignty and making them the prey of greedy judges and lawyers with a conflict of interest who are more interested in expanding their paycheck and their importance than in the advancing the purpose of law, which is to protect your PRIVATE rights by keeping them from being converted to PUBLIC rights and franchises without your consent. A "subverted" state is called a "de facto state". The methods by which a de jure state is converted into a de facto state are exhaustively described in the following document:

De Facto Government Scam, Form #05.043  
<http://sedm.org/Forms/FormIndex.htm>

Frenchman Alexis de Tocqueville in his famous work *Democracy in America*, alluded to the same weakness of democracy as Montesquieu did above. His work is frequently quoted by no less than the U.S Supreme Court. The "physical gratifications" he speaks of are the material pleasures bestowed by a generous socialist government intent on bribing voters. He says that the CHIEF business of Americans is "to remain their own masters", meaning to NOT surrender their rights for the "benefits" of a socialist franchise.

*There is, indeed, a most dangerous passage in the history of a democratic people. When the taste for physical gratifications among them has grown more rapidly than their education and their experience of free institutions, the time will come when men are carried away and lose all self-restraint at the sight of the new possessions they are about to obtain. In their intense and exclusive anxiety to make a fortune they lose sight of the close connection that exists between the private fortune of each and the prosperity of all. It is not necessary to do violence to such a people in order to strip them of the rights they enjoy; they themselves willingly loosen their hold. The discharge of political duties appears to them to be a troublesome impediment which diverts them from their occupations and business. If they are required to elect representatives, to support the government by personal service, to meet on public business, they think they have no time, they cannot waste their precious hours in useless engagements; such idle amusements are unsuited to serious men who are engaged with the more important interests of life. These people think they are following the principle of self-interest, but the idea they entertain of that principle is a very crude one; and the better to look after what they call their own business, they neglect their chief business, which is to remain their own masters.*

*As the citizens who labor do not care to attend to public affairs, and as the class which might devote its leisure to these duties has ceased to exist, the place of the government is, as it were, unfilled. If at that critical moment some able and ambitious man grasps the supreme power, he will find the road to every kind of usurpation open before him. If he attends for some time only to the material prosperity of the country, no more will be demanded of him. Above all, he must ensure public tranquillity: men who are possessed by the passion for physical gratification generally find out that the turmoil of freedom disturbs their welfare [checks] before they discover how freedom itself serves to promote it. If the slightest rumor of public commotion intrudes into the petty pleasures of private life, they are aroused and alarmed by it. The fear of anarchy perpetually haunts them, and they are always ready to fling away their freedom at the first disturbance.*

*I readily admit that public tranquillity is a great good, but at the same time I cannot forget that all nations have been enslaved by being kept in good order. Certainly it is not to be inferred that nations ought to despise public tranquillity, but that state ought not to content them. A nation that asks nothing of its government but the maintenance of order is already a slave at heart, the slave of its own well-being, awaiting only the hand that will bind it. By such a nation the despotism of faction is not less to be dreaded than the despotism of an individual. When the bulk of the community are engrossed by private concerns, the smallest parties need not despair of getting the upper hand in public affairs. At such times it is not rare to see on the great stage of the world, as we see in our theaters, a multitude represented by a few players, who alone speak in the name of an absent or inattentive crowd: they alone are in action, while all others are stationary; they regulate everything by their own caprice; they change the laws and tyrannize at will over the manners of the country, and then men wonder to see into how small a number of weak and worthless hands a great people may fall.*

[*Democracy in America*, Alexis de Tocqueville, Chapter XIV  
SOURCE:  
[http://famguardian.org/PublishedAuthors/Indiv/DeTocquevilleAlex/democracynamerica/ch2\\_14.htm](http://famguardian.org/PublishedAuthors/Indiv/DeTocquevilleAlex/democracynamerica/ch2_14.htm)]

*I have shown how the dread of disturbance and the love of well-being insensibly lead democratic nations to increase the functions of central government [socialism] as the only power which appears to be intrinsically sufficiently strong, enlightened, and secure to protect them from anarchy. I would now add that all the particular circumstances which tend to make the state of a democratic community agitated and precarious enhance this general propensity and lead private persons more and more to sacrifice their rights to their tranquillity.*

A people is therefore never so disposed to increase the functions of central government as at the close of a long and bloody revolution, which, after having wrested property from the hands of its former possessors, has shaken all belief and filled the nation with fierce hatreds, conflicting interests, and contending factions. The love of public tranquillity becomes at such times an indiscriminate passion, and the members of the community are apt to conceive a most inordinate devotion to order.

[*Democracy in America*, Alexis de Tocqueville, Chapter IV

SOURCE:

[http://famguardian.org/PublishedAuthors/Indiv/DeTocquevilleAlex/democracyinamerica/ch4\\_04.htm](http://famguardian.org/PublishedAuthors/Indiv/DeTocquevilleAlex/democracyinamerica/ch4_04.htm)]

What De Tocqueville is describing is what we call “the tyranny of necessity”, where the government has robbed every one of their substance and they are desperate and need a government check. The Bible describes this tyranny as follows and advises people to WORK instead of waiting on a government check or handout.:

*“Go to the ant, you sluggard! Consider her ways and be wise, which, having no captain [parens patriae government], overseer or ruler, provides her supplies in the summer, and gathers her food in the harvest, how long will you slumber, O sluggard? When will you rise from your sleep? A little sleep, a little slumber, a little folding of the hands to sleep--so shall your poverty come on you like a prowler [and government dependence], and your need like an armed man.”*  
[Prov. 6:11, Bible, NKJV]

*“The hand of the diligent will rule,  
But the lazy [or irresponsible] man [who votes for government largess so he doesn’t have to work] will be put to forced labor [working for the government through income taxes].”*  
[Prov. 12:24, Bible, NKJV]

De Tocqueville then predicted how despotism, tyranny, and socialism would be introduced into a democracy. His predictions are completely consistent with that of Montesquieu:

*I seek to trace the novel features under which despotism may appear in the world.* The first thing that strikes the observation is an innumerable multitude of men, all equal and alike, incessantly endeavoring to procure the petty and paltry pleasures with which they glut their lives. Each of them, living apart, is as a stranger to the fate of all the rest; his children and his private friends constitute to him the whole of mankind. As for the rest of his fellow citizens, he is close to them, but he does not see them; he touches them, but he does not feel them; he exists only in himself and for himself alone; and if his kindred still remain to him, he may be said at any rate to have lost his country.

Above this race of men stands an immense and tutelary power, which takes upon itself alone to secure their gratifications [government “benefits”] and to watch over their fate. That power is absolute [totalitarian/fascist], minute, regular, provident, and mild. It would be like the authority of a parent if, like that authority, *its [stated] object was to prepare men for manhood; but it seeks, on the contrary, to keep them in perpetual childhood; it is well content that the people should rejoice, provided they think of nothing but rejoicing. For their happiness such a government willingly labors, but it chooses to be the sole agent and the only arbiter of that happiness; it provides for their security, foresees and supplies their necessities, facilitates their pleasures, manages their principal concerns, directs their industry, regulates the descent of property, and subdivides their inheritances: what remains, but to spare them all the care of thinking and all the trouble of living?*

Thus it every day renders the exercise of the free agency of man less useful and less frequent; it circumscribes the will within a narrower range and *gradually robs a man of all the uses of himself. The principle of equality has prepared men for these things; it has predisposed men to endure them and often to look on them as benefits.*

After having thus successively taken each member of the community in its powerful grasp and fashioned him at will, the supreme power then extends its arm over the whole community. *It covers the surface of society with a network of small complicated rules [the ADMINISTRATIVE STATE], minute and uniform, through which the most original minds and the most energetic characters cannot penetrate, to rise above the crowd. The will of man is not shattered, but softened, bent, and guided; men are seldom forced by it to act, but they are constantly restrained from acting. Such a power does not destroy, but it prevents existence; it does not tyrannize, but it compresses, enervates, extinguishes, and stupefies a people, till each nation is reduced to nothing better than a flock of timid and industrious animals, of which the government is the shepherd [parens patriae].*

I have always thought that servitude of the regular, quiet, and gentle kind which I have just described might be combined more easily than is commonly believed with some of the outward forms of freedom, and that it might even establish itself under the wing [auspices] of the sovereignty of the people.

Our contemporaries are constantly excited by two conflicting passions: they want to be led, and they wish to remain free. As they cannot destroy either the one or the other of these contrary propensities, they strive to satisfy them both at once. They devise a sole, tutelary, and all-powerful form of government, but elected by the people. They combine the principle of centralization and that of popular sovereignty; this gives them a respite: they console themselves for being in tutelage by the reflection that they have chosen their own guardians. Every man allows himself to be put in leading-strings, because he sees that it is not a person or a class of persons, but the people at large who hold the end of his chain.

By this system the people shake off their state of dependence just long enough to select their master and then relapse into it again. A great many persons at the present day are quite contented with this sort of compromise between administrative despotism and the sovereignty of the people; and they think they have done enough for the protection of individual freedom when they have surrendered it to the power of the nation at large. This does not satisfy me: the nature of him I am to obey signifies less to me than the fact of extorted obedience. I do not deny, however, that a constitution of this kind appears to me to be infinitely preferable to one which, after having concentrated all the powers of government, should vest them in the hands of an irresponsible person or body of persons. Of all the forms that democratic despotism could assume, the latter would assuredly be the worst.

[Democracy in America, Alexis de Tocqueville, Chapter VI

SOURCE:

[http://famguardian.org/PublishedAuthors/Indiv/DeTocquevilleAlex/democracyinamerica/ch4\\_06.htm](http://famguardian.org/PublishedAuthors/Indiv/DeTocquevilleAlex/democracyinamerica/ch4_06.htm)]

You can watch an interesting video on the above mechanism described by De Tocqueville for corrupting democracies on our Youtube channel as follows. The video refers to a socialist government as “the infantilizing state”:

Why are Conservatives So Mean?, Andrew Klavan

<https://youtu.be/sC6MnwknfmU>

A very important question to answer about franchises is the following:

*“At precisely what point do franchises become abusive and inevitably lead to the conversion of a de jure government into a de facto one?”*

Our answer to the above question is that any government which does not stay within the bounds of the following will inevitably transition from de jure to de facto, become corrupted, and violate the goal of protecting private rights that was the purpose of its creation when any one or more of the following is permitted in courts of law or administrative interactions of the government with anyone and everyone:

1. The civil status of those who participate in franchises (e.g. “taxpayers”) is confused or made legally indistinguishable from with PRIVATE non-resident non-person humans that are non-participants. This makes it impossible to quit the franchise.
2. Failure to participate in any civil franchise results in civil or criminal penalties. This includes
  - 2.1. Voting and jury service. Voting and jury service are public franchises and eligibility can be revoked by the state at will.
  - 2.2. Driver licensing.
  - 2.3. Social Security.
  - 2.4. Medicare.
  - 2.5. Obama care.
  - 2.6. Professional licensing.Technically, the only “persons” who could lawfully be the subject of such a penalty are those who are ALREADY within the government. Otherwise, the Thirteenth Amendment prohibition against involuntary servitude has been transgressed.
3. Franchises are implemented for any purpose OTHER than voting and jury service. For instance, the following types of franchises should not be allowed:
  - 3.1. Family Code.
  - 3.2. Vehicle Code.
  - 3.3. Social Security.
  - 3.4. Medicare.

3.5. Affordable Care Act (Obama care).

3.6. Professional licensing.

4. Signing up for voting or jury service makes you an involuntary party to any OTHER type of franchise, such as income tax, the vehicle code, the family code, or the civil statutory codes.

4.1. For instance, signing up for a driver license automatically makes you a voter, jurist, or any OTHER type of franchisee.

4.2. All franchises must stand alone and not be connected to OTHER franchises, and you should be able to quit at ANY TIME if you no longer desire the “benefits”. In other words, if the costs exceed the “benefits”, then you should be able to stop buying the “product”. Government is merely a business, and the only “product” that it produces is in fact “protection”. Each separate type of protection or franchise is merely one of many “products” it offers.

4.3. What business can FORCE you to buy ALL of its products if you need only one of them? If private businesses can’t do it, and we are all equal according to the U.S. Supreme Court, then why can the GOVERNMENT have a monopoly on the ability to do this? Isn’t the Sherman Antitrust Act applicable to the government just like everyone else?

5. The government, in enforcing civil franchise provisions:

5.1. Does not have the burden of proving that those they are enforcing against CONSENTED IN WRITING IN COURT, BEFORE any type of enforcement can lawfully commence against you.

5.2. Is allowed to merely PRESUME that you consented and treat you as a participant, and never have any burden of proof?

5.3. Sanctions those litigating against its illegal enforcements against non-participants for demanding proof on the record of proceeding that you consented to participate IN WRITING?

6. Franchise provision are enforced against those who do not want to participate and who have notified the government of the same in writing. The origin of all just government authority, according to the Declaration of Independence, is “CONSENT OF THE GOVERNED”. Shouldn’t they have to procure and prove the consent and not ignore you when you say you DO NOT consent or want to quit?

7. Civil servants are not liable or accountable when they ignore notifications that you don’t want to participate and enforce against non-participants anyway. They wrongfully invoke any of the following as an excuse to protect their own organized extortion in doing so:

7.1. Sovereign immunity.

7.2. Official immunity.

7.3. Judicial immunity.

8. Government or any and every one of its actors is/are not accountable for the accuracy or truthfulness of any and all communications with the public about their authority to enforce:

8.1. They are not required to PROVE THAT AUTHORITY IN ADMINISTRATIVE CORRESPONDENCE WITH EVIDENCE in writing with the people who are the targets of enforcement. For instance, 26 U.S.C. §6065 requires all tax correspondence to be signed under penalty of perjury, yet NO ONE from the IRS ever does so and therefore has a sanction to LIE with impunity. They even use fictitious names to protect themselves while they are criminally violating your rights in their illegal enforcement.

8.2. They will call participation “voluntary” and yet resolutely refuse to protect your rights to NOT VOLUNTEER. The duress that forces you to volunteer is CRIMINAL activity, and by refusing to prosecute those who institute the duress, indirectly they are engaging in a protection racket and criminally obstructing justice.

8.3. They will ignore criminal complaints against those who are compelling participation, and especially banks and employers.

9. Forms administering each franchise do not recognize:

9.1. Those who do not consent to participate and are not required to participate.

9.2. Those who are not domiciled or resident within the civil jurisdiction of the franchisor.

9.3. Your ability and right to document duress from people who compelled you to impersonate someone who consents, such as banks and employers. In other words, there is no blank on a form or any form to indicate duress and who the source was.

10. Forms used to document injuries force you to acquire a civil status under civil statutory franchises codes in order get a remedy for enforcement against NON-PARTICIPANTS. This is how the Federal Tort Claims Act administration injuriously works.

11. The government does not swiftly and consistently criminally prosecute all those who compel participation in franchises. Instead, they falsely claim that EVERYONE has to participate and look the other way when participation is compelled and you notify them of the criminal duress. For an example of such notification, see:

*Affidavit of Duress: Illegal Tax Enforcement by De Facto Officers*, Form #02.005



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

12. Private third parties such as banks, employers:

12.1. Can criminally compel you to participate in franchises by abusing the forms and processes used to offer you their services.

12.2. Are financially incentivized to compel you to participate with “kickbacks” such as tax breaks or “selective enforcement”.

12.3. Are not criminally prosecuted by the government for the above. Instead, they are protected from enforcement by government through “selective enforcement” because of the “kickbacks” or “public officer kickbacks” that the compulsion produces in revenue to the government.

This inevitably leads large corporations to compel all their employees and customers to in effect pay the taxes that only government instrumentalities such as corporations can lawfully be accountable and liable for. This is what most freedom lovers currently refer to as “corporate fascism”.

If you want to fight or complain about or prosecute anything about the misuse of franchises, you should focus on the above. Any other efforts at protecting yourself from illegal enforcement will be in vain.

Finally, an entire book has been written about the evils and pitfalls of socialism that lie at the terminal end of a democracy corrupted by the legal abuse of franchises. You can read that book on the Family Guardian Fellowship sister site below:

*The Law*, Frederic Bastiat

<http://famguardian.org/Publications/TheLaw/TheLaw.htm>

## **2.18 Avoiding government franchises is a VERY serious matter to God**

God treats the subject of avoiding franchises and understanding them VERY seriously. Below are a few reasons why right from his delegation of authority order and franchise, the Bible:

1. God describes “the throne of iniquity” as those who abuse LAW, meaning franchises, to commit evil. Psalm 94:20-23.
2. All franchises are acts of consent and contracting, and create agency. God forbids contracting with or consenting to be governed by:
  - 2.1. Foreigners. Judges 2:1-4.
  - 2.2. Socialists. Prov. 1:10-9.
  - 2.3. Kings. 1 Sam. 12:12-19 describes it as a sin to elect or consent to be governed by a King to be ABOVE the people, because it would place them in servitude and contract away their independence and sovereignty.
3. God punishes rulers who abuse franchises to commit usury. Jer. 5:26-31.
4. The first government franchise in the Bible was the story of “Nimrod” who the Bible describes as a “mighty hunter”. The thing he hunted was people! Gen. 10:9. The right to live in the first city and the city that Nimrod built, Babylon, was a government franchise.
5. The famine in Egypt resulted in the abuse of franchises by Pharaoh to enslave an entire country. Gen. 47.
6. The story of Moses is the story of freeing his people from slavery to the franchises of Pharaoh. Exodus 1-12.
7. When the people grumbled against Moses for freeing them Pharaoh’s franchises, God killed all of them and saved only their children. Numbers 14:26-38.
8. When David as a King tried to number his people through a tax census, meaning mark them and own them, God killed 70,000 of them. 2 Sam. 24:1-17. This “numbering” is just like the “Mark of the Beast found in Rev. 16:2 and Rev. 19:20.
9. The Mark of the Beast mentioned in Rev. 16:2 and Rev. 19:20 is a symbol of all those who accept government franchises. It is what the Fair Trade Commission (F.T.C.) calls a “franchise mark”. See:

*About SSNs and TINs On Government Forms and Correspondence*, Form #05.012

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

10. The First Bowl judgment in the Book of Revelations will come upon those who accepted the “Mark of the Beast”. The phrase “worshiped his image” refers to the image printed on money that they will sell their soul and do anything to get. That “image” is the same “image” mentioned by Jesus in Matt. 22:20 when he pointed at money:

**First Bowl: Loathsome Sores**

**So the first went and poured out his bowl upon the earth, and a foul and loathsome sore came upon the men who had the mark of the beast and those who worshiped his image.**

11. God defines “The Beast” as the kings of the earth, and by implication, all political rulers. Rev. 19:19.
12. The “life of luxury” lived by Babylon the Great Harlot is probably made possible by government franchise “benefits”. Rev. 18. These “benefits” are STOLEN from others, which is why she has to be repaid DOUBLE for her iniquity in Rev. 18:6. The Old Testament requires that when a thief is found, he shall pay DOUBLE what he stole. Exodus 22:7.
13. The “fornication” that Babylon the Great Harlot is engaging in with “The Beast” (government) is legally defined as “commerce”. Black’s Law Dictionary defines “commerce” as “intercourse”.

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

14. God commands believers to come out of franchises in 2 Corinthians 6:17-18. That is the only way to escape “the mark of the beast”

## **2.19 Jesus refused a domicile, refused to participate in all human franchises, benefits, and privileges, and refused the “civil status” that made them possible**

Jesus definitely participated in God’s franchise, being a member of the Holy Trinity. However, He refused to participate in human franchises. It may interest the reader to learn that Jesus had NO civil status under man’s law and refused to participate in any government “benefit”, franchise, or privilege:

### **The Humbled and Exalted Christ**

“Let this mind be in you which was also in Christ Jesus, who, being in the form of God, did not consider it robbery to be equal with God, but made Himself of no reputation, taking the form of a bondservant, and coming in the likeness of men. And being found in appearance as a man, He humbled Himself and became obedient to the point of death, even the death of the cross. Therefore God also has highly exalted Him and given Him the name which is above every name, that at the name of Jesus every knee should bow, of those in heaven, and of those on earth, and of those under the earth, and that every tongue should confess that Jesus Christ is Lord, to the glory of God the Father.”  
[Phil 2:5-11, Bible, NKJV]

Below is a famous Bible commentary on the above passage:

“Think of yourselves the way Christ Jesus thought of himself. He had equal status with God but didn’t think so much of himself that he had to cling to the advantages of that status no matter what. Not at all. When the time came, he set aside the privileges of deity and took on the status of a slave, became human! Having become human, he stayed human. It was an incredibly humbling process. He didn’t claim special privileges. Instead, he lived a selfless, obedient life and then died a selfless, obedient death—and the worst kind of death at that—a crucifixion.”

“Because of that obedience, God lifted him high and honored him far beyond anyone or anything, ever, so that all created beings in heaven and on earth—even those long ago dead and buried—will bow in worship before this Jesus Christ, and call out in praise that he is the Master of all, to the glorious honor of God the Father.”  
[Peterson, E. H. (2005). The Message: the Bible in contemporary language (Php 2:5–11). Colorado Springs, CO: NavPress]

Below is a summary of lessons learned from the above amplified version of the same passage, put into the context of privileges, civil status, and franchises:

1. Jesus forsook having a civil status and the privileges and franchises of the Kingdom of Heaven franchise that made that status possible.
2. He instead chose a civil status lower for Himself than other mere humans below him in status.
3. BECAUSE He forsook the “benefits”, privileges, and franchises associated with the civil status of “God” while here on earth, he was blessed beyond all measure by God.

Moral of the Story: We can only be blessed by God if we do not seek to use benefits, privileges, and franchises to elevate ourself above anyone else or to pursue a civil status above others.

1 "Pure and undefiled religion before God and the Father is this: to visit orphans and widows in their trouble, and  
2 to keep oneself unspotted [“foreign”, “sovereign”, and/or “alien”] from the world [and the corrupt BEAST  
3 governments and rulers of the world].”  
4 [[James 1:27](#), Bible, NKJV]

5 One cannot be “unspotted from the world” without surrendering and not pursuing any and all HUMAN civil statuses,  
6 franchises, or benefits. Those who are Christians, however, cannot avoid the privileged status and office of “Christian” under  
7 God’s laws.

8 The OPPOSITE of being “unspotted from the world” is the following. The pursuit of government “benefits” or the civil  
9 status that makes them possible is synonymous with the phrase “your desire for pleasure” in the following passage.

10 “Where do wars and fights come from among you? Do they not come from your desires for pleasure [unearned  
11 money or “benefits”, privileges, or franchises, from the government] that war in your members [and your  
12 democratic governments]? You lust [after other people’s money] and do not have. You murder [the unborn to  
13 increase your standard of living] and covet [the unearned] and cannot obtain [except by empowering your  
14 government to STEAL for you!]. You fight and war [against the rich and the nontaxpayers to subsidize your  
15 idleness]. Yet you do not have because you do not ask [the Lord, but instead ask the deceitful government]. You  
16 ask and do not receive, because you ask amiss, that you may spend it on your pleasures. **Adulterers and**  
17 **adulteresses! Do you not know that friendship [statutory “citizenship”] with the world [or the governments of**  
18 **the world] is enmity with God?** Whoever therefore wants to be a friend [STATUTORY “citizen”, “resident”,  
19 “inhabitant”, “person” franchisee] of the world [or the governments of the world] makes himself an enemy of  
20 God.”  
21 [[James 4:4](#), Bible, NKJV]

22 The personification of those who did the OPPOSITE of Jesus and pursued civil status, rewards, benefits, privileges, and  
23 franchises were the Pharisees, and these people were the ONLY people Jesus got mad at. Here’s what He said about them in  
24 one of his very few angry tirades. Back then, they had a theocracy and the Bible was their law book, so the term “religion  
25 scholars” meant the lawyers of that time, not the pastors of today’s time.

26 I’ve had it with you! You’re hopeless, you religion scholars, you Pharisees! Frauds! Your lives are roadblocks to  
27 God’s kingdom. You refuse to enter, and won’t let anyone else in either.

28 “You’re hopeless, you religion scholars and Pharisees! Frauds! You go halfway around the world to make a  
29 convert, but once you get him you make him into a replica of yourselves, double-damned.

30 “You’re hopeless! What arrogant stupidity! You say, ‘If someone makes a promise with his fingers crossed, that’s  
31 nothing; but if he swears with his hand on the Bible, that’s serious.’ What ignorance! Does the leather on the  
32 Bible carry more weight than the skin on your hands? And what about this piece of trivia: ‘If you shake hands on  
33 a promise, that’s nothing; but if you raise your hand that God is your witness, that’s serious’? What ridiculous  
34 hairsplitting! What difference does it make whether you shake hands or raise hands? A promise is a promise.  
35 What difference does it make if you make your promise inside or outside a house of worship? A promise is a  
36 promise. God is present, watching and holding you to account regardless.

37 “You’re hopeless, you religion scholars and Pharisees! Frauds! You keep meticulous account books, tithing on  
38 every nickel and dime you get, but on the meat of God’s Law, things like fairness and compassion and  
39 commitment—the absolute basics!—you carelessly take it or leave it. Careful bookkeeping is commendable, but  
40 the basics are required. Do you have any idea how silly you look, writing a life story that’s wrong from start to  
41 finish, nitpicking over commas and semicolons?

42 “You’re hopeless, you religion scholars and Pharisees! Frauds! You burnish the surface of your cups and bowls  
43 so they sparkle in the sun, while the insides are maggoty with your greed and gluttony. Stupid Pharisee! Scour  
44 the insides, and then the gleaming surface will mean something.

45 “You’re hopeless, you religion scholars and Pharisees! Frauds! You’re like manicured grave plots, grass clipped  
46 and the flowers bright, but six feet down it’s all rotting bones and worm-eaten flesh. People look at you and think  
47 you’re saints, but beneath the skin you’re total frauds.

48 “You’re hopeless, you religion scholars and Pharisees! Frauds! You build granite tombs for your prophets and  
49 marble monuments for your saints. And you say that if you had lived in the days of your ancestors, no blood would  
50 have been on your hands. You protest too much! You’re cut from the same cloth as those murderers, and daily  
51 add to the death count.

52 “Snakes! Reptilian sneaks! Do you think you can worm your way out of this? Never have to pay the piper? It’s  
53 on account of people like you that I send prophets and wise guides and scholars generation after generation—

1 and generation after generation you treat them like dirt, greeting them with lynch mobs, hounding them with  
2 abuse.

3 “You can’t squirm out of this: Every drop of righteous blood ever spilled on this earth, beginning with the blood  
4 of that good man Abel right down to the blood of Zechariah, Barachiah’s son, whom you murdered at his prayers,  
5 is on your head. All this, I’m telling you, is coming down on you, on your generation.

6 “Jerusalem! Jerusalem! Murderer of prophets! Killer of the ones who brought you God’s news! How often I’ve  
7 ached to embrace your children, the way a hen gathers her chicks under her wings, and you wouldn’t let me. And  
8 now you’re so desolate, nothing but a ghost town. What is there left to say? Only this: I’m out of here soon. The  
9 next time you see me you’ll say, ‘Oh, God has blessed him! He’s come, bringing God’s rule!’”  
10 [Peterson, E. H. (2005). *The Message: the Bible in contemporary language* (Mt 23:13–39). Colorado Springs,  
11 CO: NavPress.]

12 Keep in mind that the term “hypocrite” is defined in the following passages as “trusting in privileges”, meaning franchises:  
13 Jer. 7:4; Mt. 3:9.

14 It is also VERY interesting that when Satan wanted to tempt Jesus, He took him up to a high mountain above everyone else  
15 and tempted him with a civil status ABOVE everyone else but BELOW Satan, thus making Satan an object of idolatry and  
16 worship in violation of the First Commandment within the Ten Commandments.

17 “Again, the devil took Him [Jesus] up on an exceedingly high [[civil/legal status above all other humans](#)]  
18 mountain, and showed Him all the kingdoms of the world and their glory. And he said to Him, “All these things  
19 [“BENEFITS”] I will give You if You will fall down [BELOW Satan but ABOVE other humans] and worship  
20 [serve as a PUBLIC OFFICER] me.”

21 Then Jesus said to him, “Away with you, Satan! For it is written, ‘You shall worship the LORD your God, and  
22 Him only you shall serve.’”

23 Then the devil left Him, and behold, angels came and ministered to Him.”  
24 [Matt. 4:8-11, Bible, NKJV]

25 As we described in *Why Domicile and Becoming a “Taxpayer” Require Your Consent*, Form #05.002, Section 10.1 through  
26 10.2 that the “mountain” mentioned above is symbolic of a political kingdom in competition with God’s kingdom. The  
27 preposition “exceedingly high” indicates that Satan wanted his political kingdom to be ABOVE everyone else. The  
28 preposition “fall down” indicates that Satan wanted Christ to “worship” and “serve” His political kingdom and to place the  
29 importance of God’s kingdom BELOW Satan in his priority list. This would cause Christ to commit idolatry. Idolatry, after  
30 all, is nothing more than disordered priorities that knock God out of first place. That is why the Bible often refers to God as  
31 “The Most High”:

32 “You shall have no other gods before Me.

33 “You shall not make for yourself a carved image—any likeness of anything that is in heaven above, or that is in  
34 the earth beneath, or that is in the water under the earth; you shall not bow down to them nor serve them. For I,  
35 the LORD your God, am a jealous God, visiting the iniquity of the fathers upon the children to the third and fourth  
36 generations of those who hate Me, but showing mercy to thousands, to those who love Me and keep My  
37 commandments.”  
38 [Exodus 20:3-6, Bible, NKJV]

39 The phrase “bow down” indicates that you cannot place anything other than God higher than yourself, meaning that God is  
40 ALWAYS your first priority as a human being. This, in turn, forbids any civil ruler to be above you and forbids any civil  
41 ruler from having superior or supernatural powers in relation to any human beings. Jesus was keenly aware that God and  
42 Government are ALWAYS in competition with each other for the affection, obedience, allegiance, and sponsorship of the  
43 people.<sup>28</sup> Instead, God’s design for government is to serve from below rather than to rule from above. Below is Jesus’ most  
44 important command on the subject of government:

45 “You know that the rulers of the Gentiles [unbelievers] lord it over them [govern from ABOVE as pagan idols],  
46 and those who are great exercise authority over them [supernatural powers that are the object of idol worship].  
47 Yet it shall not be so among you; but whoever desires to become great among you, let him be your servant [serve  
48 the sovereign people from BELOW rather than rule from above]. And whoever desires to be first among you, let

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<sup>28</sup> See: *Great IRS Hoax*, Form #11.302, Section 4.4.5: How government and God compete to provide “protection”; <https://sedm.org/Forms/FormIndex.htm>.

him be your slave—just as the Son of Man did not come to be served, but to serve, and to give His life a ransom for many.”  
[Matt. 20:25-28, Bible, NKJV]

Jesus kept Himself unspotted from the world by not choosing a domicile there. The phrase “nowhere to lay His head” in the following passage is synonymous with a legal home or domicile.

### **The Cost of Discipleship**

And when Jesus saw great multitudes about Him, He gave a command to depart to the other side. Then a certain scribe came and said to Him, “Teacher, I will follow You wherever You go.”

And Jesus said to him, “**Foxes have holes and birds of the air have nests, but the Son of Man has nowhere to lay His head.**”  
[Matt. 8:18-20, Bible, NKJV]

“If you were of the world, the world would love its own. **Yet because you are not of [domiciled within] the world, but I [Jesus] chose you [believers] out of the world, therefore the world hates you.** Remember the word that I said to you, ‘A [public] servant is not greater than his [Sovereign] master.’ If they persecuted Me, they will also persecute you. If they kept My word, they will keep yours also [as trustees of the public trust]. But all these things they will do to you for My name’s sake, because they do not know Him [God] who sent Me.”  
[Jesus in John 15:19-21, Bible, NKJV]

It is perhaps because of the content of this section that Jesus was widely regarded as an “anarchist”. See:

*Jesus Is An Anarchist*, James Redford  
<http://famguardian.org/Subjects/Spirituality/ChurchvState/JesusAnarchist.htm>

## **2.20 Satan’s greatest sin was abusing “privileges” and “franchises” to make himself equal to or above God**

In the previous section, we showed how Christ refused privileges, benefits, and franchises and insisted on equality towards every other human. In this chapter, we compare that approach to Satan’s approach. It should interest the Christian reader to know that Satan’s greatest sin in the Bible was to abuse the “privileges” and therefore franchises bestowed by God to try to elevate himself to an equal or superior relation to God. By doing so, he insisted on being above every other creation of God, including humans. He did this out of pride, vanity, conceit, and covetousness.

Satan abused the “benefits” of the Bible franchise to try to become superior rather than remain equal to all other humans or believers. Below is what one commentary amazingly says on the subject:

### **WHAT WAS SATAN’S SIN?**

**Satan’s sin was done from a privileged position. He was not a deprived creature who had not drunk deeply of the blessings of God before he sinned. Indeed, Ezekiel 28:11–15 declares some astounding things about the privileged position in which he sinned.** That this passage has Satan in view seems most likely if one eliminates the idea that it is a mythical tale of heathen origin and if one takes the language at all plainly and not merely as filled with Oriental exaggerations. **Ezekiel “saw the work and activity of Satan, whom the king of Tyre was emulating in so many ways.” Satan’s privileges included (1) full measure of wisdom (v. 12), (2) perfection in beauty (v. 12), (3) dazzling appearance (v. 13), (4) a place of special prominence as the anointed cherub that covered God’s throne (v. 14).** Verse 15 (ASV) says all that the Bible says about the origin of sin—“till unrighteousness was found in thee.” It is clear, however, that Satan was not created as an evil being, for the verse clearly declares he was perfect when created. Furthermore, God did not make him sin; he sinned of his own volition and assumed full responsibility for that sin; and because of his great privileges, it is obvious that Satan sinned with full knowledge.

**Satan’s sin was pride (1 Ti 3:6).** The specific details of how that pride erupted are given in Isaiah 14:13–14 and are summarized in the assertion, “I will be like the most High” (v. 14).  
[Ryrie, C. C. (1972). A survey of Bible doctrine. Chicago: Moody Press]

Christ’s greatest glory, on the other hand, was to do the OPPOSITE of Satan in this regard:



1 1. Jesus made his own desires and flesh “invisible” and became an agent and fiduciary of God 24 hours a day, 7 days a  
2 week:

3 ““Whoever receives this little child in My name receives Me; and whoever receives Me receives Him who sent  
4 Me. For he who is least among you all will be great.””  
5 [Luke 9:48, Bible, NKJV]

6 “Father, if it is Your will, take this cup away from Me; nevertheless not My will, but Yours, be done.”  
7 [Luke 22:42, Bible, NKJV]

8 “And the Father Himself, who sent Me, has testified of Me. You have neither heard His voice at any time, nor  
9 seen His form.”  
10 [John 5:37, Bible, NKJV]

11 “For I have come down from heaven, not to do My own will, but the will of Him who sent Me.”  
12 [John 6:38, Bible, NKJV]

13 “Then Jesus cried out and said, “He who believes in Me, believes not in Me but in Him who sent Me.”  
14 [John 12:44, Bible, NKJV]

15 2. Jesus did NOT abuse the “privileges”, “franchises”, or “benefits” of God to elevate himself in importance or “rights”  
16 either above any other human or above God:

17 “Think of yourselves the way Christ Jesus thought of himself. He had equal status with God but didn’t think so  
18 much of himself that he had to cling to the advantages of that status no matter what. Not at all. When the time  
19 came, he set aside the privileges of deity and took on the status of a slave, became human! Having become  
20 human, he stayed human. It was an incredibly humbling process. He didn’t claim special privileges. Instead,  
21 he lived a selfless, obedient life and then died a selfless, obedient death—and the worst kind of death at that—  
22 a crucifixion.”

23 “Because of that obedience, God lifted him high and honored him far beyond anyone or anything, ever, so that  
24 all created beings in heaven and on earth—even those long ago dead and buried—will bow in worship before  
25 this Jesus Christ, and call out in praise that he is the Master of all, to the glorious honor of God the Father.”  
26 [Peterson, E. H. (2005). The Message: the Bible in contemporary language (Php 2:5–11). Colorado Springs, CO:  
27 NavPress]

28 Basically, Jesus had a servant’s heart and required the same heart of all those who intend to lead others in government:

29 “But you, do not be called ‘Rabbi’; for One is your Teacher, the Christ, and you are all brethren. Do not call  
30 anyone on earth your father; for One is your Father, He who is in heaven. And do not be called teachers; for One  
31 is your Teacher, the Christ. But he who is greatest among you shall be your servant. And whoever exalts  
32 himself will be humbled, and he who humbles himself will be exalted”.  
33 [Jesus in Matt. 23:8-12, Bible, NKJV]

34 But Jesus called them to Himself and said to them, “You know that those who are considered rulers over the  
35 Gentiles lord it over them, and their great ones exercise authority over them. Yet it shall not be so among you;  
36 but whoever desires to become great among you shall be your servant. And whoever of you desires to be first  
37 shall be slave of all. For even the Son of Man did not come to be served, but to serve, and to give His life a  
38 ransom for many.”  
39 [Mark 10:42–45, Bible, NKJV. See also Matt. 20:25-28]

40 Those in government who follow the above admonition in fact are implementing what the U.S. Supreme Court called “a  
41 society of law and not men” in Marbury v. Madison. The law is the will of the people in written form. Those who put that  
42 law above their own self-interest and execute it faithfully are:

- 43 1. Agents and/or officers of We the People.  
44 2. “Trustees” and managers over God’s property. The entire Earth belongs to the Lord, according to the Bible.<sup>29</sup>  
45 3. Acting in a fiduciary duty towards those who have entrusted them with power.

<sup>29</sup> “Indeed heaven and the highest heavens belong to the LORD your God, also the earth with all that is in it.” [Deut. 10:15, Bible, NKJV]

1                   *"As expressed otherwise, the powers delegated to a public officer are held in trust for the people and are to be*  
2 *exercised in behalf of the government or of all citizens who may need the intervention of the officer.* <sup>30</sup>  
3 ***Furthermore, the view has been expressed that all public officers, within whatever branch and whatever level***  
4 ***of government, and whatever be their private vocations, are trustees of the people, and accordingly labor under***  
5 ***every disability and prohibition imposed by law upon trustees relative to the making of personal financial gain***  
6 ***from a discharge of their trusts.*** <sup>31</sup> ***That is, a public officer occupies a fiduciary relationship to the political***  
7 ***entity on whose behalf he or she serves.*** <sup>32</sup> ***and owes a fiduciary duty to the public.*** <sup>33</sup> ***It has been said that the***  
8 ***fiduciary responsibilities of a public officer cannot be less than those of a private individual.*** <sup>34</sup> ***Furthermore,***  
9 ***it has been stated that any enterprise undertaken by the public official which tends to weaken public confidence***  
10 ***and undermine the sense of security for individual [PRIVATE] rights is against public policy.*** <sup>35</sup>  
11 *[63C American Jurisprudence 2d, Public Officers and Employees, §247 (1999)]*

- 12 4. Implementing a "covenant" or "contract" or "social compact" between them and the people. All civil and common law  
13 is based on compact.<sup>36</sup>
- 14 5. "Creatures [CREATIONS] of the law" as the U.S. Supreme Court calls them.<sup>37</sup>
- 15 6. Violating their oath and/or covenant if they use the property or rights they are managing or protecting for any aspect of  
16 private gain. In fact, 18 U.S.C. §208 makes it a crime to preside over a matter that you have a financial conflict of  
17 interest in.

18 All of the people in the Bible that God got most excited about were doing the above. There are many verses like those below:

- 19 1. Lev. 25:42:

20                   ***"For they are My servants,** whom I brought out of the land of Egypt; they shall not be sold as slaves."*

- 21 2. Lev. 25:55:

22                   ***"For the children of Israel are servants to Me; they are My servants** whom I brought out of the land of Egypt:*  
23 *I am the LORD your God."*

- 24 3. Numbers 14:24:

25                   ***"But My servant Caleb,** because he has a different spirit in him and has followed Me fully, I will bring into the*  
26 *land where he went, and his descendants shall inherit it."*

- 27 4. Joshua 1:2-5:

28                   ***"Moses My servant** is dead. Now therefore, arise, go over this Jordan, you and all this people, to the land which*  
29 *I am giving to them—the children of Israel. Every place that the sole of your foot will tread upon I have given*  
30 *you, as I said to Moses. From the wilderness and this Lebanon as far as the great river, the River Euphrates, all*  
31 *the land of the Hittites, and to the Great Sea toward the going down of the sun, shall be your territory. No man*

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<sup>30</sup> State ex rel. Nagle v. Sullivan, 98 Mont. 425, 40 P.2d. 995, 99 A.L.R. 321; Jersey City v. Hague, 18 N.J. 584, 115 A.2d. 8.

<sup>31</sup> Georgia Dep't of Human Resources v. Sistrunk, 249 Ga. 543, 291 S.E.2d. 524. A public official is held in public trust. Madlener v. Finley (1st Dist), 161 Ill.App.3d. 796, 113 Ill.Dec. 712, 515 N.E.2d. 697, app gr 117 Ill.Dec. 226, 520 N.E.2d. 387 and revd on other grounds 128 Ill.2d. 147, 131 Ill.Dec. 145, 538 N.E.2d. 520.

<sup>32</sup> Chicago Park Dist. v. Kenroy, Inc., 78 Ill.2d. 555, 37 Ill.Dec. 291, 402 N.E.2d. 181, appeal after remand (1st Dist) 107 Ill.App.3d. 222, 63 Ill.Dec. 134, 437 N.E.2d. 783.

<sup>33</sup> United States v. Holzer (CA7 Ill), 816 F.2d. 304 and vacated, remanded on other grounds 484 U.S. 807, 98 L.Ed. 2d 18, 108 S.Ct. 53, on remand (CA7 Ill) 840 F.2d. 1343, cert den 486 U.S. 1035, 100 L.Ed. 2d 608, 108 S.Ct. 2022 and (criticized on other grounds by United States v. Osser (CA3 Pa) 864 F.2d. 1056) and (superseded by statute on other grounds as stated in United States v. Little (CA5 Miss) 889 F.2d. 1367) and (among conflicting authorities on other grounds noted in United States v. Boylan (CA1 Mass), 898 F.2d. 230, 29 Fed.Rules.Evid.Serv. 1223).

<sup>34</sup> Chicago ex rel. Cohen v. Keane, 64 Ill.2d. 559, 2 Ill.Dec. 285, 357 N.E.2d. 452, later proceeding (1st Dist) 105 Ill.App.3d. 298, 61 Ill.Dec. 172, 434 N.E.2d. 325.

<sup>35</sup> Indiana State Ethics Comm'n v. Nelson (Ind App), 656 N.E.2d. 1172, reh gr (Ind App) 659 N.E.2d. 260, reh den (Jan 24, 1996) and transfer den (May 28, 1996).

<sup>36</sup> ***"A body politic," as aptly defined in the preamble of the Constitution of Massachusetts, "is a social compact by which the whole people covenants with each citizen, and each citizen with the whole people, that all shall be governed by certain laws for the common good."*** [United States v. Winstar Corp., 518 U.S. 839 (1996)]

<sup>37</sup> "No man in this country is so high that he is above the law. No officer of the law may set that law at defiance with impunity. All the officers of the government, from the highest to the lowest, are **creatures of the law**, and are bound to obey it." [United States v. Lee, 106 U. S., at 220]

shall be able to stand before you all the days of your life; as I was with Moses, so I will be with you. I will not leave you nor forsake you. “

5. 2 Sam. 3:18:

“Now then, do it! For the LORD has spoken of David, saying, ‘By the hand of My servant David, I will save My people Israel from the hand of the Philistines and the hand of all their enemies.’”

6. 2 Sam. 7:8-9:

“Now therefore, thus shall you say to My servant David, ‘Thus says the LORD of hosts: “I took you from the sheepfold, from following the sheep, to be ruler over My people, over Israel. And I have been with you wherever you have gone, and have cut off all your enemies from before you, and have made you a great name, like the name of the great men who are on the earth.”’

God also said that you shall NOT abuse your power or commerce generally to enslave or coerce anyone:

‘If one of your brethren becomes poor [desperate], and falls into poverty among you, then you shall help him, like a stranger or a sojourner, that he may live with you.

Take no usury or interest from him; but fear your God, that your brother may live with you.

You shall not lend him your money for usury, nor lend him your food at a profit.

I am the LORD your God, who brought you out of the land of Egypt, to give you the land of Canaan and to be your God.

‘And if one of your brethren who dwells by you becomes poor, and sells himself to you, you shall not compel him to serve as a slave.

As a hired servant and a sojourner he shall be with you, and shall serve you until the Year of Jubilee.

And then he shall depart from you—he and his children with him—and shall return to his own family. He shall return to the possession of his fathers.

For they are My servants, whom I brought out of the land of Egypt; they shall not be sold as slaves.

You shall not rule over him with rigor, but you shall fear your God.  
[Lev. 25:35-43, Bible, NKJV]

Note above that it says that people who are poor or desperate should be treated not as slaves, but as “sojourners”, which today means “nonresidents” and “transient foreigners”. This is exactly the condition that our members are required to have.

The most famous example in the Bible of the violation of the above prohibition against usury was how Pharaoh used a famine to enslave his entire country, including the Israelites. See Gen. 47:13-26:

Joseph Deals with the Famine

<sup>13</sup> Now there was no bread in all the land; for the famine was very severe, so that the land of Egypt and the land of Canaan languished because of the famine. <sup>14</sup> And Joseph gathered up all the money that was found in the land of Egypt and in the land of Canaan, for the grain which they bought; and Joseph brought the money into Pharaoh’s house.

<sup>15</sup> So when the money failed in the land of Egypt and in the land of Canaan, all the Egyptians came to Joseph and said, “Give us bread, for why should we die in your presence? For the money has failed.”

<sup>16</sup> Then Joseph said, “Give your livestock, and I will give you bread for your livestock, if the money is gone.” <sup>17</sup> So they brought their livestock to Joseph, and Joseph gave them bread in exchange for the horses, the flocks, the cattle of the herds, and for the donkeys. Thus he fed them with bread in exchange for all their livestock that year.

<sup>18</sup> When that year had ended, they came to him the next year and said to him, “We will not hide from my lord that our money is gone; my lord also has our herds of livestock. There is nothing left in the sight of my lord but our bodies and our lands. <sup>19</sup> Why should we die before your eyes, both we and our land? Buy us and our land for

bread, and we and our land will be servants of Pharaoh; give us seed, that we may live and not die, that the land may not be desolate.”

<sup>20</sup> Then Joseph bought all the land of Egypt for Pharaoh; for every man of the Egyptians sold his field, because the famine was severe upon them. So the land became Pharaoh's. <sup>21</sup> And as for the people, he moved them into the cities, from one end of the borders of Egypt to the other end. <sup>22</sup> Only the land of the priests he did not buy; for the priests had rations allotted to them by Pharaoh, and they ate their rations which Pharaoh gave them; therefore they did not sell their lands.

<sup>23</sup> Then Joseph said to the people, “Indeed I have bought you and your land this day for Pharaoh. Look, here is seed for you, and you shall sow the land. <sup>24</sup> And it shall come to pass in the harvest that you shall give one-fifth to Pharaoh. Four-fifths shall be your own, as seed for the field and for your food, for those of your households and as food for your little ones.”

<sup>25</sup> So they said, “You have saved our lives; let us find favor in the sight of my lord, and we will be Pharaoh's servants.” <sup>26</sup> And Joseph made it a law over the land of Egypt to this day, that Pharaoh should have one-fifth, except for the land of the priests only, which did not become Pharaoh's.  
[Gen. 47:13-26, Bible, NKJV]

Eventually, God liberated the Israelites in the famous story of Moses' exodus out of Egypt, but not before he brought a series of curses on Pharaoh for his usury in Exodus 4. Another similar source of usury was the Canaanites in the Bible, if you wish to investigate further. We talk about this subject later in section 22.4. It is very interesting that the above history of usury occurred in the land of Canaan for that very reason.

It is interesting to note that the main political objection that most Muslim countries have to the United States is related to usury created by the abuse of commerce. The Koran forbids lending money at interest. Libya and Iraq both became the target of war and intervention because they wanted to abandon the Federal Reserve fiat currency system and implement gold instead of paper money. Muslims refer to this usury as “imperialism” and literally hate it. Iran's own leader calls for “death to America” and usury is the main reason he does so. There is no question that the abuse of commerce to create inequality, servitude, and usury is satanic because the Bible says this was the essence of Satan's greatest sin. The Muslims are correct to PEACEFULLY protest it and oppose it.

“You were the seal of perfection,  
Full of wisdom and perfect in beauty.  
<sup>13</sup> You were in Eden, the garden of God;  
Every precious stone was your covering:  
The sardius, topaz, and diamond,  
Beryl, onyx, and jasper,  
Sapphire, turquoise, and emerald with gold.  
The workmanship of your timbrels and pipes  
Was prepared for you on the day you were created.

<sup>14</sup> “You were the anointed cherub who covers;  
I established you;  
You were on the holy mountain of God;  
You walked back and forth in the midst of fiery stones.  
<sup>15</sup> You were perfect in your ways from the day you were created,  
Till iniquity was found in you.

<sup>16</sup> **“By the abundance of your trading  
You became filled with violence within,  
And you sinned;  
Therefore I cast you as a profane thing  
Out of the mountain of God;  
And I destroyed you, O covering cherub,  
From the midst of the fiery stones.**

<sup>17</sup> “Your heart was lifted up because of your beauty;  
You corrupted your wisdom for the sake of your splendor;  
I cast you to the ground,  
I laid you before kings,  
That they might gaze at you.

<sup>18</sup> **“You defiled your sanctuaries  
By the multitude of your iniquities,  
By the iniquity of your trading;**

1 Therefore I brought fire from your midst;  
2 It devoured you,  
3 And I turned you to ashes upon the earth  
4 In the sight of all who saw you.  
5 <sup>19</sup> All who knew you among the peoples are astonished at you;  
6 You have become a horror,  
7 And shall be no more forever.”””  
8 [Ezekiel 28:13-19, Bible, NKJV]

9 That is not to say that we condone the use of violence or terrorism to oppose usury, however. More peaceful means are  
10 available, and especially that of withdrawing our domicile and sponsorship of usurious governments and becoming non-  
11 resident non-persons. We talk about this approach in:

Why Domicile and Becoming a “Taxpayer” Require Your Consent, Form #05.002  
<http://sedm.org/Forms/FormIndex.htm>

12 We conclude in the above document that the only way that changing domicile and thereby removing funding and civil  
13 jurisdiction from the government can result in violence is if the government actively interferes with you receiving the  
14 “benefits” of doing so. When they do that, violence, revolution, anarchy, and even war is inevitable eventually.

15 We refer to the systematic implementation of usury as the greatest sin of our present government because it was Satan’s  
16 greatest sin. The Federal Reserve counterfeiting franchise is its foundation. We describe the government as an economic  
17 terrorist, the District of Columbia as the District of Criminals, and politicians as criminals because of it. It’s all based on “the  
18 love of money”:

19 *“For the love of money is a root of all kinds of evil, for which some have strayed from the faith in their greediness,*  
20 *and pierced themselves through with many sorrows.”*  
21 [1 Tim. 6:10, Bible, NKJV]

22 It is our sincere belief that if we as a country had stuck to the requirements of Lev. 25:35-43 earlier in our external relations,  
23 the problems we have with terrorism from foreign nations could be significantly reduced. The United States commits usury  
24 and economic terrorism against foreign countries, so they reciprocate with violent terrorism, but both types of terrorism are  
25 equally evil. The economic interventionism and the coercion that the usury leads to is a direct violation of the requirements  
26 of justice itself. “Justice” is legally defined as the right to be left alone. If we want to be “left alone” by the terrorists and  
27 treated with respect, then we have to quit meddling in their affairs, invading and bombing their countries mainly for economic  
28 reasons, or using our economic might to coerce them with sanctions. You will always reap what you sow.

29 The United States as a country sows economic violence so we reap physical violence. This is the inevitable consequence of  
30 the fact that we are all equal and any attempt to make us unequal inevitably produces wars, violence, anarchy, and political  
31 instability:

32 *“Therefore, whatever you want men to do to you, do also to them, for this is the Law and the Prophets.”*  
33 [Matt. 7:12, Bible, NKJV]

34 The U.S. Supreme Court stated the above slightly differently, when they declared the first income tax unconstitutional, which  
35 was implemented as a franchise tax that discriminated against one class of people at the expense of another and therefore,  
36 produced INEQUALITY:

37 “The income tax law under consideration is marked by discriminating features which affect the whole law. It  
38 discriminates between those who receive an income of four thousand dollars and those who do not. It thus  
39 vitiates, in my judgment, by this arbitrary discrimination, the whole legislation. Hamilton says in one of his  
40 papers, (the Continentalist,) “the genius of liberty reprobates everything arbitrary or discretionary in taxation. It  
41 exacts that every man, by a definite and general rule, should know what proportion of his property the State  
42 demands; whatever liberty we may boast of in theory, it cannot exist in fact while [arbitrary] assessments  
43 continue.” I Hamilton’s Works, ed. 1885, 270. The legislation, in the discrimination it makes, is class legislation.  
44 Whenever a distinction is made in the burdens a law imposes or in the benefits it confers on any citizens by  
45 reason of their birth, or wealth, or religion, it is class legislation, and leads inevitably to oppression and abuses,  
46 and to general unrest and disturbance in society [e.g. wars, political conflict, violence, anarchy]. It was hoped  
47 and believed that the great amendments to the Constitution which followed the late civil war had rendered such  
48 legislation impossible for all future time. But the objectionable legislation reappears in the act under  
49 consideration. It is the same in essential character as that of the English income statute of 1691, which taxed  
50 Protestants at a certain rate, Catholics, as a class, at double the rate of Protestants, and Jews at another and



1 separate rate. Under wise and constitutional legislation every citizen should contribute his proportion, however  
2 small the sum, to the support of the government, and it is no kindness to urge any of our citizens to escape from  
3 that obligation. If he contributes the smallest mite of his earnings to that purpose he will have a greater regard  
4 for the government and more self-respect 597\*597 for himself feeling that though he is poor in fact, he is not a  
5 pauper of his government. And it is to be hoped that, whatever woes and embarrassments may betide our people,  
6 they may never lose their manliness and self-respect. Those qualities preserved, they will ultimately triumph over  
7 all reverses of fortune."

8 [. . .]

9 "Here I close my opinion. I could not say less in view of questions of such gravity that go down to the very  
10 foundation of the government. If the provisions of the Constitution can be set aside by an act of Congress, where  
11 is the course of usurpation to end? The present assault upon capital is but the beginning. It will be but the  
12 stepping-stone to others, larger and more sweeping, till our political contests will become a war of the poor  
13 against the rich; a war constantly growing in intensity and bitterness."

14 "If the court sanctions the power of discriminating taxation, and nullifies the uniformity mandate of the  
15 Constitution," as said by one who has been all his life a student of our institutions, "it will mark the hour when  
16 the sure decadence of our present government will commence." If the purely arbitrary limitation of \$4000 in  
17 the present law can be sustained, none having less than that amount of income being assessed or taxed for the  
18 support of the government, the limitation of future Congresses may be fixed at a much larger sum, at five or ten  
19 or twenty thousand dollars, parties possessing an income of that amount alone being bound to bear the burdens  
20 of government; or the limitation may be designated at such an amount as a board of "walking delegates" may  
21 deem necessary. There is no safety in allowing the limitation to be adjusted except in strict compliance with the  
22 mandates of the Constitution which require its taxation, if imposed by direct taxes, to be apportioned among the  
23 States according to their representation, and if imposed by indirect taxes, to be uniform in operation and, so far  
24 as practicable, in proportion to their property, equal upon all citizens. Unless the rule of the Constitution  
25 governs, a majority may fix the limitation at such rate as will not include any of their own number."  
26 [Pollock v. Farmers' Loan & Trust Co., 157 U.S. 429 (Supreme Court 1895)]

27 We talk about our opposition to usurious commerce that produces inequality in our Disclaimer, Section 9:

#### 28 SEDM Disclaimer

#### 29 9. APPROACH TOWARDS "HATE SPEECH" AND HATE CRIME

30 This website does not engage in, condone, or support [hate speech](#) or hate crimes, violent thoughts, deeds or  
31 actions against any particular person(s), group, entity, government, mob, paramilitary force, intelligence agency,  
32 overpaid politician, head of state, queen, dignitary, ambassador, spy, spook, soldier, bowl cook, security flunky,  
33 contractor, dog, cat or mouse, Wal-Mart employee, amphibian, reptile, and or deceased entity without a PB  
34 (Physical Body). By "hate speech" and "hate crime", we mean in the context of religious members of this site  
35 trying to practice their faith:

36 1. Compelling members to violate any aspect of the [Laws of the Bible, Form #13.001](#). This includes commanding  
37 them to do things God forbids or preventing or punishing them from doing God commands.

38 2. Persecution or "selective enforcement" directed against those whose religious beliefs forbid them from  
39 contracting with, doing business with, or acquiring any civil status in relation to any and all governments. These  
40 people must be "left alone" by law and are protected in doing so by the First Amendment and the right to NOT  
41 contract protected by the Constitution. The group they refuse to associate with is civil statutory "persons". We  
42 call these people "non-resident non-persons" on this site as described in [Form #05.020](#). See [Proof That There Is](#)  
43 [a "Straw Man", Form #05.042](#) for a description of the civil "person" scam.

44 3. Engaging in [legal "injustice" \(Form #05.050\)](#). By "justice" we mean [absolutely owned private property \(Form](#)  
45 [#10.002\)](#), and [equality of TREATMENT and OPPORTUNITY \(Form #05.033\)](#) under [REAL LAW \(Form #05.048\)](#).  
46 "Justice" is defined here as God defines it in [Form #05.050](#).

47 4. Any attempt to treat anyone unequally under REAL "law". This includes punishing or preventing actions by  
48 members to enforce against governments under [their own franchise \(Form #06.027\)](#) the same way governments  
49 enforce against them. See [What is "law", Form #05.048](#).

50 5. Offering, implementing, or enforcing any [civil franchise \(Form #05.030\)](#). This enforces superior powers on  
51 the part of the government as a form of inequality, results in religious idolatry, and violates the First  
52 Commandment of the Ten Commandments (Exodus 20). This includes:

53 5.1 Making [justice \(Form #05.050\)](#) into a civil public privilege

5.2 Turning CONSTITUTIONAL PRIVATE citizens into STATUTORY PUBLIC citizens engaged in a public office and a franchise.

5.3 Any attempt to impose equality of OUTCOME by law, such as by abusing taxing powers to redistribute wealth. See [Great IRS Hoax, Form #11.302](#).

Franchises are the main method of introducing UNEQUAL treatment by the government. See [Why You are a "national", "state national", and Constitutional but not Statutory Citizen, Form #05.006](#).

6. Any attempt to outlaw or refuse to recognize or enforce **absolutely owned private property (Form #12.025)**. This makes everyone into slaves of the government, which then ultimately owns ALL property and can place unlimited conditions upon the use of their property. It also violates the last six commandments of the Ten Commandments, which are the main religious laws that protect PRIVATE property and prevent it from being shared with any government. This includes:

6.1 Refusing to provide civil statuses on government forms that recognize those who are exclusively private and their right to be left alone.

6.2 Refusing to provide government forms that recognize those who are exclusively private such as "nontaxpayers" or "non-resident non-persons" and their right to be left alone.

The result of the above forms of omission are hate, discrimination, and selective enforcement against those who refuse to become **"customers" or franchisees (Form #05.030)** of government. See [Avoiding Traps in Government Forms, Form #12.023](#).

7. Any attempt by government to use judicial process or administrative enforcement to enforce any civil obligation derived from any source OTHER than express written consent or to an injury against the equal rights of others demonstrated with court admissible evidence. See [Lawfully Avoiding Government Obligations, Form #12.040](#).

There is no practical difference between discriminating against or targeting people because of the groups they claim membership in and punishing them for refusing to consent to join a group subject to legal disability, such as those participating in government franchises. Members of such DISABILITY groups include civil statutory "persons", "taxpayers", "individuals" (under the tax code), "drivers" (under the vehicle code), "spouses" (under the family code). Both approaches lead to the same result: discrimination and selective enforcement. The government claims an exemption from being a statutory "person", and since it is a government of delegated powers, the people who gave it that power must ALSO be similarly exempt:

"The sovereignty of a state does not reside in the persons who fill the different departments of its government, but in the People, from whom the government emanated; and they may change it at their discretion. Sovereignty, then in this country, abides with the constituency, and not with the agent; and this remark is true, both in reference to the federal and state government."

[*Spooner v. McConnell*, 22 F. 939 @ 943]

"In common usage, the term 'person' does not include the sovereign, and statutes employing the word are ordinarily construed to exclude it."

[*Wilson v. Omaha Indian Tribe*, 442 U.S. 653, 667 (1979)]

"Since in common usage the term 'person' does not include the sovereign, statutes employing that term are ordinarily construed to exclude it."

[*U.S. v. Cooper*, 312 U.S. 600,604, 61 S.Ct. 742 (1941)]

"In common usage, the term 'person' does not include the sovereign and statutes employing it will ordinarily not be construed to do so."

[*U.S. v. Cooper*, 312 U.S. 600,604, 61 S.Ct. 742 (1941)]

"There is no such thing as a power of inherent sovereignty in the government of the United States .... In this country sovereignty resides in the people, and Congress can exercise no power which they have not, by their Constitution entrusted to it: All else is withheld."

[*Juilliard v. Greenman*, 110 U.S. 421 (1884)]

The foundation of the religious beliefs and practices underlying this website is a refusal to contract with or engage in commerce with any and every government. Black's Law Dictionary defines "commerce" as "intercourse".

1                   “Commerce. ...**Intercourse** by way of trade and traffic [money instead of semen] between  
2 different peoples or states and the citizens or inhabitants thereof, including not only the  
3 purchase, sale, and exchange of commodities, but also the instrumentalities [governments]  
4 and agencies by which it is promoted and the means and appliances by which it is carried  
5 on...”  
6 [Black's Law Dictionary, Sixth Edition, p. 269]

7 Hence this website advocates a religious refusal to engage in sex or intercourse or commerce with any  
8 government. In fact, the Bible even describes people who VIOLATE this prohibition as "playing the harlot"  
9 ([Ezekiel 16:41](#)) and personifies that harlot as "Babylon the Great Harlot" ([Rev. 17:5](#)), which is fornicating with  
10 the Beast, which it defines as governments ([Rev. 19:19](#)).

11 I [God] brought you up from Egypt [slavery] and brought you to the land of which I swore  
12 to your fathers; and I said, 'I will never break My covenant with you. And **you shall make**  
13 **no covenant** [[contract or franchise or agreement of ANY kind](#)] **with the inhabitants of**  
14 **this [corrupt pagan] land; you shall tear down their [man/government worshipping**  
15 **socialist] altars.**' But you have not obeyed Me. Why have you done this?

16 "Therefore I also said, 'I will not drive them out before you; but they will become as  
17 thorns [[terrorists and persecutors](#)] in your side and their gods will be a snare [slavery!]  
18 to you.'"

19 So it was, when the Angel of the LORD spoke these words to all the children of Israel, that  
20 the people lifted up their voices and wept.  
21 [[Judges 2:1-4](#), Bible, NKJV]  
22

23 "Do you not know that friendship with the world is enmity with God? **Whoever therefore**  
24 **wants to be a friend** [["citizen"](#), ["resident"](#), ["taxpayer"](#), ["inhabitant"](#), or ["subject"](#)] **under**  
25 **a king or political ruler** of the world [or any man-made kingdom other than God's  
26 Kingdom] **makes himself an enemy of God.** "  
27 [[James 4:4](#), Bible, NKJV]  
28

29 "You shall make no covenant [[contract or franchise](#)] with them [[foreigners, pagans](#)],  
30 nor with their [[pagan government](#)] gods [laws or judges]. They shall not dwell in your  
31 land [and you shall not dwell in theirs [by becoming a "resident" in the process of](#)  
32 [contracting with them](#)], lest they make you sin against Me [God]. For if you serve their  
33 gods [under [contract or agreement or franchise](#)], it will surely be a snare to you."  
34 [[Exodus 23:32-33](#), Bible, NKJV]  
35

36 "Pure and undefiled religion before God and the Father is this: to visit orphans and widows  
37 in their trouble, and to **keep oneself unspotted from the world** [the obligations and  
38 concerns of the world]. "  
39 [[James 1:27](#), Bible, NKJV]  
40

41 "You shall have no other gods [including political rulers, governments, or Earthly laws]  
42 before Me [or [My commandments](#)]."  
43 [[Exodus 20:3](#), Bible, NKJV]  
44

45 "Then all the elders of Israel gathered together and came to Samuel [the priest in a  
46 Theocracy] at Ramah, and said to him, 'Look, you [the priest within a theocracy] are old,  
47 and your sons do not walk in your ways. **Now make us a king [or political ruler] to judge**  
48 **us like all the nations** [and be OVER them]'.

49 "But the thing displeased Samuel when they said, 'Give us a king [or political ruler] to  
50 judge us.' So Samuel prayed to the Lord. And the Lord said to Samuel, 'Heed the voice  
51 of the people in all that they say to you; for they have rejected Me [God], that I should  
52 not reign over them. According to all the works which they have done since the day that I  
53 brought them up out of Egypt, even to this day—with which they have forsaken Me [God  
54 as their ONLY King, Lawgiver, and Judge] and [served other gods](#)—so they are doing to  
55 you also [government or political rulers becoming the object of idolatry]. "  
56 [[1 Sam. 8:4-8](#), Bible, NKJV]  
57

1 "Do not walk in the statutes of your fathers [the heathens], nor observe their judgments,  
2 nor defile yourselves with their [pagan government] idols. I am the LORD your God: Walk  
3 in My statutes, keep My judgments, and do them; hallow My Sabbaths, and they will be a  
4 sign between Me and you, that you may know that I am the LORD your God."  
5 [Ezekial 20:10-20, Bible, NKJV]

6 Where is "separation of church and state" when you REALLY need it, keeping in mind that Christians AS  
7 INDIVIDUALS are "the church" and secular society is the "state" as legally defined? The John Birch Society  
8 agrees with us on the subject of not contracting with anyone in the following video:

Trading Away Your Freedom by Foreign Entanglements, John Birch Society  
<https://www.youtube.com/watch?v=2Q24tWlrRdk>

9 Pastor David Jeremiah of Turning Point Ministries also agrees with us on this subject:

The Church in Satan's City, March 20, 2016  
<http://sedm.org/pastor-david-jeremiah-on-separation-between-church-and-state-the-church-in-satans-city/>

10 President Obama also said that it is the right of EVERYONE to economically AND politically disassociate with  
11 the government so why don't the agencies of the government recognize this fact on EVERY form you use to interact  
12 with them?.

President Obama Says US Will NOT Impose Its Political or Economic System on Anyone, Exhibit #05.053  
[https://youtu.be/2t\\_ZRQSIPr0](https://youtu.be/2t_ZRQSIPr0)

13 We wrote an entire book on how to economically and politically disassociate in fulfillment of Obama's promise  
14 above, and yet the government hypocritically actively interferes with economically and politically disassociating,  
15 in defiance of President Obama's assurances and promises. HYPOCRITES!

Non-Resident Non-Person Position, Form #05.020  
<http://sedm.org/Forms/FormIndex.htm>

16 Government's tendency to compel everyone into a commercial or civil legal relationship (Form #05.002) with  
17 them is defined by the Bible as the ESSENCE of Satan himself! The personification of that evil is dramatized in  
18 the following video:

Devil's Advocate: Lawyers  
<http://sedm.org/what-we-are-up-against/>

19 Therefore, the religious practice and sexual orientation of avoiding commerce and civil legal relationships (Form  
20 #05.002) with governments is the essence of our religious faith:

21 "I [God] brought you up from Egypt [government slavery] and brought you to the land of  
22 which I swore to your fathers; and I said, 'I will never break My covenant [Bible contract]  
23 with you. And you shall make no covenant [contract, franchise, "social compact", or  
24 agreement of ANY kind] with the inhabitants of this [corrupt pagan] land; you shall  
25 tear down their [man/government worshipping socialist] altars.' But you have not obeyed  
26 Me. Why have you done this?

27 "Therefore I also said, **I will not drive them out before you; but they will become as**  
28 **thorns [terrorists and persecutors] in your side and their gods will be a snare [slavery!]**  
29 **to you.'"**

30 So it was, when the Angel of the LORD spoke these words to all the children of Israel, that  
31 the people lifted up their voices and wept.  
32 [Judges 2:1-4, Bible, NKJV]

33  
34 "By the abundance of your [Satan's] trading You became filled with violence within, And  
35 you sinned; Therefore I cast you as a profane thing Out of the mountain of God; And I  
36 destroyed you, O covering cherub, From the midst of the fiery stones."  
37 [Ezekial 28:16, Bible, NKJV]  
38

1 "As religion towards God is a branch of universal righteousness (he is not an honest man  
2 that is not devout), so **righteousness towards men is a branch of true religion, for he is**  
3 **not a godly man that is not honest, nor can he expect that his devotion should be accepted;**  
4 **for,**

5 **1. Nothing is more offensive to God than deceit in commerce. A false balance is here put**  
6 **for all manner of unjust and fraudulent practices [of our public dis-servants] in dealing**  
7 **with any person [within the public], which are all an abomination to the Lord, and render**  
8 **those abominable [hated] to him that allow themselves in the use of such accursed arts**  
9 **of thriving. It is an affront to justice, which God is the patron of, as well as a wrong to**  
10 **our neighbour, whom God is the protector of. Men [in government] make light of such**  
11 **frauds, and think there is no sin in that which there is money to be got by, and, while it**  
12 **passes undiscovered, they cannot blame themselves for it; a blot is no blot till it is hit,**  
13 **Hos. 12:7, 8. But they are not the less an abomination to God, who will be the avenger**  
14 **of those that are defrauded by their brethren.**

15 **2. Nothing is more pleasing to God than fair and honest dealing, nor more necessary to**  
16 **make us and our devotions acceptable to him: A just weight is his delight. He himself**  
17 **goes by a just weight, and holds the scale of judgment with an even hand, and therefore is**  
18 **pleased with those that are herein followers of him.**

19 **A [false] balance, [whether it be in the federal courtroom or in the government or in the**  
20 **marketplace,] cheats, under pretence of doing right most exactly, and therefore is the**  
21 **greater abomination to God."**

22 [Matthew Henry's Commentary on the Whole Bible; Henry, M., 1996, c1991, under Prov.  
23 11:1]

24 Any individual, group, or especially government worker that makes us the target of discrimination, violence,  
25 "selective enforcement", or hate because of this form of religious practice or "sexual orientation" or abstinence  
26 is practicing HATE SPEECH based BOTH on our religious beliefs AND our sexual orientation as legally defined.  
27 Furthermore, all readers and governments are given reasonable timely notice that the terms of use for the  
28 information and services available through this website mandate that any attempt to compel us into a commercial  
29 or tax relationship with any government shall constitute:

- 30 1. "purposeful availment" in satisfaction of the Foreign Sovereign Immunities Act, 28 U.S.C. Chapter 97.  
31 2. A waiver of official, judicial, and sovereign immunity.  
32 3. A commercial invasion within the meaning of Article 4, section 4 of the United States Constitution.  
33 4. A tort cognizable as a Fifth Amendment taking without compensation.  
34 5. A criminal attempt at identity theft by wrongfully associating us with a civil status of "citizen", "resident",  
35 "taxpayer", etc.  
36 6. Duress as legally defined. See Affidavit of Duress: Illegal Tax Enforcement by De Facto Officers, Form  
37 #02.005.  
38 7. Express consent to the terms of this disclaimer.

39 The result of the waivers of immunity above is to restore EQUALITY under REAL LAW between members and  
40 corrupt governments intent on destroying that equality by offering or enforcing civil franchises. All freedom  
41 derives from equality between you and the government in the eyes of REAL law in court. See Requirement for  
42 Equal Protection and Equal Treatment, Form #05.033.

43 The GOVERNMENT crimes documented on this website fall within the ambit of 18 U.S.C. §2381: Treason. The  
44 penalty mandated by law for these crimes is DEATH. We demand that actors in the Department of Justice for  
45 both the states and the federal government responsible for prosecuting these crimes of Treason do so as required  
46 by law. A FAILURE to do so is ALSO an act of Treason punishable by death. Since murder is not only a crime,  
47 but a violent crime, pursuant to 18 U.S.C. §1111, then the government itself can also be classified as terrorist. It  
48 is also ludicrous to call people who demand the enforcement of the death penalty for the crimes documented as  
49 terrorists. If that were true, every jurist who sat on a murder trial in which the death penalty applied would also  
50 have to be classified as and prosecuted as a terrorist. Hypocrites.

51 For those members seeking to prosecute government actors practicing hate speech or hate crime against them,  
52 see the following resource:

<p>53 <u>Discrimination and Racism Page, Section 5: Hate Speech and Hate Crime</u> 54 <u><a href="https://famguardian.org/Subjects/Discrimination/discrimination.htm#HATE_SPEECH">https://famguardian.org/Subjects/Discrimination/discrimination.htm#HATE_SPEECH</a></u></p>
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[SEDM Disclaimer, Section 9;  
SOURCE: <http://sedm.org/disclaimer.htm>]



The moral of the story is that the main difference between Christ and Satan was how they handled “privileges” and “franchises” and whether they tried to use them as a means to create inequality or usury or slavery or servitude between them and others while they were on the earth.

As we say repeatedly throughout this document, franchises are the main method used to destroy and undermine equality of all under the law. Any attempt to implement them in any governmental system is SATANIC and emulates Satan’s greatest sin. Those in government who institute or enforce franchises will therefore get the same punishment as Satan did for exactly the same reasons.

## **2.21 Abuse of Franchises are the origin of “identity politics”**

A frequent source of conflict and debate in television and radio and newspaper media is the subject of “identity politics”. Below is a definition:

*Identity politics, also called **identitarian politics**,<sup>[1]</sup> refers to **political** positions based on the interests and perspectives of social groups with which people identify. Identity politics includes the ways in which people's politics may be shaped by aspects of their identity through loosely correlated social organizations. Examples include social organizations based on age, **religion**, **social class** or **caste**, **culture**, **dialect**, **disability**, **education**, **ethnicity**, **language**, **nationality**, **sex**, **gender identity**, **generation**, **occupation**, **profession**, **race**, **political party** affiliation, **sexual orientation**, **settlement**, **urban** and **rural** habitation, and **veteran status**. Not all members of any given group are involved in identity politics.*

*The term identity politics came into being during the latter part of the 20th century, during the **African-American Civil Rights Era**.<sup>[2]</sup> During this time period, identity politics was used by a minority group to form a coalition with members of the majority.*  
*[Wikipedia: Identity Politics; Downloaded 7/26/2017; [https://en.wikipedia.org/wiki/Identity\\_politics](https://en.wikipedia.org/wiki/Identity_politics)]*

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### **FOOTNOTES:**

1. Hamoudi, Haider Ala (14 June 2010). "**Identitarian Violence and Identitarian Politics: Elections and Governance in Iraq**" (PDF). **Harvard International Law Journal** Online. **51** (78): 82–95. Retrieved 24 July 2016.

2. Heyes, Cressida. "**Identity Politics**". Stanford Encyclopedia of Philosophy. Metaphysics Research Lab, **CSLI, Stanford University**. Retrieved 2012-11-11

What all of the groups in the above definition have in common is an identified legal or civil status that gives rise to their political objectives. Most of the time, the main goal of these political objectives is to enhance their personal commercial government “benefits”, their civil status, or their political power as a constituent at the expense of all groups or statuses OTHER than theirs. They will deceptively call the LACK of the “benefit” they seek as “injustice” or “social injustice” or “oppression”. This technique is called “equivocation”, which is a logical fallacy that confuses LEGAL JUSTICE with POLITICAL JUSTICE so as to make them falsely appear equivalent.

### **equivocation**

***EQUIVOCATION**, n. Ambiguity of speech; the use of words or expressions that are susceptible of a double signification. Hypocrites are often guilty of equivocation, and by this means lose the confidence of their fellow men. **Equivocation is incompatible with the Christian character and profession.***

*[SOURCE: <http://1828.mshaffer.com/d/search/word/equivocation/>]*

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***Equivocation** ("to call by the same name") is an **informal logical fallacy**. It is the misleading use of a term with more than one **meaning** or **sense** (by glossing over which meaning is intended at a particular time). It generally occurs with **polysemic** words (words with multiple meanings).*

*Albeit in common parlance it is used in a variety of contexts, when discussed as a fallacy, equivocation only occurs when the arguer makes a word or phrase employed in two (or more) different senses in an argument appear to have the same meaning throughout.*

1 It is therefore distinct from (semantic) [ambiguity](#), which means that the context doesn't make the meaning of the  
2 word or phrase clear, and [amphiboly](#) (or syntactical ambiguity), which refers to ambiguous sentence structure  
3 due to [punctuation](#) or [syntax](#).

4 [Wikipedia: Equivocation, Downloaded 9/15/2015;  
5 SOURCE: <https://en.wikipedia.org/wiki/Equivocation/>]

6 In fact, “legal justice” and “social justice” are polar opposites that are NOT equivalent. Below is a description of the  
7 difference between LEGAL justice and SOCIAL justice that explains the deceptive abuse of legal words as a method to  
8 effectively abuse law to STEAL from others the PRIVILEGES and PUBLIC RIGHTS that you demand by abusing  
9 government taxing power to illegally and unconstitutionally transfer wealth:

What is “Justice”?, Form #05.050  
<https://sedm.org/Forms/FormIndex.htm>

10 In other words, the purpose of “identity politics” is to abuse political power as voters and jurists to enact civil franchise  
11 statutes that protect and expand inequality or to place one group in a superior position relative to other groups. Usually, the  
12 legislative franchise statutes sought by the group are pursued through individual campaign contributions or organized  
13 lobbying such as a Political Action Committee (PAC). What they pursue is commonly called “civil rights”, but in actuality  
14 it really amounts to franchise privileges (PUBLIC RIGHTS) disguised to LOOK like PRIVATE RIGHTS by giving them the  
15 same name of “rights”.

#### 16 Nature of the movement

17 *The term identity politics has been applied retroactively to varying movements that long predate its coinage.*  
18 *Historian [Arthur Schlesinger, Jr.](#) discussed identity politics extensively in his book [The Disuniting of America](#).*  
19 *Schlesinger, a strong supporter of liberal conceptions of [civil rights](#), argues that a [liberal democracy](#) requires a*  
20 *common basis for [culture](#) and [society](#) to function.*

21 *In his view, **basing politics on group marginalization fractures the civil polity, and therefore works against***  
22 ***creating real opportunities for ending marginalization.** Schlesinger believes that “movements for civil rights*  
23 ***should aim toward full acceptance and integration of marginalized groups into the mainstream culture, rather***  
24 ***than...perpetuating that marginalization through affirmations of difference”.***<sup>[16]</sup>

25 *[Brendan O'Neill](#) has contrasted the politics of [gay liberation](#) and identity politics by saying “... [\[Peter\] Tatchell](#)*  
26 *also had, back in the day, was a commitment to the politics of liberation, which encouraged gays to come out and*  
27 *live and engage. **Now, we have the politics of identity, which invites people to stay in, to look inward, to obsess***  
28 ***over the body and the self, to surround themselves with a moral forcefield to protect their worldview—which***  
29 ***has nothing to do with the world—from any questioning.**”<sup>[17]</sup> [Left-wing](#) author [Owen Jones](#) claims that identity*  
30 *politics often marginalizes the [working class](#), saying that:*

31 *In the 1950s and 1960s, left-wing intellectuals who were both inspired and informed by a*  
32 *powerful labour movement wrote hundreds of books and articles on working-class issues.*  
33 *Such work would help shape the views of politicians at the very top of the Labour Party.*  
34 *Today, progressive intellectuals are far more interested in issues of identity. ... Of course,*  
35 *the struggles for the emancipation of women, gays, and ethnic minorities are exceptionally*  
36 *important causes. New Labour has co-opted them, passing genuinely progressive*  
37 *legislation on gay equality and women's rights, for example. But it is an agenda that has*  
38 *happily co-existed with the sidelining of the working class in politics, allowing New Labour*  
39 *to protect its radical flank while pressing ahead with Thatcherite policies.*

40 — Owen Jones, [Chavs: The Demonization of the Working Class](#)<sup>[18]</sup>

41 [Wikipedia: Identity Politics; Downloaded 7/26/2017; [https://en.wikipedia.org/wiki/Identity\\_politics/](https://en.wikipedia.org/wiki/Identity_politics/)]

#### 42 FOOTNOTES:

44 **16.** M.A. Chaudhary & Gautam Chaudhary, *Global Encyclopaedia of Political Geography*, New Delhi, 2009,  
45 [ISBN 978-81-8220-233-7](#), p. 112

46 **17.** Brendan, O'Neill (19 February 2015). ["Identity politics has created an army of vicious, narcissistic cowards"](#).  
47 *The Spectator*. Retrieved 28 June 2015.

1 18. Jones, Owen (2012). Chavs: The Demonization of the Working Class (updated ed.). London: Verso. p. 255.  
2 [ISBN 978-1-84467-864-8](https://www.isbn-international.org/view/title/978-1-84467-864-8).

3 The telltale sign that “identity politics” is being used as a method to create inequality and thereby promote discrimination is  
4 the very names given to their movement. For instance, the “Black Lives Matter” movement only focused on violence against  
5 ONE ethnic group by police instead of ALL groups or everyone. Why didn’t they name their group “ALL Lives Matter”?  
6 What makes Blacks more important than anyone else? Blacks are also famous for trying to put whites on the defensive by  
7 telling them that they are “playing their white PRIVILEGE” card, which is a subliminal admission that what they really seek  
8 are equality of ECONOMIC OUTCOME, not equality of OPPORTUNITY. The ONLY way that equality of OUTCOME  
9 can be enforced by government is to eliminate ALL private property and make all property owned or at least controlled by  
10 the government. In other words, to implement socialism.

11 The origin of the POLITICAL war fought on the battlefield of identity politics is described below:

12 *“Here I close my opinion. I could not say less in view of questions of such gravity that they go down to the very*  
13 *foundations of the government. If the provisions of the Constitution can be set aside by an act of Congress, where*  
14 *is the course of usurpation to end?”*

15 *The present assault upon capital [THEFT! and WEALTH TRANSFER by unconstitutional CONVERSION of*  
16 *PRIVATE property to PUBLIC property] is but the beginning. It will be but the stepping stone to others larger*  
17 *and more sweeping, until our political contest will become war of the poor against the rich; a war of growing*  
18 *intensity and bitterness.”*  
19 *[Pollock v. Farmers’ Loan & Trust Co., 157 U.S. 429, 158 U.S. 601 (1895), hearing the case against the first*  
20 *income tax passed by Congress that included people in states of the Union. They declared that first income tax*  
21 *UNCONSTITUTIONAL, by the way]*

22  

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23 *“Where do wars and fights come from among you? Do they not come from your desires for pleasure [unearned*  
24 *money or “benefits”, privileges, or franchises, from the government] that war in your members [and your*  
25 *democratic governments]? You lust [after other people’s money] and do not have. You murder [the unborn to*  
26 *increase your standard of living] and covet [the unearned] and cannot obtain [except by empowering your*  
27 *government to STEAL for you!]. You fight and war [against the rich and the nontaxpayers to subsidize your*  
28 *idleness]. Yet you do not have because you do not ask [the Lord, but instead ask the deceitful government]. You*  
29 *ask and do not receive, because you ask amiss, that you may spend it on your pleasures. Adulterers and*  
30 *adulteresses! Do you not know that friendship [statutory “citizenship”] with the world [or the governments of*  
31 *the world] is enmity with God? Whoever therefore wants to be a friend [STATUTORY “citizen”, “resident”,*  
32 *“inhabitant”, “person” franchisee] of the world [or the governments of the world] makes himself an enemy of*  
33 *God.”*  
34 *[James 4:4, Bible, NKJV]*

### 35 **3 Public Property v. Private Property**

36 A very important subject is the division of legal authority between PUBLIC and PRIVATE property. On this subject the  
37 U.S. Supreme Court held:

38 *“A private person cannot make constitutions or laws, nor can he with authority construe them, nor can he*  
39 *administer or execute them.”*  
40 *[United States v. Harris, 106 U.S. 629, 1 S.Ct. 601, 27 L.Ed. 290 (1883)]*

41 If you can't "execute" them, then you ALSO can't enforce them against ANYONE else. Some people might be tempted to  
42 say that we all construe them against the private person daily, but in fact we can't do that WITHOUT being a public officer  
43 WITHIN the government.

44 *“The reason why States are “bodies politic and corporate” is simple: just as a corporation is an entity that can*  
45 *act only through its agents, [t]he State is a political corporate body, can act only through agents, and can*  
46 *command only by laws.” Poindexter v. Greenhow, supra, 114 U.S., at 288, 5 S.Ct. at 912-913. See also Black’s*  
47 *Law Dictionary 159 (5th ed. 1979) (“B]ody politic or corporate”: “A social compact by which the whole people*  
48 *covenants with each citizen, and each citizen with the whole people, that all shall be governed by certain laws for*  
49 *the common good”). As a “body politic and corporate,” a State falls squarely within the Dictionary Act’s*  
50 *definition of a “person.”*  
51 *[Will v. Michigan Dept. of State Police, 491 U.S. 58, 109 S.Ct. 2304 (U.S.Mich.,1989)]*

1 If we do enforce the law as a private nonresident human, we are criminally impersonating a public officer in violation of 18  
2 U.S.C. §912. Other U.S. Supreme Court cites also confirm why this must be:

3 *"All the powers of the government [including ALL of its civil enforcement powers against the public] must be*  
4 *carried into operation by individual agency, either through the medium of public officers, or contracts made*  
5 *with [private] individuals."*  
6 *[Osborn v. Bank of U.S., 22 U.S. 738 (1824)]*

7  
8 *"...we are of the opinion that there is a clear distinction in this particular between an [PRIVATE] individual*  
9 *and a [PUBLIC] corporation, and that the latter has no right to refuse to submit its books and papers for an*  
10 *examination at the suit of the state. The individual may stand upon his constitutional rights as a citizen. He is*  
11 *entitled to carry on his private business in his own way. His power to contract is unlimited. He owes no duty to*  
12 *the state or to his neighbors to divulge his business, or to open his doors to an investigation, so far as it may*  
13 *tend to criminate him. He owes no such duty to the state, since he receives nothing therefrom, beyond the*  
14 *protection of his life and property. His rights are such as existed by the law of the land long antecedent to the*  
15 *organization of the state, and can only be taken from him by due process of law, and in accordance with the*  
16 *Constitution. Among his rights are a refusal to incriminate himself, and the immunity of himself and his*  
17 *property from arrest or seizure except under a warrant of the law. He owes nothing to the public so long as he*  
18 *does not trespass upon their rights.*

19 *"Upon the other hand, the [PUBLIC] corporation is a creature of the state. It is presumed to be incorporated*  
20 *for the benefit of the public. It receives certain special privileges and franchises, and holds them subject to the*  
21 *laws of the state and the limitations of its charter. Its powers are limited by law. It can make no contract not*  
22 *authorized by its charter. Its rights to [201 U.S. 43, 75] act as a corporation are only preserved to it so long*  
23 *as it obeys the laws of its creation. There is a reserved right in the legislature to investigate its contracts and*  
24 *find out whether it has exceeded its powers. It would be a strange anomaly to hold that a state, having chartered*  
25 *a corporation to make use of certain franchises, could not, in the exercise of its sovereignty, inquire how these*  
26 *franchises had been employed, and whether they had been abused, and demand the production of the corporate*  
27 *books and papers for that purpose. The defense amounts to this: That an officer of a corporation which is charged*  
28 *with a criminal violation of the statute, may plead the criminality of such corporation as a refusal to produce its*  
29 *books. To state this proposition is to answer it. While an individual may lawfully refuse to answer incriminating*  
30 *questions unless protected by an immunity statute, it does not follow that a corporation, vested with special*  
31 *privileges and franchises, may refuse to show its hand when charged with an abuse of such privileges. "*  
32 *[Hale v. Henkel, 201 U.S. 43 (1906)]*

33 You MUST therefore be an agent of the government and therefore a PUBLIC officer in order to "make constitutions or laws  
34 or administer, execute, or ENFORCE EITHER". Here is more proof:

35 *"A defendant sued as a wrong-doer, who seeks to substitute the state in his place, or to justify by the authority of*  
36 *the state, or to defend on the ground that the state has adopted his act and exonerated him, cannot rest on the*  
37 *bare assertion of his defense. He is bound to establish it. The state is a political corporate body, can act only*  
38 *through agents, and can command only by laws. It is necessary, therefore, for such a defendant, in order to*  
39 *complete his defense, to produce a law of the state which constitutes his commission as its agent, and a warrant*  
40 *for his act."*  
41 *[Poindexter v. Greenhow, 114 U.S. 270 (1885)]*

42 By "act" above, they implicitly also include "enforce". If you aren't an agent of the state, they can't enforce against you.  
43 Examples of "agents" or "public officers" of the government include all the following:

- 44 1. "person" (26 U.S.C. §7701(a)(1)).  
45 2. "individual" (26 C.F.R. §1441-1(c)(3)).  
46 3. "taxpayer" (26 U.S.C. §7701(a)(14)).  
47 4. "driver" under the state vehicle code.  
48 5. "withholding agent" (26 U.S.C. §7701(a)(16)).

49 *"The government thus lays a tax, through the [GOVERNMENT] instrumentality [PUBLIC OFFICE] of the*  
50 *company [a FEDERAL and not STATE corporation], upon the income of a non-resident alien over whom it*  
51 *cannot justly exercise any control, nor upon whom it can justly lay any burden."*  
52 *[United States v. Erie R. Co., 106 U.S. 327 (1882)]*

53 So how do you "OBEY" a law without "EXECUTING" it? We'll give you a hint: It CAN'T BE DONE!

Likewise, if ONLY public officers can “administer, execute, or enforce” the law, then the following additional requirements of the law are unavoidable and also implied:

1. Congress cannot impose DUTIES against private persons through the civil law. Otherwise the Thirteenth Amendment would be violated and the party executing said duties would be criminally impersonating an agent or officer of the government in violation of 18 U.S.C. §912.
2. Congress can only impose DUTIES upon public officers through the civil statutory law.
3. The civil statutory law is law for GOVERNMENT, and not PRIVATE persons. See:  

*Why Statutory Civil Law is Law for Government and Not Private Persons*, Form #05.037  
<http://sedm.org/Forms/FormIndex.htm>
4. Those who enforce any civil statutory duties against you are PRESUMING that you occupy a public office.
5. You cannot unilaterally “elect” yourself into a public office in the government by filling out a government form, even if you consent to volunteer.
6. Even if you ARE a public officer, you can only execute the office in a place EXPRESSLY authorized by Congress per 4 U.S.C. §72, which means ONLY the District of Columbia and “not elsewhere”.

[TITLE 4 > CHAPTER 3 > § 72](#)  
[§ 72. Public offices; at seat of Government](#)

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

7. If you are “construing, administering, or executing” the laws, then you are doing so as a public officer and:
  - 7.1. You are bound and constrained in all your actions by the constitution like every OTHER public officer while on official business interacting with PRIVATE humans.
  - 7.2. The Public Records exception to the Hearsay Exceptions Rule, Federal Rule of Evidence 803(8) applies. EVERYTHING you produce in the process of “construing, administering, or executing” the laws is instantly admissible and cannot be excluded from the record by any judge. If a judge interferes with the admission of such evidence, he is:
    - 7.2.1. Interfering with the duties of a coordinate branch of the government in violation of the Separation of Powers.
    - 7.2.2. Criminally obstructing justice.

If you would like to study the subject of absolutely owned private property and its protection further after reading the following subsections, please refer to the following vast resources on the subject:

1. *Enumeration of Inalienable Rights*, Form #10.002 – list of your PRIVATE rights and the authorities that prove that they exist  
<http://sedm.org/Forms/FormIndex.htm>
2. *Unalienable Rights Course*, Form #12.038 -course which gives you the basics of unalienable rights, and when they can lawfully be given up  
<http://sedm.org/Forms/FormIndex.htm>
3. *Separation Between Public and Private Course*, Form #12.025  
<http://sedm.org/Forms/FormIndex.htm>
4. *Private Right or Public Right? Course*, Form #12.044  
<http://sedm.org/Forms/FormIndex.htm>
5. *Private v. Public Property/Rights and Protection Playlist*, SEDM Youtube Channel  
<https://www.youtube.com/playlist?list=PLin1scINPT0txYewMRT66TXyn6AUF0KTu>
6. *Sovereignty and Freedom Points and Authorities*, Litigation Tool #10.018  
<https://sedm.org/Litigation/LitIndex.htm>
7. *Legal Remedies that Protect Private Rights Course*, Form #12.019  
<http://sedm.org/Forms/FormIndex.htm>
8. *Property and Privacy Protection Page*, Family Guardian Fellowship  
<http://famguardian.org/Subjects/PropertyPrivacy/PropertyPrivacy.htm>
9. *Sovereignty and Freedom Page*, Section 6: Private and Natural Rights, Family Guardian Fellowship  
<http://famguardian.org/Subjects/Freedom/Freedom.htm#RIGHTS:>



### 3.1 Property in the context of franchises

In order to fully understand and comprehend the nature of franchises, it is essential to thoroughly understand the distinctions between PUBLIC and PRIVATE property. The following subsections will deal with this important subject extensively. In the following subsections, we will establish the following facts:

1. There are TWO types of property:
  - 1.1. Public property. This type of property is protected by the CIVIL law.
  - 1.2. Private property. This type of property is protected by the COMMON law.
2. Specific legal rights attach to EACH of the two types of property. These “rights” in turn, are ALSO property as legally defined.

*Property. That which is peculiar or proper to any person; that which **belongs exclusively to one**. In the strict legal sense, **an aggregate of rights which are guaranteed and protected by the government**. *Fulton Light, Heat & Power Co. v. State*, 65 Misc.Rep. 263, 121 N.Y.S. 536. The term is said to extend to every species of valuable right and interest. More specifically, ownership; the unrestricted and exclusive right to a thing; the right to dispose of a thing in every legal way, to possess it, to use it, and to exclude everyone else from interfering with it. That dominion or indefinite right of use or disposition which one may lawfully exercise over particular things or subjects. The exclusive right of possessing, enjoying, and disposing of a thing. The highest right a man can have to anything; being used to refer to that right which one has to lands or tenements, goods or chattels, which no way depends on another man's courtesy.*

*The word is also commonly used to denote everything which is the subject of ownership, corporeal or incorporeal, tangible or intangible, visible or invisible, real or personal, everything that has an exchangeable value or which goes to make up wealth or estate. **It extends to every species of valuable right and interest, and includes real and personal property, easements, franchises, and incorporeal hereditaments, and includes every invasion of one's property rights by actionable wrong.** *Labberton v. General Cas. Co. of America*, 53 Wash.2d. 180, 332 P.2d. 250, 252, 254.*

[...]

[Black's Law Dictionary, Fifth Edition, p. 1095]

3. Human beings can simultaneously be in possession of BOTH PUBLIC and PRIVATE rights. This gives rise to TWO legal “persons”: PUBLIC and PRIVATE.
  - 3.1. The CIVIL law attaches to the PUBLIC person.
  - 3.2. The COMMON law and the Constitution attach to and protect the PRIVATE person.This is consistent with the following maxim of law.

*Quando duo juro concurrunt in und personâ, aequum est ac si essent in diversis.*

*When two rights [public right v. private right] concur in one person, it is the same as if they were **two separate persons**.* 4 Co. 118.

[Bouvier's Maxims of Law, 1856;

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

4. That the purpose of the Constitution and the establishment of government itself is to protect EXCLUSIVELY PRIVATE rights.

*“We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness.--**That to secure these [EXCLUSIVELY PRIVATE, God-given] rights, Governments are instituted among Men, deriving their just powers from the consent of the governed.** -”*  
[Declaration of Independence, 1776]

The VERY FIRST step in protecting PRIVATE rights and PRIVATE property is to prevent such property from being converted to PUBLIC property or PUBLIC rights without the consent of the owner. In other words, the VERY FIRST step in protecting PRIVATE rights is to protect you from the GOVERNMENT’S OWN theft. Obviously, if a government becomes corrupted and refuses to protect PRIVATE rights or recognize them, there is absolutely no reason you can or should want to hire them to protect you from ANYONE ELSE.

5. The main method for protecting PRIVATE rights is to impose the following burden of proof and presumption upon any entity or person claiming to be “government”:

1 "All rights and property are PRESUMED to be EXCLUSIVELY PRIVATE and beyond the control of government  
2 or the CIVIL law unless and until the government meets the burden of proving, WITH EVIDENCE, on the record  
3 of the proceeding that:

- 4 1. A SPECIFIC formerly PRIVATE owner consented IN WRITING to convert said property to PUBLIC property.
- 5 2. The owner was either abroad, domiciled on, or at least PRESENT on federal territory NOT protected by the
- 6 Constitution and therefore had the legal capacity to ALIENATE a Constitutional right or relieve a public
- 7 servant of the fiduciary obligation to respect and protect the right. Those physically present but not necessarily
- 8 domiciled in a constitutional but not statutory state protected by the constitution cannot lawfully alienate rights
- 9 to a real, de jure government, even WITH their consent.
- 10 3. If the government refuses to meet the above burden of proof, it shall be CONCLUSIVELY PRESUMED to be
- 11 operating in a PRIVATE, corporate capacity on an EQUAL footing with every other private corporation and
- 12 which is therefore NOT protected by official, judicial, or sovereign immunity.

- 13 6. That the ability to regulate EXCLUSIVELY PRIVATE conduct is repugnant to the constitution and therefore such  
14 conduct cannot lawfully become the subject of any civil statutory law.

15 "Under basic rules of construction, statutory laws enacted by legislative bodies cannot impair rights given under  
16 a constitution. 194 B.R. at 925. "  
17 [In re Young, 235 B.R. 666 (Bankr.M.D.Fla., 1999)]

- 18 7. That the terms "person", "persons", "individual", "individuals" as used within the civil statutory law by default imply  
19 PUBLIC "persons" and therefore public offices within the government and not PRIVATE human beings. All such  
20 offices are creations and franchises of the government and therefore property of the government subject to its exclusive  
21 control.
- 22 8. That if the government wants to call you a statutory "person" or "individual" under the civil law, then:  
23 8.1. You must volunteer or consent at some point to occupy a public office in the government while situated  
24 physically in a place not protected by the USA Constitution and the Bill of Rights....namely, federal territory. In  
25 some cases, that public office is also called a "citizen" or "resident".  
26 8.2. If you don't volunteer, they are essentially exercising unconstitutional "eminent domain" over your PRIVATE  
27 property. Keep in mind that rights protected by the Constitution are PRIVATE PROPERTY.
- 28 9. That there are VERY SPECIFIC and well defined rules for converting PRIVATE property into PUBLIC PROPERTY  
29 and OFFICES, and that all such rules require your express consent except when a crime is involved.
- 30 10. That if a corrupted judge or public servant imposes upon you any civil statutory status, including that of "person" or  
31 "individual" without PROVING with evidence that you consented to the status AND had the CAPACITY to lawfully  
32 consent at the time you consented, they are:  
33 10.1. Violating due process of law.  
34 10.2. Imposing involuntary servitude.  
35 10.3. STEALING property from you. We call this "theft by presumption".  
36 10.4. Kidnapping your identity and moving it to federal territory.  
37 10.5. Instituting eminent domain over EXCLUSIVELY PRIVATE property.
- 38 11. That within the common law, the main mechanism for PREVENTING the conversion of PRIVATE property to  
39 PUBLIC property through government franchises are the following maxims of law. These maxims of law MANDATE  
40 that all governments must protect your right NOT to participate in franchises or be held accountable for the  
41 consequences of receiving a "benefit" you did not consent to receive and/or regarded as an INJURY rather than a  
42 "benefit":

43 *Invito beneficium non datur.*  
44 *No one is obliged to accept a benefit against his consent. Dig. 50, 17, 69. But if he does not dissent he will be*  
45 *considered as assenting. Vide Assent.*

46 *Quilibet potest renunciare juri pro se inducto.*  
47 *Any one may renounce a law introduced for his own benefit. To this rule there are some exceptions. See 1 Bouv.*  
48 *Inst. n. 83.*  
49 *[Bouvier's Maxims of Law, 1856,*  
50 *SOURCE: <http://famguardian.org/Publications/BouvierMaximsOfLaw/BouviersMaxims.htm>]*

51 For an example of how this phenomenon works in the case of the Internal Revenue Code, Subtitles A and C "trade or business"  
52 franchise, see:

<p>Why Your Government is Either a Thief or You are a "Public Officer" for Income Tax Purposes, Form #05.008 <a href="http://sedm.org/Forms/FormIndex.htm">http://sedm.org/Forms/FormIndex.htm</a></p>
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As an example of why an understanding of this subject is EXTREMELY important, consider the following dialog at an IRS audit in which the FIRST question out of the mouth of the agent is ALWAYS “What is YOUR Social Security Number?”:

**IRS AGENT:** What is YOUR Social Security Number?

**YOU:** 20 C.F.R. §422.103(d) says SSNs belong to the government. The only way it could be MY number is if I am appearing here today as a federal employee or officer on official business. If that is the case, no, I am here as a private human being and not a government statutory “employee” in possession or use of “public property” such as a number. Therefore, I don’t HAVE a Social Security Number. Furthermore, I am not lawfully eligible and never have been eligible to participate in Social Security and any records you have to the contrary are FALSE and FRAUDULENT and should be DESTROYED.

**IRS AGENT:** That’s ridiculous. Everyone HAS an SSN.

**YOU:** Well then EVERYONE is a STUPID whore for acting as a federal employee or agent without compensation THEY and not YOU determine. The charge for my services to act as a federal “employee” or officer or trustee in possession of public property such as an SSN is ALL the tax and penalty liability that might result PLUS \$1,000 per hour. Will you agree in writing pay the compensation I demand to act essentially as your federal coworker, because if you don’t, then it’s not MY number?

**IRS AGENT:** It’s YOUR number, not the government’s.

**YOU:** Well why do the regulations at 20 C.F.R. §422.103(d) say it belongs to the Social Security Administration (S.S.A.) instead of me? I am not appearing as a Social Security employee at this meeting and its unreasonable and prejudicial for you to assume that I am. I am also not appearing here as “federal personnel” as defined in [5 U.S.C. §552a\(a\)\(13\)](#). I don’t even qualify for Social Security and never have, and what you are asking me to do by providing an INVALID and knowingly FALSE number is to VIOLATE THE LAW and commit fraud by providing that which I am not legally entitled to and thereby fraudulently procure the benefits of a federal franchise. Is that your intention?

**IRS AGENT:** Don’t play word games with me. It’s YOUR number.

**YOU:** Well good. Then if it’s MY number and MY property, then I have EXCLUSIVE control and use over it. That is what the word “property” implies. That means I, and not you, may penalize people for abusing MY property. The penalty for wrongful use or possession of MY property is all the tax and penalty liability that might result from using said number for tax collection plus \$1,000 per hour for educating you about your lawful duties because you obviously don’t know what they are. If it’s MY property, then your job is to protect me from abuses of MY property. If you can penalize me for misusing YOUR procedures and forms, which are YOUR property, then I am EQUALLY entitled to penalize you for misusing MY property. Are you willing to sign an agreement in writing to pay for the ABUSE of what you call MY property, because if you aren’t, you are depriving me of exclusive use and control over MY property and depriving me of the equal right to prevent abuses of my property??

**IRS AGENT:** OK, well it’s OUR number. Sorry for deceiving you. Can you give us OUR number that WE assigned to you?

**YOU:** You DIDN’T assign it to ME as a private person, which is what I am appearing here today as. You can’t lawfully issue public property such as an SSN to a private person. That’s criminal embezzlement. The only way it could have been assigned to me is if I’m acting as a “public officer” or federal employee at this moment, and I am NOT. I am here as a private person and not a public employee. Therefore, it couldn’t have been lawfully issued to me. Keep this up, and I’m going to file a criminal complaint with the U.S. Attorney for embezzlement in violation of [18 U.S.C. §641](#) and impersonating a public officer in violation of [18 U.S.C. §912](#). I’m not here as a public officer and you are asking me to act like one without compensation and without legal authority. Where is the compensation that I demand to act as a fiduciary and trustee over your STINKING number, which is public property? I remind you that the very purpose why governments are created is to PROTECT and maintain the separation between "public property" and "private property" in order to preserve my inalienable constitutional rights that you took an oath to support and defend. Why do you continue to insist on co-mingling and confusing them in order to STEAL my labor, property, and money without compensation in violation of the Fifth Amendment takings clause?

Usually, after the above interchange, the IRS agent will realize he is digging a DEEP hole for himself and will abruptly end that sort of inquiry, and many times will also end his collection efforts.

### 3.2 What is "Property"?

Property is legally defined as follows:

*Property. That which is peculiar or proper to any person; that which **belongs exclusively to one**. In the strict legal sense, **an aggregate of rights which are guaranteed and protected by the government**. *Fulton Light, Heat & Power Co. v. State*, 65 Misc.Rep. 263, 121 N.Y.S. 536. The term is said to extend to every species of valuable right and interest. More specifically, ownership; the unrestricted and exclusive right to a thing; the right to dispose of a thing in every legal way, to possess it, to use it, and to exclude everyone else from interfering with it. That dominion or indefinite right of use or disposition which one may lawfully exercise over particular things or subjects. The exclusive right of possessing, enjoying, and disposing of a thing. The highest right a man can have to anything; being used to refer to that right which one has to lands or tenements, goods or chattels, which no way depends on another man's courtesy.*

*The word is also commonly used to denote everything which is the subject of ownership, corporeal or incorporeal, tangible or intangible, visible or invisible, real or personal, everything that has an exchangeable value or which goes to make up wealth or estate. **It extends to every species of valuable right and interest, and includes real and personal property, easements, franchises, and incorporeal hereditaments, and includes every invasion of one's property rights by actionable wrong.*** *Labberton v. General Cas. Co. of America*, 53 Wash.2d. 180, 332 P.2d. 250, 252, 254.

*Property embraces everything which is or may be the subject of ownership, whether a legal ownership. or whether beneficial, or a private ownership. *Davis v. Davis*. TexCiv.App., 495 S.W.2d. 607. 611. Term includes not only ownership and possession but also the right of use and enjoyment for lawful purposes. *Hoffmann v. Kinealy, Mo.*, 389 S.W.2d. 745, 752.*

*Property, within constitutional protection, denotes group of rights inhering in citizen's relation to physical thing, as right to possess, use and dispose of it. *Cereghino v. State By and Through State Highway Commission*, 230 Or. 439, 370 P.2d. 694, 697.*

*Goodwill is property, *Howell v. Bowden*, TexCiv. App., 368 S.W.2d. 842, &18; as is an insurance policy and rights incident thereto, including a right to the proceeds, *Harris v. Harris*, 83 N.M. 441,493 P.2d. 407, 408.*

*Criminal code. "Property" means anything of value. including real estate, tangible and intangible personal property, contract rights, choses-in-action and other interests in or claims to wealth, admission or transportation tickets, captured or domestic animals, food and drink, electric or other power. Model Penal Code. Q 223.0. See also Property of another, infra. Dusts. Under definition in Restatement, Second, Trusts, Q 2(c), it denotes interest in things and not the things themselves. [Black's Law Dictionary, Fifth Edition, p. 1095]*

Keep in mind the following critical facts about "property" as legally defined:

1. The essence of the "property" right, also called "ownership", is the RIGHT TO EXCLUDE others from using or benefitting from the use of the property.

*"We have repeatedly held that, as to property reserved by its owner for private use, 'the right to exclude [others is] one of the most essential sticks in the bundle of rights that are commonly characterized as property.' "* *Loretto v. Teleprompter Manhattan CATV Corp.*, 458 U.S. 419, 433 (1982), quoting *Kaiser Aetna v. United States*, 444 U.S. 164, 176 (1979). "*[Nollan v. California Coastal Comm'n*, 483 U.S. 825 (1987)]

*"In this case, we hold that the 'right to exclude,' so universally held to be a fundamental element of the property right,<sup>[11]</sup> falls within this category of interests that the Government cannot take without compensation."* *[Kaiser Aetna v. United States*, 444 U.S. 164 (1979)]

*[11] See, e. g., *United States v. Pueblo of San Ildefonso*, 206 Ct.Cl. 649, 669-670, 513 F.2d. 1383, 1394 (1975); *United States v. Lutz*, 295 F.2d. 736, 740 (CA5 1961). As stated by Mr. Justice Brandeis, "[a]n essential element*

of individual property is the legal right to exclude others from enjoying it." [International News Service v. Associated Press, 248 U.S. 215, 250 \(1918\) \(dissenting opinion\)](#).

2. It's NOT your property if you can't exclude EVERYONE, including the GOVERNMENT from using, benefitting from the use, or taxing the specific property.
3. All constitutional rights and statutory privileges are property.
4. Anything that conveys a right or privilege is property.
5. Contracts convey rights or privileges and are therefore property.
6. All franchises are contracts between the grantor and the grantee and therefore property.

### 3.3 **"Public" v. "Private" property ownership**

Next, we would like to compare the two types of property: Public v. Private. There are two types of ownership of "property": Absolute and Qualified. The following definition describes and compares these two types of ownership:

*Ownership. Collection of rights to use and enjoy property, including right to transmit it to others. Trustees of Phillips Exeter Academy v. Exeter, 92 N.H. 473, 33 A.2d. 665, 673. The complete dominion, title, or proprietary right in a thing or claim. The entirety of the powers of use and disposal allowed by law.*

*The right of one or more persons to possess and use a thing to the exclusion of others. The right by which a thing belongs to someone in particular, to the exclusion of all other persons. The exclusive right of possession, enjoyment, and disposal; involving as an essential attribute the right to control, handle, and dispose.*

**Ownership of property is either absolute or qualified. The ownership of property is absolute when a single person has the absolute dominion over it, and may use it or dispose of it according to his pleasure, subject only to general laws. The ownership is qualified when it is shared with one or more persons, when the time of enjoyment is deferred or limited, or when the use is restricted. Calif. Civil Code, §§678-680.**

*There may be ownership of all inanimate things which are capable of appropriation or of manual delivery; of all domestic animals; of all obligations; of such products of labor or skill as the composition of an author, the goodwill of a business, trademarks and signs, and of rights created or granted by statute. Calif. Civil Code, §655.*

*In connection with burglary, "ownership" means any possession which is rightful as against the burglar.*

*See also Equitable ownership; Exclusive ownership; Hold; Incident of ownership; Interest; Interval ownership; Ostensible ownership; Owner; Possession; Title.  
[Black's Law Dictionary, Sixth Edition, p. 1106]*

We will prove later in section 13.3 how participation in franchises causes PRIVATE property to transmute into PUBLIC property. Below is a table comparing these two great classes of property and the legal aspects of their status.



**Table 4: Public v. Private Property**

#	Characteristic	Public	Private
1	Authority for ownership comes from	Grantor/ creator of franchise	God/natural law
2	Type of ownership	Qualified	Absolute
3	Law protecting ownership	Statutory franchises	Bill of Rights (First Ten Amendments to the U.S. Constitution)
4	Owner is	The public as LEGAL owner and the human being as EQUITABLE owner	A single person as LEGAL owner
5	Ownership is a	Privilege/franchise	Right
6	Courts protecting ownership (see section 24 later)	Franchise court (Article 4 of the USA Constitution)	Constitutional court
7	Subject to taxation?	Yes	No (you have the right EXCLUDE government from using or benefitting from it)
8	Title held by	Statutory citizen (Statutory citizens are public officers)	Constitutional citizen (Constitutional citizens are human beings and may NOT be public officers)
9	Character of YOUR/HUMAN title	Equitable	Legal
10	Conversion to opposite type of property by	1. Removing government identifying number. 2. Donation.	1. Associating with government identifying number. <sup>38</sup> 2. Donation. 3. Eminent domain (with compensation). 4. THEFT (Internal Revenue Service).

Private and Public property MUST, at all times, remain completely separate from each other. If in fact rights are UNALIENABLE as declared in the Declaration of Independence, then you aren't allowed legally to consent to donate them to any government. Hence, they must remain private. You can't delegate that authority to anyone else either, because you can't delegate what you don't have:

*"Derativa potestas non potest esse major primitiva.  
The power which is derived cannot be greater than that from which it is derived."*

*"Nemo plus juris ad alienum transfere potest, quam ispe habent.  
One cannot transfer to another a right which he has not. Dig. 50, 17, 54; 10 Pet. 161, 175."*  
[Bouvier's Maxims of Law, 1856;

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

For a fascinating and powerful presentation showing why private and public are separate, how to keep them that way, and how governments illegally try to convert PRIVATE to PUBLIC in order to STEAL from you, see:

Separation Between Public and Private Course, Form #12.025  
<http://sedm.org/Forms/FormIndex.htm>

<sup>38</sup> See: *About SSNs and TINs On Government Forms and Correspondence, Form #05.012.*

### 3.4 The purpose and foundation of de jure government: Protection of EXCLUSIVELY PRIVATE rights

The main purpose for which all governments are established is the protection of EXCLUSIVELY PRIVATE rights and property. This purpose is the foundation of all the just authority of any government as held by the Declaration of Independence:

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

*[Declaration of Independence, 1776]*

The fiduciary duty that a public officer who works for the government has is founded upon the requirement to protect PRIVATE property.

*"As expressed otherwise, the powers delegated to a public officer are held in trust for the people and are to be exercised in behalf of the government or of all citizens who may need the intervention of the officer.<sup>39</sup> Furthermore, the view has been expressed that all public officers, within whatever branch and whatever level of government, and whatever be their private vocations, are trustees of the people, and accordingly labor under every disability and prohibition imposed by law upon trustees relative to the making of personal financial gain from a discharge of their trusts.<sup>40</sup> That is, a public officer occupies a fiduciary relationship to the political entity on whose behalf he or she serves.<sup>41</sup> and owes a fiduciary duty to the public.<sup>42</sup> It has been said that the fiduciary responsibilities of a public officer cannot be less than those of a private individual.<sup>43</sup> Furthermore, it has been stated that any enterprise undertaken by the public official which tends to weaken public confidence and undermine the sense of security for individual rights is against public policy.<sup>44</sup>"*

*[63C American Jurisprudence 2d, Public Officers and Employees, §247 (1999)]*

The VERY FIRST step that any lawful de jure government must take in protecting PRIVATE property and PRIVATE rights is to protect it from being converted to PUBLIC/GOVERNMENT property. After all: If the people you hire to protect you won't even do the job of protecting you from THEM, why should you hire them to protect you from ANYONE ELSE?

The U.S. Supreme Court has also affirmed that the protection of PRIVATE rights and PRIVATE property is "the foundation of the government" when it held the following. The case below was a challenge to the constitutionality of the first national income tax, and the U.S. government rightfully lost that challenge:

*"Here I close my opinion. I could not say less in view of questions of such gravity that they go down to the very foundations of the government. If the provisions of the Constitution can be set aside by an act of Congress, where is the course of usurpation to end?"*

*The present assault upon capital [THEFT! and WEALTH TRANSFER by unconstitutional CONVERSION of PRIVATE property to PUBLIC property] is but the beginning. It will be but the stepping stone to others larger and more sweeping, until our political contest will become war of the poor against the rich; a war of growing intensity and bitterness."*

<sup>39</sup> State ex rel. Nagle v. Sullivan, 98 Mont. 425, 40 P.2d. 995, 99 A.L.R. 321; Jersey City v. Hague, 18 N.J. 584, 115 A.2d. 8.

<sup>40</sup> Georgia Dep't of Human Resources v. Sistrunk, 249 Ga. 543, 291 S.E.2d. 524. A public official is held in public trust. Madlener v. Finley (1st Dist) 161 Ill.App.3d. 796, 113 Ill.Dec. 712, 515 N.E.2d. 697, app gr 117 Ill.Dec. 226, 520 N.E.2d. 387 and revd on other grounds 128 Ill.2d. 147, 131 Ill.Dec. 145, 538 N.E.2d. 520.

<sup>41</sup> Chicago Park Dist. v. Kenroy, Inc., 78 Ill.2d. 555, 37 Ill.Dec. 291, 402 N.E.2d. 181, appeal after remand (1st Dist) 107 Ill.App.3d. 222, 63 Ill.Dec. 134, 437 N.E.2d. 783.

<sup>42</sup> United States v. Holzer (CA7 Ill), 816 F.2d. 304 and vacated, remanded on other grounds 484 U.S. 807, 98 L.Ed. 2d 18, 108 S.Ct. 53, on remand (CA7 Ill) 840 F.2d. 1343, cert den 486 U.S. 1035, 100 L.Ed. 2d 608, 108 S.Ct. 2022 and (criticized on other grounds by United States v. Osser (CA3 Pa) 864 F.2d. 1056) and (superseded by statute on other grounds as stated in United States v. Little (CA5 Miss) 889 F.2d. 1367) and (among conflicting authorities on other grounds noted in United States v. Boylan (CA1 Mass), 898 F.2d. 230, 29 Fed.Rules.Evid.Serv. 1223).

<sup>43</sup> Chicago ex rel. Cohen v. Keane, 64 Ill.2d. 559, 2 Ill.Dec. 285, 357 N.E.2d. 452, later proceeding (1st Dist) 105 Ill.App.3d. 298, 61 Ill.Dec. 172, 434 N.E.2d. 325.

<sup>44</sup> Indiana State Ethics Comm'n v. Nelson (Ind App), 656 N.E.2d. 1172, reh gr (Ind App) 659 N.E.2d. 260, reh den (Jan 24, 1996) and transfer den (May 28, 1996).

[Pollock v. Farmers' Loan & Trust Co., 157 U.S. 429, 158 U.S. 601 (1895), hearing the case against the first income tax passed by Congress that included people in states of the Union. They declared that first income tax UNCONSTITUTIONAL, by the way]

In the above landmark case, the lawyer for the petitioner, Mr. Choate, even referred to the income tax as COMMUNISM, and he was obviously right! Why? Because communism like socialism operates upon the following political premises:

1. All property is PUBLIC property and there IS no PRIVATE property.
2. The government owns and/or controls all property and said property is GRANTED to the people with strings or conditions attached.
3. The government and/or the collective has rights superior to those of the individual. There is and can be NO equality or equal protection under the law without the right of PRIVATE property. In that sense, the government or the "state" is a pagan idol with "supernatural powers" because human beings are "natural" and they are inferior to the collective.
4. Control is synonymous with ownership. If the government CONTROLS the property but the citizen "owns" it, then:
  - 4.1. The REAL owner is the government.
  - 4.2. The ownership of the property is QUALIFIED rather than ABSOLUTE.
  - 4.3. The person holding the property is a mere CUSTODIAN over GOVERNMENT property and has EQUITABLE rather than LEGAL ownership. Hence, their name in combination with the Social Security Number constitutes a PUBLIC office synonymous with the government itself.
5. Everyone in temporary use of said property is an officer and agent of the state. A "public officer", after all, is someone who is in charge of the PROPERTY of the public. It is otherwise a crime to use public property for a PRIVATE use or benefit. That crime is called theft or conversion:

*"Public office. The right, authority, and duty created and conferred by law, by which for a given period, either fixed by law or enduring at the pleasure of the creating power, an individual is invested with some portion of the sovereign functions of government for the benefit of the public. Walker v. Rich, 79 Cal.App. 139, 249 P. 56, 58. An agency for the state, the duties of which involve in their performance the exercise of some portion of the sovereign power, either great or small. Yaselli v. Goff, C.C.A., 12 F.2d 396, 403, 56 A.L.R. 1239; Lacey v. State, 13 Ala.App. 212, 68 So. 706, 710; Curtin v. State, 61 Cal.App. 377, 214 P. 1030, 1035; Shelmadine v. City of Elkhart, 75 Ind.App. 493, 129 N.E. 878. State ex rel. Colorado River Commission v. Frohmiller, 46 Ariz. 413, 52 P.2d 483, 486. **Where, by virtue of law, a person is clothed, not as an incidental or transient authority, but for such time as de- notes duration and continuance, with Independent power to control the property of the public, or with public functions to be exercised in the supposed interest of the people, the service to be compensated by a stated yearly salary, and the occupant having a designation or title, the position so created is a public office. State v. Brennan, 49 Ohio.St. 33, 29 N.E. 593.***  
[Black's Law Dictionary, Fourth Edition, p. 1235]

Look at some of the planks of the Communist Manifesto, Karl Marx and confirm the above for yourself:

1. Abolition of property in land and application of all rents of land to public purposes.
  2. A heavy progressive or graduated income tax.
- [...]  
[Wikipedia: "The Communist Manifesto", Downloaded 12-27-2011; SOURCE:  
[http://en.wikipedia.org/wiki/The\\_Communist\\_Manifesto](http://en.wikipedia.org/wiki/The_Communist_Manifesto)]

The legal definition of "property" confirms that one who OWNS a thing has the EXCLUSIVE right to use and dispose of and CONTROL the use of his or her or its property and ALL the fruits and "benefits" associated with the use of such property. The implication is that you as the PRIVATE owner have a right to EXCLUDE ALL OTHERS including all governments from using, benefitting from, or controlling your property. Governments, after all, are simply legal "persons" and the constitution guarantees that ALL "persons" are equal. If your neighbor can't benefit from your property without your consent, then neither can any so-called "government".

***Property.** That which is peculiar or proper to any person; that which belongs exclusively to one. In the strict legal sense, an aggregate of rights which are guaranteed and protected by the government. Fulton Light, Heat & Power Co. v. State, 65 Misc.Rep. 263, 121 N.Y.S. 536. The term is said to extend to every species of valuable right and interest. More specifically, ownership; the unrestricted and exclusive right to a thing; the right to dispose of a thing in every legal way, to possess it, to use it, and to exclude everyone else from interfering with it. That dominion or indefinite right of use or disposition which one may lawfully exercise over particular things or subjects. The exclusive right of possessing, enjoying, and disposing of a thing. The highest right a man can have to anything; being used to refer to that right which one has to lands or tenements, goods or chattels, which no way depends on another man's courtesy.*

The word is also commonly used to denote everything which is the subject of ownership, corporeal or incorporeal, tangible or intangible, visible or invisible, real or personal, everything that has an exchangeable value or which goes to make up wealth or estate. **It extends to every species of valuable right and interest, and includes real and personal property, easements, franchises, and incorporeal hereditaments, and includes every invasion of one's property rights by actionable wrong.** *Labberton v. General Cas. Co. of America*, 53 Wash.2d. 180, 332 P.2d. 250, 252, 254.

Property embraces everything which is or may be the subject of ownership, whether a legal ownership, or whether beneficial, or a private ownership. *Davis v. Davis*. TexCiv-App., 495 S.W.2d. 607. 611. Term includes not only ownership and possession but also the right of use and enjoyment for lawful purposes. *Hoffmann v. Kinealy, Mo.*, 389 S.W.2d. 745, 752.

Property, within constitutional protection, denotes group of rights inhering in citizen's relation to physical thing, as right to possess, use and dispose of it. *Cereghino v. State By and Through State Highway Commission*, 230 Or. 439, 370 P.2d. 694, 697.

[. . .]

[Black's Law Dictionary, Fifth Edition, p. 1095]

In a lawful de jure government under our constitution:

1. All "persons" are absolutely equal under the law. No government can have any more rights than a single human being, no matter how many people make up that government. If your neighbor can't take your property without your consent, then neither can the government. The only exception to this requirement of equality is that artificial persons do not have constitutional rights, but only such "privileges" as statutory law grants them. See:

Requirement for Equal Protection and Equal Treatment, Form #05.033

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

2. All property is CONCLUSIVELY presumed to be EXCLUSIVELY PRIVATE until the GOVERNMENT meets the burden of proof on the record of the legal proceeding that you EXPRESSLY consented IN WRITING to donate the property or use of the property to the PUBLIC:

*"Men are endowed by their Creator with certain unalienable rights, - 'life, liberty, and the pursuit of happiness;' and to 'secure,' not grant or create, these rights, governments are instituted. **That property [or income] which a man has honestly acquired he retains full control of, subject to these limitations: First, that he shall not use it to his neighbor's injury, and that does not mean that he must use it for his neighbor's benefit [e.g. SOCIAL SECURITY, Medicare, and every other public "benefit"];** second, that if he devotes it to a public use, he gives to the public a right to control that use; and third, that whenever the public needs require, the public may take it upon payment of due compensation."*

[*Budd v. People of State of New York*, [143 U.S. 517](#) (1892)]

3. You have to knowingly and intentionally DONATE your PRIVATE property to a public use and a PUBLIC purpose before the government can lawfully REGULATE its use. In other words, you have to at least SHARE your ownership of otherwise private property with the government and become an EQUITABLE rather than ABSOLUTE owner of the property before they can acquire the right to regulate its use or impose obligations or duties upon its original owner.
4. That donation ordinarily occurs by applying for and/or using a license in connection with the use of SPECIFIC otherwise PRIVATE property.
5. The process of applying for or using a license and thereby converting PRIVATE into PUBLIC cannot be compelled. If it is, the constitutional violation is called "eminent domain" without compensation or STEALING, in violation of the Fifth Amendment takings clause.
6. You have a PUBLIC persona (office) and a PRIVATE persona (human) at all times.
  - 6.1. That which you VOLUNTARILY attach a government license number to, such as a Social Security Number or Taxpayer Identification Number, becomes PRIVATE property donated to a public use to procure the benefits of a PUBLIC franchise. That property, in turn, is effectively OWNED by the government grantor of your public persona and the public office it represents.
  - 6.2. If you were compelled to use a government license number, such as an SSN or TIN, then a theft and taking without compensation has occurred, because all property associated with such numbers was unlawfully converted and STOLEN.
7. If the right to contract of the parties conducting any business transaction has any meaning at all, it implies the right to EXCLUDE the government from participation in their relationship.

- 7.1. You can write the contract such that neither party may use or invoke a license number, or complain to a licensing board, about the transaction, and thus the government is CONTRACTED OUT of the otherwise PRIVATE relationship. Consequently, the transaction becomes EXCLUSIVELY PRIVATE and government may not tax or regulate or arbitrate the relationship in any way under the terms of the license franchise.
- 7.2. Every consumer of your services has a right to do business with those who are unlicensed. This right is a natural consequence of the right to CONTRACT and NOT CONTRACT. The thing they are NOT contracting with is the GOVERNMENT, and the thing they are not contracting FOR is STATUTORY/FRANCHISE “protection”. Therefore, even those who have applied for government license numbers are NOT obligated to use them in connection with any specific transaction and may not have their licenses suspended or revoked for failure or refusal to use them for a specific transaction.
8. If the government invades the commercial relationship between you and those you do business with by forcing either party to use or invoke the license number or pursue remedies or “benefits” under the license, they are:
- 8.1. Interfering with your UNALIENABLE right to contract.
- 8.2. Compelling you to donate EXCLUSIVELY PRIVATE property to a PUBLIC use.
- 8.3. Exercising unconstitutional eminent domain over your otherwise PRIVATE property.
- 8.4. Compelling you to accept a public “benefit”, where the “protection” afforded by the license is the “benefit”.

The above requirements of the USA Constitution are circumvented with nothing more than the simple PRESUMPTION, usually on the part of the IRS and corrupted judges who want to STEAL from you, that the GOVERNMENT owns it and that you have to prove that they CONSENTED to let you keep the fruits of it. They can’t and never have proven that they have such a right, and all such presumptions are a violation of due process of law.

(1) [8:4993] *Conclusive presumptions affecting protected interests:*

*A conclusive presumption may be defeated where its application would impair a party's constitutionally-protected liberty or property interests. In such cases, conclusive **presumptions have been held to violate a party's due process and equal protection rights.** [Vlandis v. Kline (1973) **412 U.S. 441**, 449, 93 S.Ct. 2230, 2235; Cleveland Bd. of Ed. v. LaFleur (1974) **414 U.S. 632**, 639-640, 94 S.Ct. 1208, 1215-presumption under Illinois law that unmarried fathers are unfit violates process] [Federal Civil Trials and Evidence, Rutter Group, paragraph 8:4993, p. 8K-34]*

In order to unconstitutionally and TREASONOUSLY circumvent the above limitation on their right to presume, corrupt governments and government actors will play “word games” with citizenship and key definitions in the ENCRYPTED “code” in order to KIDNAP your legal identity and place it OUTSIDE the above protections of the constitution by:

1. PRESUMING that you are a public officer and therefore, that everything held in your name is PUBLIC property of the GOVERNMENT and not YOUR PRIVATE PROPERTY. See:
- Why Your Government is Either a Thief or You are a “Public Officer” for Income Tax Purposes*, Form #05.008  
FORMS PAGE: <http://sedm.org/Forms/FormIndex.htm>  
DIRECT LINK: <http://sedm.org/Forms/05-MemLaw/WhyThiefOrPubOfficer.pdf>
2. Abusing fraudulent information returns to criminally and unlawfully “elect” you into public offices in the government:
- Correcting Erroneous Information Returns*, Form #04.001  
FORMS PAGE: <http://sedm.org/Forms/FormIndex.htm>  
DIRECT LINK: <http://sedm.org/Forms/04-Tax/0-CorrErrInfoRtns/CorrErrInfoRtns.pdf>
3. PRESUMING that because you did not rebut evidence connecting you to a public office, then you CONSENT to occupy the office.
4. PRESUMING that ALL of the four contexts for "United States" are equivalent.
5. PRESUME that CONSTITUTIONAL citizens and STATUTORY citizens are EQUIVALENT under federal law. They are NOT. A CONSTITUTIONAL citizen is a "non-resident " under federal civil law and NOT a STATUTORY "national and citizen of the United States\*\* at birth" per 8 U.S.C. §1401. See the document below:
- Why You are a “national”, “state national”, and Constitutional but not Statutory Citizen*, Form #05.006  
FORMS PAGE: <http://sedm.org/Forms/FormIndex.htm>  
DIRECT LINK: <http://sedm.org/Forms/05-MemLaw/WhyANational.pdf>
6. PRESUMING that "nationality" and "domicile" are equivalent. They are NOT. See:
- Why Domicile and Becoming a “Taxpayer” Require Your Consent*, Form #05.002  
FORMS PAGE: <http://sedm.org/Forms/FormIndex.htm>  
DIRECT LINK: <http://sedm.org/Forms/05-MemLaw/Domicile.pdf>



7. Using the word "citizenship" in place of "nationality" OR "domicile", and refusing to disclose WHICH of the two they mean in EVERY context.
8. Confusing the POLITICAL/CONSTITUTIONAL meaning of words with the civil STATUTORY context. For instance, asking on government forms whether you are a POLITICAL/CONSTITUTIONAL citizen and then FALSELY PRESUMING that you are a STATUTORY citizen under 8 U.S.C. §1401.
9. Confusing the words "domicile" and "residence" or impute either to you without satisfying the burden of proving that you EXPRESSLY CONSENTED to it and thereby illegally kidnap your civil legal identity against your will. One can have only one "domicile" but many "residences" and BOTH require your consent. See:

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

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

DIRECT LINK: <http://sedm.org/Forms/05-MemLaw/Domicile.pdf>

10. Adding things or classes of things to the meaning of statutory terms that do not EXPRESSLY appear in their definitions, in violation of the rules of statutory construction. See:

Legal Deception, Propaganda, and Fraud, Form #05.014

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

DIRECT LINK: <http://sedm.org/Forms/05-MemLaw/LegalDecPropFraud.pdf>

11. Refusing to allow the jury to read the definitions in the law and then give them a definition that is in conflict with the statutory definition. This substitutes the JUDGES will for what the law expressly says and thereby substitutes PUBLIC POLICY for the written law.
12. Publishing deceptive government publications that are in deliberate conflict with what the statutes define "United States" as and then tell the public that they CANNOT rely on the publication. The IRS does this with ALL of their publications and it is FRAUD. See:

Reasonable Belief About Income Tax Liability, Form #05.007

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

DIRECT LINK: <http://sedm.org/Forms/05-MemLaw/ReasonableBelief.pdf>

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

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

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

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

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

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

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

*"What an augmentation of the field for jobbing, speculating, plundering, office-building ["trade or business" scam] and office-hunting would be produced by an assumption [PRESUMPTION] of all the State powers into the hands of the General Government!"*

The key to preventing the unconstitutional abuse of presumption by the corrupted judiciary and IRS to STEAL from people is to completely understand the content of the following memorandum of law and consistently apply it in every interaction with the government:

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

It ought to be very obvious to the reader that:

1. The rules for converting PRIVATE property to PUBLIC property ought to be consistently, completely, clearly, and unambiguously defined by every government officer you come in contact with, and ESPECIALLY in court. These rules ought to be DEMANDED to be declared EVEN BEFORE you enter a plea in a criminal case.
2. If the government asserts any right over your PRIVATE property, they are PRESUMING they are the LEGAL owner and relegating you to EQUITABLE ownership. This presumption should be forcefully challenged.
3. If they won't expressly define the rules, or try to cloud the rules for converting PRIVATE property to PUBLIC property, then they are:
  - 3.1. Defeating the very purpose for which they were established as a "government". Hence, they are not a true "government" but a de facto private corporation PRETENDING to be a "government", which is a CRIME under 18 U.S.C. §912.
  - 3.2. Exercising unconstitutional eminent domain over private property without the consent of the owner and without compensation.
  - 3.3. Trying to STEAL from you.
  - 3.4. Violating their fiduciary duty to the public.

### **3.5 The Right to be left alone**

The purpose of the Constitution of the United States of America is to confer the "right to be left alone", which is the essence of being sovereign:

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

The legal definition of "justice" confirms that its purpose is to protect your right to be "left alone":

PAULSEN, ETHICS (Thilly's translation), chap. 9.

**"Justice, as a moral habit, is that tendency of the will and mode of conduct which refrains from disturbing the lives and interests of others, and, as far as possible, hinders such interference on the part of others.** This virtue springs from the individual's respect for his fellows as ends in themselves and as his co equals. The different spheres of interests may be roughly classified as follows: body and life; the family, or the extended individual life; property, or the totality of the instruments of action; honor, or the ideal existence; and finally freedom, or the possibility of fashioning one's life as an end in itself. The law defends these different spheres, thus giving rise to a corresponding number of spheres of rights, each being protected by a prohibition. . . . To violate the rights, to interfere with the interests of others, is injustice. All injustice is ultimately directed against the life of the neighbor; it is an open avowal that the latter is not an end in itself, having the same value as the individual's own life. The general formula of the duty of justice may therefore be stated as follows: Do no wrong yourself, and permit no wrong to be done, so far as lies in your power; or, expressed positively: Respect and protect the right."  
[Readings on the History and System of the Common Law, Second Edition, Roscoe Pound, 1925, p. 2]

The Bible also states the foundation of justice by saying:

*"Do not strive with [or try to regulate or control or enslave] a man without cause, if he has done you no harm."*  
[Prov. 3:30, Bible, NKJV]

And finally, Thomas Jefferson agreed with the above by defining “justice” as follows in his First Inaugural Address:

*"With all [our] blessings, what more is necessary to make us a happy and a prosperous people? Still one thing more, fellow citizens--a wise and frugal Government, which shall restrain men from injuring one another, shall leave them otherwise free to regulate their own pursuits of industry and improvement, and shall not take from the mouth of labor the bread it has earned. This is the sum of good government, and this is necessary to close the circle of our felicities."*

*[Thomas Jefferson: 1st Inaugural, 1801. ME 3:320]*

Therefore, the word “injustice” means interference with the equal rights of others absent their consent and which constitutes an injury NOT as any law defines it, but as the PERSON who is injured defines it. Under this conception of “justice”, anything done with your consent cannot be classified as “injustice” or an injury.

Those who are “private persons” fit in the category of people who must be left alone as a matter of law:

*"There is a clear distinction in this particular case between an individual and a corporation, and that the latter has no right to refuse to submit its books and papers for an examination at the suit of the State. The individual may stand upon his constitutional rights as a citizen. He is entitled to carry on his private business in his own way. His power to contract is unlimited. He owes no such duty to the State, since he receives nothing therefrom, beyond the protection of his life and property. His rights are such as existed by the law of the land long antecedent to the organization of the State, and can only be taken from him by due process of law, and in accordance with the constitution. Among his rights are a refusal to incriminate himself, and the immunity of himself and his property from arrest or seizure except under a warrant of the law. He owes nothing to the public so long as he does not trespass upon their rights."*

*[Hale v. Henkel, 201 U.S. 43, 74 (1906)]*

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*Internal Revenue Manual (I.R.M.), Section 5.14.10.2 (09-30-2004)  
Payroll Deduction Agreements*

*2. Private employers, states, and political subdivisions are not required to enter into payroll deduction agreements. Taxpayers should determine whether their employers will accept and process executed agreements before agreements are submitted for approval or finalized.  
[SOURCE: <http://sedm.org/Exhibits/EX05.043.pdf>]*

The U.S. Supreme Court has also held that the ability to regulate what it calls “private conduct” is repugnant to the constitution. It is the differentiation between PRIVATE rights and PUBLIC rights, in fact, that forms the basis for enforcing your right to be left alone:

*"The power to "legislate generally upon" life, liberty, and property, as opposed to the "power to provide modes of redress" against offensive state action, was "repugnant" to the Constitution. Id., at 15. See also United States v. Reese, 92 U.S. 214, 218 (1876); United States v. Harris, 106 U.S. 629, 639 (1883); James v. Bowman, 190 U.S. 127, 139 (1903). Although the specific holdings of these early cases might have been superseded or modified, see, e.g., Heart of Atlanta Motel, Inc. v. United States, 379 U.S. 241 (1964); United States v. Guest, 383 U.S. 745 (1966), their treatment of Congress' §5 power as corrective or preventive, not definitional, has not been questioned."*

*[City of Boerne v. Flores, Archbishop of San Antonio, 521 U.S. 507 (1997)]*

Only by taking on a “public character” or engaging in “public conduct” rather than a “private” character may our actions become the proper or lawful subject of federal or state legislation or regulation.

*"One great object of the Constitution is to permit citizens to structure their private relations as they choose subject only to the constraints of statutory or decisional law." [500 U.S. 614, 620]*

*To implement these principles, courts must consider from time to time where the governmental sphere [e.g. "public purpose" and "public office"] ends and the private sphere begins. Although the conduct of private parties lies beyond the Constitution's scope in most instances, governmental authority may dominate an activity to such an extent that its participants must be deemed to act with the authority of the government and, as a result, be subject to constitutional constraints. This is the jurisprudence of state action, which explores the "essential dichotomy" between the private sphere and the public sphere, with all its attendant constitutional obligations. Moose Lodge, supra, at 172. "*

*[. . .]*

Given that the statutory authorization for the challenges exercised in this case is clear, the remainder of our state action analysis centers around the second part of the Lugar test, whether a private litigant, in all fairness, must be deemed a government actor in the use of peremptory challenges. Although we have recognized that this aspect of the analysis is often a fact-bound inquiry, see *Lugar*, supra, 457 U.S. at 939, our cases disclose certain principles of general application. **Our precedents establish that, in determining whether a particular action or course of conduct is governmental in character, it is relevant to examine the following: the extent to which the actor relies on governmental assistance and benefits, see *Tulsa Professional Collection Services, Inc. v. Pope*, 485 U.S. 478 (1988); *Burton v. Wilmington Parking Authority*, 365 U.S. 715 (1961); whether the actor is performing a traditional governmental function, see *Terry v. Adams*, 345 U.S. 461 (1953); *Marsh v. Alabama*, 326 U.S. 501 (1946); cf. *San Francisco Arts & Athletics, Inc. v. United States Olympic [500 U.S. 614, 622] Committee*, 483 U.S. 522, 544 -545 (1987); and whether the injury caused is aggravated in a unique way by the incidents of governmental authority, see *Shelley v. Kraemer*, 334 U.S. 1 (1948).** Based on our application of these three principles to the circumstances here, we hold that the exercise of peremptory challenges by the defendant in the District Court was pursuant to a course of state action.  
[*Edmonson v. Leesville Concrete Company*, 500 U.S. 614 (1991)]

The phrase “subject only to the constraints of statutory or decisional law” refers ONLY to statutes or court decisions that pertain to licensed or privileged activities or franchises, all of which:

1. Cause the licensee or franchisee to represent a “public office” and work for the government.
2. Cause the licensee or franchisee to act in a representative capacity as an officer of the government, which is a federal corporation and therefore he or she becomes an “officer or employee of a corporation” acting in a representative capacity. See 26 U.S.C. §6671(b) and 26 U.S.C. §7434, which both define a “person” within the I.R.C. criminal and penalty provisions as an officer or employee of a corporation.
3. Change the effective domicile of the “office” or “public office” of the licensee or franchisee to federal territory pursuant to Federal Rule of Civil Procedure 17(b), 26 U.S.C. §7701(a)(39), and 26 U.S.C. §7408(d).

IV. PARTIES > Rule 17.  
(b) Capacity to Sue or be Sued.

*Capacity to sue or be sued is determined as follows:*

- (1) for an individual who is not acting in a representative capacity, by the law of the individual's domicile;
- (2) for a corporation [or the officers or “public officers” of the corporation], by the law under which it was organized; and**
- (3) for all other parties, by the law of the state where the court is located, except that:
  - (A) a partnership or other unincorporated association with no such capacity under that state's law may sue or be sued in its common name to enforce a substantive right existing under the United States Constitution or laws; and
  - (B) 28 U.S.C. §§754 and 959(a) govern the capacity of a receiver appointed by a United States court to sue or be sued in a United States court.

4. Create a “res” or “office” which is the subject of federal legislation and a “person” or “individual” within federal statutes. For instance, the definition of “individual” within 5 U.S.C. §552(a)(2) reveals that it is a government employee with a domicile in the statutory “United States”, which is federal territory. Notice that the statute below is in Title 5, which is “Government Organization and Employees”, and that “citizens and residents of the United States” share in common a legal domicile on federal territory. An “individual” is an officer of the government, and not a natural man or woman. The office is the “individual”, and not the man or woman who fills it:

TITLE 5 > PART I > CHAPTER 5 > SUBCHAPTER II > § 552a  
§ 552a. Records maintained on individuals

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

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

If you don’t maintain a domicile on federal territory, which is called the “United States” in the U.S. Code, or you don’t work for the government by participating in its franchises, then the government has NO AUTHORITY to even keep records on you under the authority of the Privacy Act and you would be committing perjury under penalty of perjury to call yourself an “individual” on a government form. Why? Because you are the sovereign and the sovereign is not the subject of the law, but the author of the law!

1 “Since in common usage, the term person does not include the sovereign, statutes not employing the phrase are  
2 ordinarily construed to exclude it.”  
3 [United States v. Cooper Corporation, 312 U.S. 600 (1941)]

4 “There is no such thing as a power of inherent Sovereignty in the government of the United States. In this country  
5 sovereignty resides in the People, and Congress can exercise no power which they have not, by their Constitution  
6 entrusted to it: All else is withheld.”  
7 [Juilliard v. Greenman, 110 U.S. 421 (1884)]

8 “Sovereignty itself is, of course, not subject to law for it is the author and source of law;”  
9 [Yick Wo v. Hopkins, 118 U.S. 356 (1886)]

10 “Under our form of government, the legislature is NOT supreme. It is only one of the organs of that ABSOLUTE  
11 SOVEREIGNTY which resides in the whole body of the PEOPLE; like other bodies of the government, it can only  
12 exercise such powers as have been delegated to it, and when it steps beyond that boundary, its acts.. are utterly  
13 VOID.”  
14 [Billings v. Hall, 7 C.A. 1]

15 “In Europe, the executive is synonymous with the sovereign power of a state...where it is too commonly acquired  
16 by force or fraud, or both...In America, however the case is widely different. Our government is founded upon  
17 compact. Sovereignty was, and is, in the people.”  
18 [The Betsy, 3 Dall 6]

19 In summary, the only way the government can control you through civil law is to connect you to public conduct or a “public  
20 office” within the government executed on federal territory. If they are asserting jurisdiction that you believe they don’t  
21 have, it is probably because:

- 22 1. You misrepresented your domicile as being on federal territory within the “United States” or the “State of\_\_\_” by  
23 declaring yourself to be either a statutory “U.S. citizen” pursuant to 8 U.S.C. §1401 or a statutory “resident” (alien)  
24 pursuant to 26 U.S.C. §7701(b)(1)(A). This made you subject to their laws and put you into a privileged state.
- 25 2. You filled out a government application for a franchise, which includes government benefits, professional licenses,  
26 driver’s licenses, marriage licenses, etc.
- 27 3. Someone else filed a document with the government which connected you to a franchise, even though you never  
28 consented to participate in the franchise. For instance, IRS information returns such as W-2, 1042S, 1098, and 1099  
29 presumptively connect you to a “trade or business” in the U.S. government pursuant to 26 U.S.C. §6041. A “trade or  
30 business” is then defined in 26 U.S.C. §7701(a)(26) as “the functions of a public office”. The only way to prevent this  
31 evidence from creating a liability under the franchise agreement provisions is to rebut it promptly. See:

<u>Correcting Erroneous Information Returns</u> , Form #04.001 <a href="http://sedm.org/Forms/FormIndex.htm">http://sedm.org/Forms/FormIndex.htm</a>
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### 32 **3.6 The PUBLIC You (straw man) vs. the PRIVATE You (human)**

33 It is extremely important to know the difference between PRIVATE and PUBLIC “persons”, because we all have private and  
34 public identities. This division of our identities is recognized in the following maxim of law:

35 *Quando duo juro concurrunt in und personâ, aequum est ac si essent in diversis.*  
36 When two rights [public right v. private right] concur in one person, it is the same as if they were two separate  
37 persons, 4 Co. 118.  
38 [Bouvier’s Maxims of Law, 1856;  
39 SOURCE: <http://famguardian.org/Publications/BouvierMaximsOfLaw/BouviersMaxims.htm>]

40 The U.S. Supreme Court also recognizes the division of PUBLIC v. PRIVATE:

41 “A private person cannot make constitutions or laws, nor can he with authority construe them, nor can he  
42 administer or execute them.”  
43 [United States v. Harris, 106 U.S. 629, 1 S.Ct. 601, 27 L.Ed. 290 (1883)]

44 “All the powers of the government [including ALL of its civil enforcement powers against the public] must be  
45 carried into operation by individual agency, either through the medium of public officers, or contracts made  
46 with [private] individuals.”  
47 [Osborn v. Bank of U.S., 22 U.S. 738 (1824)]



1 "...we are of the opinion that there is a clear distinction in this particular between an [PRIVATE] individual  
2 and a [PUBLIC] corporation, and that the latter has no right to refuse to submit its books and papers for an  
3 examination at the suit of the state. The individual may stand upon his constitutional rights as a citizen. He is  
4 entitled to carry on his private business in his own way. His power to contract is unlimited. He owes no duty to  
5 the state or to his neighbors to divulge his business, or to open his doors to an investigation, so far as it may  
6 tend to criminate him. He owes no such duty to the state, since he receives nothing therefrom, beyond the  
7 protection of his life and property. His rights are such as existed by the law of the land long antecedent to the  
8 organization of the state, and can only be taken from him by due process of law, and in accordance with the  
9 Constitution. Among his rights are a refusal to incriminate himself, and the immunity of himself and his  
10 property from arrest or seizure except under a warrant of the law. He owes nothing to the public so long as he  
11 does not trespass upon their rights.

12 "Upon the other hand, the [PUBLIC] corporation is a creature of the state. It is presumed to be incorporated  
13 for the benefit of the public. It receives certain special privileges and franchises, and holds them subject to the  
14 laws of the state and the limitations of its charter. Its powers are limited by law. It can make no contract not  
15 authorized by its charter. Its rights to [201 U.S. 43, 75] act as a corporation are only preserved to it so long  
16 as it obeys the laws of its creation. There is a reserved right in the legislature to investigate its contracts and  
17 find out whether it has exceeded its powers. It would be a strange anomaly to hold that a state, having chartered  
18 a corporation to make use of certain franchises, could not, in the exercise of its sovereignty, inquire how these  
19 franchises had been employed, and whether they had been abused, and demand the production of the corporate  
20 books and papers for that purpose. The defense amounts to this: That an officer of a corporation which is charged  
21 with a criminal violation of the statute, may plead the criminality of such corporation as a refusal to produce its  
22 books. To state this proposition is to answer it. While an individual may lawfully refuse to answer incriminating  
23 questions unless protected by an immunity statute, it does not follow that a corporation, vested with special  
24 privileges and franchises, may refuse to show its hand when charged with an abuse of such privileges. "  
25 [Hale v. Henkel, 201 U.S. 43 (1906)]

26 The next time you are in court as a PRIVATE person, here are some questions for the next jury, judge, or government  
27 prosecutor trying to enforce a civil obligation upon you as a PRESUMED public officer called a "citizen", "resident",  
28 "person", or "taxpayer":

- 29 1. How do you, a PRIVATE human, "OBEY" a law without "EXECUTING" it? We'll give you a hint: It CAN'T BE  
30 DONE!
- 31 2. What "public office" or franchise does the government claim to have "created" and therefore have the right to control  
32 in the context of my otherwise exclusively PRIVATE property and PRIVATE rights under the Constitution?
- 33 3. Who is the "customer" in the context of the IRS: The STATUTORY "taxpayer" public office or the PRIVATE human  
34 filling the office?
- 35 4. Who gets to define what a "benefit" is in the context of "customers"? Isn't it the human volunteering to be surety for  
36 the "taxpayer" office and not the government grantor of the public office franchise?
- 37 5. What if I as the human compelled to become surety for the office define that compulsion as an INJURY rather than a  
38 BENEFIT? Does that "end the privilege" and the jurisdiction to tax and regulate?
- 39 6. Does the national government claim the right to create franchises within a constitutional state in order to tax them?  
40 The Constitution says they CANNOT and that this is an "invasion" within the meaning of Article 4, Section 4 of the  
41 Constitution:

42 *"Thus, Congress having power to regulate commerce with foreign nations, and among the several States, and*  
43 *with the Indian tribes, may, without doubt, provide for **granting** coasting **licenses**, licenses to pilots, licenses to*  
44 *trade with the Indians, and any other **licenses** necessary or proper for the exercise of that great and extensive*  
45 *power; and the same observation is applicable to every other power of Congress, to the exercise of which the*  
46 *granting of licenses may be incident. All such licenses confer authority, and give rights to the licensee.*

47 *But very different considerations apply to the **internal commerce or domestic trade of the States.** Over this*  
48 *commerce and trade Congress has **no power of regulation nor any direct control.** This power belongs*  
49 *exclusively to the States. **No interference by Congress with the business of citizens transacted within a State***  
50 ***is warranted by the Constitution, except such as is strictly incidental to the exercise of powers clearly***  
51 ***granted to the legislature.** The power to authorize a business within a State is plainly repugnant to the exclusive*  
52 *power of the State over the same subject. It is true that the power of Congress to tax is a very extensive power. It*  
53 *is given in the Constitution, with only one exception and only two qualifications. Congress cannot tax exports,*  
54 *and it must impose direct taxes by the rule of apportionment, and indirect taxes by the rule of uniformity. Thus*  
55 *limited, and thus only, it reaches every subject, and may be exercised at discretion. But, it reaches only existing*  
56 *subjects. **Congress cannot authorize a trade or business within a State in order to tax it.**"*  
57 [License Tax Cases, 72 U.S. 462, 18 L.Ed. 497, 5 Wall. 462, 2 A.F.T.R. 2224 (1866) ]

- 1 7. Isn't a judge compelling you to violate your religious beliefs by compelling you to serve in a public office or accept the  
2 DUTIES of the office? Isn't this a violation of the First Commandment NOT to serve "other gods", which can and  
3 does mean civil rulers or governments?

4 *But the thing displeased Samuel when they said, "Give us a king to judge us." So Samuel prayed to the Lord.  
5 And the Lord said to Samuel, "Heed the voice of the people in all that they say to you; for they have rejected  
6 Me [God], that I should not reign over them." According to all the works which they have done since the day that  
7 I brought them up out of Egypt, even to this day—with which they have forsaken Me and served other gods  
8 [Kings, in this case]—so they are doing to you also [government becoming idolatry]. Now therefore, heed their  
9 voice. However, you shall solemnly forewarn them, and show them the behavior of the king who will reign  
10 over them."  
11 [1 Sam. 8:6-9, Bible, NKJV]*

- 12 8. How can one UNILATERALLY ELECT themselves into public office by filling out a government form? The form  
13 isn't even signed by anyone in the government, such as a tax form or social security application, and therefore couldn't  
14 POSSIBLY be a valid contract anyway? Isn't this a FRAUD upon the United States and criminal bribery, using illegal  
15 "withholdings" to bribe someone to TREAT you as a public officer? See 18 U.S.C. §211.  
16 9. How can a judge enforce civil statutory law that only applies to public officers without requiring proof on the record  
17 that you are CONSENSUALLY and LAWFULLY engaged in a public office? In other words, that you waived  
18 sovereign immunity by entering into a contract with the government.

19 *"It is true, that the person who accepts an office may be supposed to enter into a compact to be answerable to  
20 the government, which he serves, for any violation of his duty; and, having taken the oath of office, he would  
21 unquestionably be liable, in such case, to a prosecution for perjury in the Federal Courts. But because one  
22 man, by his own act [CONSENT], renders himself amenable to a particular jurisdiction, shall another man,  
23 who has not incurred a similar obligation, be implicated? If, in other words, it is sufficient to vest a jurisdiction  
24 in this court, that a Federal Officer is concerned; if it is a sufficient proof of a case arising under a law of the  
25 United States to affect other persons, that such officer is bound, by law, to discharge his duty with fidelity; a  
26 source of jurisdiction is opened, which must inevitably overflow and destroy all the barriers between the judicial  
27 authorities of the State and the general government. Anything which can prevent a Federal Officer from the  
28 punctual, as well as from an impartial, performance of his duty; an assault and battery; or the recovery of a debt,  
29 as well as the offer of a bribe, may be made a foundation of the jurisdiction of this court; and, considering the  
30 constant disposition of power to extend the sphere of its influence, fictions will be resorted to, when real cases  
31 cease to occur. A mere fiction, that the defendant is in the custody of the marshal, has rendered the jurisdiction  
32 of the King's Bench universal in all personal actions."  
33 [United States v. Worrall, 2 U.S. 384 (1798)  
34 SOURCE: [http://scholar.google.com/scholar\\_case?case=3339893669697439168](http://scholar.google.com/scholar_case?case=3339893669697439168)]*

- 35 10. Isn't this involuntary servitude in violation of the Thirteenth Amendment to serve in a public office if you DON'T  
36 consent and they won't let you TALK about the ABSENCE of your consent?  
37 11. Isn't it a violation of due process of law to PRESUME that you are public officer WITHOUT EVIDENCE on the  
38 record from an unbiased witness who has no financial interest in the outcome?

39 *"A presumption is an assumption of fact that the law requires to be made from another fact or group of facts  
40 found or otherwise established in the action. A presumption is not evidence."  
41 [Black's Law Dictionary, Sixth Edition, p. 1185]*

42  
43 *"If any question of fact or liability be conclusively be presumed [rather than proven] against him, this is not  
44 due process of law. [ . . . ] the presumption of innocence under which guilt must be proven by legally obtained  
45 evidence and the verdict must be supported by the evidence presented; rights at the earliest stage of the criminal  
46 process; and the guarantee that an individual will not be tried more than once for the same offence (double  
47 jeopardy).  
48 [Black's Law Dictionary, Sixth Edition, p. 500]*

49  
50 *"A presumption is neither evidence nor a substitute for evidence."<sup>45</sup>  
51 [American Jurisprudence 2d, Evidence, §181 (1999)]*

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<sup>45</sup> Levasseur v. Field (Me), 332 A.2d. 765; Hinds v. John Hancock Mut. Life Ins. Co., 155 Me 349, 155 A.2d. 721, 85 A.L.R.2d. 703 (superseded by statute on other grounds as stated in Poiras v. R. E. Glidden Body Shop, Inc. (Me) 430 A.2d. 1113); Connizzo v. General American Life Ins. Co. (Mo App), 520 S.W.2d. 661.

12. If the judge won't enforce the requirement that the government as moving party has the burden of proving WITH EVIDENCE that you were LAWFULLY "appointed or elected" to a public office, aren't you therefore PRESUMED to be EXCLUSIVELY PRIVATE and therefore beyond the reach of the civil statutory law?
13. Isn't the judge criminally obstructing justice to interfere with requiring evidence on the record that you lawfully occupy a public office? See 18 U.S.C. §1503, whereby the judge is criminally "influencing" the PUBLIC you.
14. Isn't an unsupported presumption that prejudices a PRIVATE right a violation of the Constitution and doesn't the rights that UNCONSTITUTIONAL presumption prejudicially conveys to the government constitute a taking of rights without just compensation in violation of the Fifth Amendment Takings Clause?
15. Don't the rights that UNCONSTITUTIONAL presumptions prejudicially convey to the government constitute a taking of rights without just compensation in violation of the Fifth Amendment Takings Clause?
16. By what authority does the judge impose federal civil law within a constitutional state of the Union because:
- 16.1. Constitutional states are legislatively but not constitutionally foreign jurisdiction.
- 16.2. Federal Rule of Civil Procedure 17(b) requires that those with a domicile outside of federal territory cannot be sued under federal law.
- 16.3. The Rules of Decision Act, 28 U.S.C. §1652 dictates that state rather than federal law applies.
- 16.4. National franchises and the PRIVATE law that implements them cannot be offered or enforced within constitutional states per License Tax Cases, 72 U.S. 462, 18 L.Ed. 497, 5 Wall. 462, 2 A.F.T.R. 2224 (1866).
17. Even if we ARE lawfully serving in a public office, don't we have the right to:
- 17.1. Be off duty?
- 17.2. Choose WHEN we want to be off duty?
- 17.3. Choose WHAT financial transactions we want to connect to the office?
- 17.4. Be protected in NOT volunteering to connect a specific activity to the public office? Governments LIE by calling something "voluntary" and yet refusing to protect those who do NOT consent to "volunteer", don't they?
- 17.5. Not be coerced to sign up for OTHER, unrelated public offices when we sign up for a single office? For instance, do we have a right not become a FEDERAL officer when we sign up for a STATE "driver license" and "public office" that ALSO requires us to have a Social Security Number to get the license, and therefore to ALSO become a FEDERAL officer at the same time.
- If the answer to all the above is NO, then there ARE no PRIVATE rights or PRIVATE property and there IS no "government" because governments only protect PRIVATE rights and private property!

We'd love to hear a jury, judge, or prosecutor address this subject before they haul him away in a strait jacket to the nuthouse because of a completely irrational and maybe even criminal answer.

The next time you end up in front of a judge or government attorney enforcing a civil statute against you, you might want to insist on proof in the record during the process of challenging jurisdiction as a defendant or respondent:

1. WHICH of the two "persons" they are addressing or enforcing against.
2. How the two statuses, PUBLIC v. PRIVATE, became connected.
3. What specific act of EXPRESS consent connected the two. PRESUMPTION alone on the part of government can't. A presumption that the two became connected WITHOUT consent is an unconstitutional eminent domain in violation of the Fifth Amendment Takings Clause.

In a criminal trial, such a question would be called a "bill of particulars".

We can handle private and public affairs from the private, but we cannot handle private affairs from the public. The latter is one of the biggest mistakes many people make when trying to handle their commercial and lawful (private) or legal (public) affairs. Those who use PUBLIC property for PRIVATE gain in fact are STEALING and such stealing has always been a crime.

In law, all rights attach to LAND, and all privileges attach to one's STATUS under voluntary civil franchises. An example of privileged statuses include "taxpayer" (under the tax code), "person", "individual", "driver" (under the vehicle code), "spouse" (under the family code). Rights are PRIVATE, PRIVILEGES are PUBLIC.

In our society, the PRIVATE "straw man" was created by the application for the birth certificate. It is a legal person under contract law and under the Uniform Commercial Code (U.C.C.), with capacity to sue or be sued under the common law. It is PRIVATE PROPERTY of the human being described in the birth certificate.

The PUBLIC officer "straw man" (e.g. statutory "taxpayer") was created by the Application for the Social Security Card, SSA Form SS-5. It is a privileged STATUS under an [unconstitutional national franchise](#) of the [de facto government](#). It is PROPERTY of the national government. The PUBLIC "straw man" is thoroughly described in:

*Proof that There Is a "Straw Man",* Form #05.042  
<http://sedm.org/Forms/FormIndex.htm>

The PRIVATE "John Doe" is a statutory "non-resident non-person" not engaged in the "trade or business"/PUBLIC OFFICER franchise in relation to the PUBLIC. He exists in the republic and is a free inhabitant under the Articles of Confederation. He has inalienable rights and unlimited liabilities. Those unlimited liabilities are described in

*The Unlimited Liability Universe*  
<http://famguardian.org/Subjects/Spirituality/Articles/UnlimitedLiabilityUniverse.htm>

The PUBLIC "JOHN DOE" is a public office in the government corporation and statutory "U.S. citizen" per 8 U.S.C. §1401, 26 U.S.C. §3121(e), and 26 C.F.R. §1.1-1(c). He exists in the privileged [socialist democracy](#). He has "benefits", franchises, obligations, immunities, and limited liability.

In the PRIVATE, money is an ASSET and always in the form of something that has intrinsic value, i.e. gold or silver. Payment for anything is in the form of commercial set off.

In the PUBLIC, money is a LIABILITY or debt and normally takes the form of a promissory note, i.e. a Federal Reserve Note (FRN), a check, bond or note. Payment is in the form of discharge in the future.

The PRIVATE realm is the basis for all contract and commerce under the Uniform Commercial Code (U.C.C.). The PUBLIC realm was created by the bankruptcy of the PRIVATE entity. Generally, creditors can operate from the PRIVATE. PUBLIC entities are all debtors (or slaves). The exercise of the right to contract by the PRIVATE straw man makes human beings into SURETY for the PUBLIC straw man.

Your judicious exercise of your right to contract and the requirement for consent that protects it is the main thing that keeps the PUBLIC separate from the PRIVATE. See:

*Requirement for Consent,* Form #05.003  
<http://sedm.org/Forms/FormIndex.htm>

**Be careful how you use your right to contract!** It is the most DANGEROUS right you have because it can destroy ALL of your PRIVATE rights by converting them to PUBLIC rights and offices.

**"These general rules are well settled:**

**(1) That the United States, when it creates rights in individuals against itself [a "public right", which is a euphemism for a "franchise" to help the court disguise the nature of the transaction], is under no obligation to provide a remedy through the courts.** *United States ex rel. Dunlap v. Black*, 128 U.S. 40, 9 Sup.Ct. 12, 32 L.Ed. 354; *Ex parte Atocha*, 17 Wall. 439, 21 L.Ed. 696; *Gordon v. United States*, 7 Wall. 188, 195, 19 L.Ed. 35; *De Groot v. United States*, 5 Wall. 419, 431, 433, 18 L.Ed. 700; *Comegys v. Vasse*, 1 Pet. 193, 212, 7 L.Ed. 108.

**(2) That where a statute creates a right and provides a special remedy, that remedy is exclusive.** *Wilder Manufacturing Co. v. Corn Products Co.*, 236 U.S. 165, 174, 175, 35 Sup.Ct. 398, 59 L.Ed. 520, Ann.Cas. 1916A, 118; *Arnson v. Murphy*, 109 U.S. 238, 3 Sup.Ct. 184, 27 L.Ed. 920; *Barnet v. National Bank*, 98 U.S. 555, 558, 25 L.Ed. 212; *Farmers' & Mechanics' National Bank v. Dearing*, 91 U.S. 29, 35, 23 L.Ed. 196. Still the fact that the right and the remedy are thus intertwined might not, if the provision stood alone, require us to hold that the remedy expressly given excludes a right of review by the Court of Claims, where the decision of the special tribunal involved no disputed question of fact and the denial of compensation was rested wholly upon the construction of the act. See *Medbury v. United States*, 173 U.S. 492, 198, 19 Sup.Ct. 503, 43 L.Ed. 779; *Parish v. MacVeagh*, 214 U.S. 124, 29 Sup.Ct. 556, 53 L.Ed. 936; *McLean v. United States*, 226 U.S. 374, 33 Sup.Ct. 122, 57 L.Ed. 260; *United States v. Laughlin* (No. 200), 249 U.S. 440, 39 Sup.Ct. 340, 63 L.Ed. 696, decided April 14, 1919."  
[*U.S. v. Babcock*, 250 U.S. 328, 39 S.Ct. 464 (1919)]

All PUBLIC franchises are contracts or agreements and therefore participating in them is an act of contracting.

1                   *"It is generally conceded that a franchise is the subject of a contract between the grantor and the grantee, and*  
2                   *that it does in fact constitute a contract when the requisite element of a consideration is present.<sup>46</sup> Conversely, a*  
3                   *franchise granted without consideration is not a contract binding upon the state, franchisee, or pseudo-*  
4                   *franchisee.<sup>47</sup> "*  
5                   *[36 American Jurisprudence 2d, Franchises, §6: As a Contract (1999)]*

6       Franchises include Social Security, income taxation ("trade or business"/public office franchise), unemployment insurance,  
7       driver licensing ("driver" franchise), and marriage licensing ("spouse" franchise).

8                   *"You shall make no covenant [contract or franchise] with them [foreigners, pagans], nor with their [pagan*  
9                   *government] gods [laws or judges]. They shall not dwell in your land [and you shall not dwell in theirs by*  
10                  *becoming a "resident" or domiciliary in the process of contracting with them], lest they make you sin against Me*  
11                  *[God]. For if you serve their [government] gods [under contract or agreement or franchise], it will surely be a*  
12                  *snare to you."*  
13                  *[Exodus 23:32-33, Bible, NKJV]*

14       Governments become corrupt by:

- 15       1. Refusing to recognize the PRIVATE.
- 16       2. Undermining or interfering with the invocation of the common law in courts of justice.
- 17       3. Allowing false information returns to be abused to convert the PRIVATE into the PUBLIC without the consent of the  
18       owner.
- 19       4. Destroying or undermining remedies for the protection of PRIVATE rights.
- 20       5. Replacing CONSTITUTIONAL courts with LEGISLATIVE FRANCHISE courts.
- 21       6. Making judges into statutory franchisees such as "taxpayers", through which they are compelled to have a conflict of  
22       interest that ultimately destroys or undermines all private rights. This is a crime and a civil offense in violation of 18  
23       U.S.C. §208, 28 U.S.C. §144, and 28 U.S.C. §455.
- 24       7. Offering or enforcing government franchises to people not domiciled on federal territory. This breaks down the  
25       separation of powers and enforces franchise law extraterritorially.
- 26       8. Abusing "words of art" to blur or confuse the separation between the PUBLIC and the PRIVATE. (deception)
- 27       9. Removing the domicile prerequisite for participation in government franchises through policy and not law, thus  
28       converting them into essentially PRIVATE business ventures that operate entirely through the right to contract.
- 29       10. Abusing sovereign immunity to protect PRIVATE government business ventures, thus destroying competition and  
30       implementing a state-sponsored monopoly.
- 31       11. Refusing to criminally prosecute those who compel participation in government franchises.
- 32       12. Turning citizenship into a statutory franchise, and thus causing people who claim citizen status to unwittingly become  
33       PUBLIC officers.
- 34       13. Allowing presumption to be used as a substitute for evidence in any proceeding to enforce government franchises  
35       against an otherwise PRIVATE party. This violates due process of law, unfairly advantages the government, and  
36       imputes to the government supernatural powers as an object of religious worship.

37       Therefore, it is important to learn how to be EXCLUSIVELY PRIVATE and a CREDITOR in all of our affairs. Freedom is  
38       possible in the PRIVATE; it is not even a valid fantasy in the realm of the PUBLIC.

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<sup>46</sup> Larson v. South Dakota, 278 U.S. 429, 73 L.Ed. 441, 49 S.Ct. 196; Grand Trunk Western R. Co. v. South Bend, 227 U.S. 544, 57 L.Ed. 633, 33 S.Ct. 303; Blair v. Chicago, 201 U.S. 400, 50 L.Ed. 801, 26 S.Ct. 427; Arkansas-Missouri Power Co. v. Brown, 176 Ark. 774, 4 S.W.2d. 15, 58 A.L.R. 534; Chicago General R. Co. v. Chicago, 176 Ill. 253, 52 N.E. 880; Louisville v. Louisville Home Tel. Co., 149 Ky. 234, 148 S.W. 13; State ex rel. Kansas City v. East Fifth Street R. Co. 140 Mo. 539, 41 S.W. 955; Baker v. Montana Petroleum Co., 99 Mont. 465, 44 P.2d. 735; Re Board of Fire Comrs. 27 N.J. 192, 142 A.2d. 85; Chrysler Light & P. Co. v. Belfield, 58 N.D. 33, 224 N.W. 871, 63 A.L.R. 1337; Franklin County v. Public Utilities Com., 107 Ohio.St. 442, 140 N.E. 87, 30 A.L.R. 429; State ex rel. Daniel v. Broad River Power Co. 157 S.C. 1, 153 S.E. 537; Rutland Electric Light Co. v. Marble City Electric Light Co., 65 Vt. 377, 26 A. 635; Virginia-Western Power Co. v. Commonwealth, 125 Va. 469, 99 S.E. 723, 9 A.L.R. 1148, cert den 251 U.S. 557, 64 L.Ed. 413, 40 S.Ct. 179, disapproved on other grounds Victoria v. Victoria Ice, Light & Power Co. 134 Va. 134, 114 S.E. 92, 28 A.L.R. 562, and disapproved on other grounds Richmond v. Virginia Ry. & Power Co. 141 Va. 69, 126 S.E. 353.

<sup>47</sup> Pennsylvania R. Co. v. Bowers, 124 Pa 183, 16 A 836.



1 Below is a summary:

2 **Table 5: Public v. Private**

#	Characteristic	Private	Public
1	Name	“John Doe”	“JOHN DOE” (idemsonans)
2	Created by	Birth certificate	Application for SS Card, SSA Form SS-5
3	Property of	Human being	Government
4	Protected by	Common law	Statutory franchises
5	Type of rights exercised	Private rights Constitutional rights	Public rights Statutory privileges
6	Rights/privileges attach to	LAND you stand on	Statutory STATUS under a voluntary civil franchise
7	Courts which protect or vindicate rights/privileges	Constitutional courts under Article III in the true Judicial Branch	Legislative administrative franchise courts under Articles I and IV in the Executive Branch.
8	Domiciled on	Private property	Public property/federal territory
9	Commercial standing	Creditor	Debtor
10	Money	Gold and silver	Promissory note (debt instrument)
11	Sovereign being worshipped/obeyed	God	Governments and political rulers (The Beast, Rev. 19:19). Paganism
12	Purpose of government	Protect PRIVATE rights	Expand revenues and control over the populace and consolidate all rights and sovereignty to itself
13	Government consists of	Body POLITIC (PRIVATE) <b>and</b> body CORPORATE (PUBLIC)	Body CORPORATE (PUBLIC) <b>only</b> . All those in the body POLITIC are converted into officers of the corporation by abusing franchises.

3 **3.7 All PUBLIC/GOVERNMENT law attaches to government territory, all PRIVATE law**  
4 **attaches to your right to contract**

5 A very important consideration to understand is that:

- 6 1. All EXCLUSIVELY PUBLIC LAW attaches to the government’s own territory. By “PUBLIC”, we mean law that  
7 runs the government and ONLY the government.  
8 2. All EXCLUSIVELY PRIVATE law attaches to one of the following:  
9 2.1. The exercise of your right to contract with others.  
10 2.2. The property you own and lend out to others based on specific conditions.

11 Item 2.2 needs further attention. Here is how that mechanism works:

12 *“How, then, are purely equitable obligations created? For the most part, either by the acts of third persons or by*  
13 *equity alone. **But how can one person impose an obligation upon another? By giving property to the latter on***  
14 ***the terms of his assuming an obligation in respect to it. At law there are only two means by which the object of***  
15 ***the donor could be at all accomplished, consistently with the entire ownership of the property passing to the***  
16 ***donee, namely: first, by imposing a real obligation upon the property; secondly, by subjecting the title of the***  
17 ***donee to a condition subsequent.** The first of these the law does not permit; the second is entirely inadequate.*  
18 *Equity, however, can secure most of the objects of the doner, and yet avoid the mischiefs of real obligations by*  
19 *imposing upon the donee (and upon all persons to whom the property shall afterwards come without value or*  
20 *with notice) **a personal obligation with respect to the property; and accordingly this is what equity does.** It is in*  
21 *this way that all trusts are created, and all equitable charges made (i.e., equitable hypothecations or liens created)*  
22 *by testators in their wills. In this way, also, most trusts are created by acts inter vivos, except in those cases in*  
23 *which the trustee incurs a legal as well as an equitable obligation. **In short, as property is the subject of every***  
24 ***equitable obligation, so the owner of property is the only person whose act or acts can be the means of creating***  
25 ***an obligation in respect to that property. Moreover, the owner of property can create an obligation in respect***  
26 ***to it in only two ways: first, by incurring the obligation himself, in which case he commonly also incurs a legal***  
27 ***obligation; secondly, by imposing the obligation upon some third person; and this he does in the way just***  
28 ***explained.”***

29 [Readings on the History and System of the Common Law, Second Edition, Roscoe Pound, 1925, p. 543]

Next, we must describe exactly what we mean by “territory”, and the three types of “territory” identified by the U.S. Supreme Court in relation to the term “United States”. Below is how the United States Supreme Court addressed the question of the meaning of the term “United States” (see Black’s Law Dictionary) in the famous case of *Hooven & Allison Co. v. Evatt*, 324 U.S. 652 (1945). The Court ruled that the term United States has three uses:

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

We will now break the above definition into its three contexts and show what each means.

**Table 6: Meanings assigned to "United States" by the U.S. Supreme Court in *Hooven & Allison v. Evatt***

#	U.S. Supreme Court Definition of "United States" in <i>Hooven</i>	Context in which usually used	Referred to in this article as	Interpretation
1	"It may be merely the name of a sovereign occupying the position analogous to that of other sovereigns in the family of nations."	International law	"United States**"	"These <u>united States</u> ," when traveling abroad, you come under the jurisdiction of the President through his agents in the U.S. State Department, where "U.S." refers to the sovereign society. You are a "Citizen of the United States" like someone is a Citizen of France, or England. We identify this version of "United States" with a single asterisk after its name: "United States*" throughout this article.
2	"It may designate the territory over which the sovereignty of the United States extends, or"	Federal law Federal forms	"United States**"	"The United States (the District of Columbia, possessions and territories)". Here Congress has exclusive legislative jurisdiction. In this sense, the term "United States" is a singular noun. You are a person residing in the District of Columbia, one of its Territories or Federal areas (enclaves). Hence, even a person living in the one of the sovereign States could still be a member of the Federal area and therefore a "citizen of the United States." This is the definition used in most "Acts of Congress" and federal statutes. We identify this version of "United States" with two asterisks after its name: "United States**" throughout this article. This definition is also synonymous with the "United States" corporation found in 28 U.S.C. §3002(15)(A).
3	"...as the collective name for the states which are united by and under the Constitution."	Constitution of the United States	"United States***"	"The <u>several States</u> which is the <u>united States of America</u> ." Referring to the <u>50 sovereign States</u> , which are united under the <u>Constitution of the United States of America</u> . The federal areas within these states are not included in this definition because the <u>Congress does not</u> have exclusive legislative authority over any of the <u>50 sovereign States within the Union of States</u> . Rights are retained by the <u>States</u> in the 9th and 10th Amendments, and you are a " <u>Citizen of these united States</u> ." This is the definition used in the Constitution for the United States of America. We identify this version of "United States" with a three asterisks after its name: "United States***" throughout this article.

The way our present system functions, all PUBLIC rights are attached to federal territory. They cannot lawfully attach to EXCLUSIVELY PRIVATE property because the right to regulate EXCLUSIVELY PRIVATE rights is repugnant to the constitution, as held by the U.S. Supreme Court.

Lastly, when the government enters the realm of commerce and private business activity, it operates in equity and is treated as EQUAL in every respect to everyone else. ONLY in this capacity can it enact law that does NOT attach to its own territory and to those DOMICILED on its territory:

*See also Clearfield Trust Co. v. United States, 318 U.S. 363, 369 (1943) ("The United States does business on business terms") (quoting United States v. National Exchange Bank of Baltimore, 270 U.S. 527, 534 (1926)); Perry v. United States, supra at 352 (1935) ("When the United States, with constitutional authority, makes contracts, it has rights and incurs responsibilities similar to those of individuals who are parties to such instruments. There is no difference . . . except that the United States cannot be sued without its consent") (citation omitted); United States v. Bostwick, 94 U.S. 53, 66 (1877) ("The United States, when they contract with their citizens, are controlled by the same laws that govern the citizen in that behalf"); Cooke v. United States, 91 U.S. 389, 398 (1875) (explaining that when the United States "comes down from its position of sovereignty, and enters the domain of commerce, it submits itself to the same laws that govern individuals there").*

*See Jones, 1 Cl.Ct. at 85 ("Wherever the public and private acts of the government seem to commingle, a citizen or corporate body must by supposition be substituted in its place, and then the question be determined whether*

1 the action will lie against the supposed defendant"); *O'Neill v. United States*, 231 Ct.Cl. 823, 826 (1982)  
2 (sovereign acts doctrine applies where, "[w]here [the] contracts exclusively between private parties, the party hurt  
3 by such governing action could not claim compensation from the other party for the governing action"). The  
4 dissent ignores these statements (including the statement from Jones, from which case Horowitz drew its  
5 reasoning literally verbatim), when it says, post at 931, that the sovereign acts cases do not emphasize the need  
6 to treat the government-as-contractor the same as a private party.  
7 [United States v. Winstar Corp., 518 U.S. 839 (1996).]

8 If a government wants to reach outside its territory and create PRIVATE law for those who have not consented to its  
9 jurisdiction by choosing a domicile on its territory, the ONLY method it has for doing this is to exercise its right to contract.

10 *Debt and contract [franchise agreement, in this case] are of no particular place.*

11 *Locus contractus regit actum.*

12 *The place of the contract [franchise agreement, in this case] governs the act.*

13 *[Bouvier's Maxims of Law, 1856;*

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

15 The most important method by which governments exercise their PRIVATE right to contract and disassociate with the  
16 territorial limitation upon their lawmaking powers is through the use or abuse of franchises, which are contracts.

17 *As a rule, franchises spring from contracts between the sovereign power and private citizens, made upon*  
18 *valuable considerations, for purposes of individual advantage as well as public benefit,<sup>48</sup> and thus a franchise*  
19 *partakes of a double nature and character. So far as it affects or concerns the public, it is publici juris and is*  
20 *subject to governmental control. The legislature may prescribe the manner of granting it, to whom it may be*  
21 *granted, the conditions and terms upon which it may be held, and the duty of the grantee to the public in*  
22 *exercising it, and may also provide for its forfeiture upon the failure of the grantee to perform that duty. But*  
23 *when granted, it becomes the property of the grantee, and is a private right, subject only to the governmental*  
24 *control growing out of its other nature as publici juris.<sup>49</sup>*  
25 *[American Jurisprudence 2d, Franchises, §4: Generally (1999)]*

### 26 **3.8 The Ability to Regulate Private Rights and Private Conduct is Repugnant to the** 27 **Constitution**

28 The following cite establishes that private rights and private property are entirely beyond the control of the government:

29 *When one becomes a member of society, he necessarily parts with some rights or privileges which, as an*  
30 *individual not affected by his relations to others, he might retain. "A body politic," as aptly defined in the*  
31 *preamble of the Constitution of Massachusetts, "is a social compact by which the whole people covenants with*  
32 *each citizen, and each citizen with the whole people, that all shall be governed by certain laws for the common*  
33 *good." This does not confer power upon the whole people to control rights which are purely and exclusively*  
34 *private, Thorpe v. R. & B. Railroad Co., 27 Vt. 143; but it does authorize the establishment of laws requiring*  
35 *each citizen to so conduct himself, and so use his own property, as not unnecessarily to injure another. This is*  
36 *the very essence of government, and 125\*125 has found expression in the maxim sic utere tuo ut alienum non*  
37 *laedas. From this source come the police powers, which, as was said by Mr. Chief Justice Taney in the License*  
38 *Cases, 5 How. 583, "are nothing more or less than the powers of government inherent in every sovereignty, . .*  
39 *. that is to say, . . . the power to govern men and things." Under these powers the government regulates the*  
40 *conduct of its citizens one towards another, and the manner in which each shall use his own property, when such*  
41 *regulation becomes necessary for the public good. In their exercise it has been customary in England from time*  
42 *immemorial, and in this country from its first colonization, to regulate ferries, common carriers, hackmen, bakers,*  
43 *millers, wharfingers, innkeepers, &c., and in so doing to fix a maximum of charge to be made for services*  
44 *rendered, accommodations furnished, and articles sold. To this day, statutes are to be found in many of the States*  
45 *upon some or all these subjects; and we think it has never yet been successfully contended that such legislation*  
46 *came within any of the constitutional prohibitions against interference with private property. With the Fifth*  
47 *Amendment in force, Congress, in 1820, conferred power upon the city of Washington "to regulate . . . the rates*  
48 *of wharfage at private wharves, . . . the sweeping of chimneys, and to fix the rates of fees therefor, . . . and the*  
49 *weight and quality of bread," 3 Stat. 587, sect. 7; and, in 1848, "to make all necessary regulations respecting*  
50 *hackney carriages and the rates of fare of the same, and the rates of hauling by cartmen, wagoners, carmen, and*  
51 *draymen, and the rates of commission of auctioneers," 9 id. 224, sect. 2.*  
52 *[Munn v. Illinois, 94 U.S. 113 (1876),*  
53 *SOURCE: [http://scholar.google.com/scholar\\_case?case=6419197193322400931](http://scholar.google.com/scholar_case?case=6419197193322400931)]*

<sup>48</sup> *Georgia R. & Power Co. v. Atlanta*, 154 Ga. 731, 115 S.E. 263; *Lippencott v. Allander*, 27 Iowa 460; *State ex rel. Hutton v. Baton Rouge*, 217 La. 857, 47 So.2d. 665; *Tower v. Tower & S. Street R. Co.* 68 Minn 500, 71 N.W. 691.

<sup>49</sup> *Georgia R. & Power Co. v. Atlanta*, 154 Ga. 731, 115 S.E. 263; *Lippencott v. Allander*, 27 Iowa 460; *State ex rel. Hutton v. Baton Rouge*, 217 La. 857, 47 So.2d. 665; *Tower v. Tower & S. Street R. Co.* 68 Minn 500, 71 N.W. 691.

1 Notice that they say that the ONLY basis to regulate private rights is to prevent injury of one man to another by the use of  
2 said property. They say that this authority is the origin of the "police powers" of the state. What they hide, however, is that  
3 these same POLICE POWERS involve the CRIMINAL laws and EXCLUDE the CIVIL laws or even franchises. You can  
4 TELL they are trying to hide something because around this subject they invoke the Latin language that is unknown to most  
5 Americans to conceal the nature of what they are doing. Whenever anyone invokes Latin in a legal setting, a red flag ought  
6 to go up because you KNOW they are trying to hide a KEY fact. Here is the Latin they invoked:

7 *"sic utere tuo ut alienum non laedas"*

8 The other phrase to notice in the Munn case above is the use of the word "social compact". A compact is legally defined as  
9 a contract.

10 *"Compact, n. An agreement or contract between persons, nations, or states. Commonly applied to working*  
11 *agreements between and among states concerning matters of mutual concern. A contract between parties, which*  
12 *creates obligations and rights capable of being enforced and contemplated as such between the parties, in their*  
13 *distinct and independent characters. A mutual consent of parties concerned respecting some property or right*  
14 *that is the object of the stipulation, or something that is to be done or forborne. See also Compact clause;*  
15 *Confederacy; Interstate compact; Treaty."*  
16 *[Black's Law Dictionary, Sixth Edition, p. 281]*

17 Therefore, one cannot exercise their First Amendment right to legally associate with or contract with a SOCIETY and thereby  
18 become a party to the "social compact/contract" without ALSO becoming a STATUTORY "citizen". By statutory citizen,  
19 we really mean a domiciliary of a SPECIFIC municipal jurisdiction, and not someone who was born or naturalized in that  
20 place. Hence, by STATUTORY citizen we mean a person who:

- 21 1. Has voluntarily chosen a civil domicile within a specific municipal jurisdiction and thereby become a "citizen" or  
22 "resident" of said jurisdiction. "citizens" or "residents" collectively are called "inhabitants".
- 23 2. Has indicated their choice of domicile on government forms in the block called "residence" or "permanent address".
- 24 3. CONSENTS to be protected by the regional civil laws of a SPECIFIC municipal government.

25 A CONSTITUTIONAL citizen, on the other hand, is someone who cannot consent to choose the place of their birth. These  
26 people in federal statutes are called "non-residents". Neither BEING BORN nor being PHYSICALLY PRESENT in a place  
27 is an express exercise of one's discretion or an act of CONSENT, and therefore cannot make one a government contractor  
28 called a statutory "U.S. citizen". That is why birth or naturalization determines nationality but not their status under the  
29 CIVIL laws. All civil jurisdiction is based on "consent of the governed", as the Declaration of Independence indicates. Those  
30 who do NOT consent to the civil laws that implement the social compact of the municipal government they are  
31 PHYSICALLY situated within are called "free inhabitants", "nonresidents", "transient foreigners", or "foreign sovereigns".  
32 These "free inhabitants" are mentioned in the Articles of Confederation, which continue to this day and they are NOT the  
33 same and mutually exclusive to a statutory "U.S. citizen". These "free inhabitants" instead are CIVILLY governed by the  
34 common law RATHER than the civil law.

35 Policemen are NOT allowed to involve themselves in CIVIL disputes and may ONLY intervene or arrest anyone when a  
36 CRIME has been committed. They CANNOT arrest for an "infraction", which is a word designed to hide the fact that the  
37 statute being enforced is a CIVIL or FRANCHISE statute not involving the CRIMINAL "police powers". Hence, civil  
38 jurisdiction over PRIVATE rights is NOT authorized among those who HAVE such rights. Only those who know those  
39 rights and claim and enforce them, not through attorneys but in their proper person, have such rights. Nor can those PRIVATE  
40 rights lawfully be surrendered to a REAL, de jure government, even WITH consent, if they are, in fact UNALIENABLE as  
41 the Declaration of Independence indicates.

42 *"Unalienable. Inalienable; incapable of being aliened, that is, sold and transferred."*  
43 *[Black's Law Dictionary, Fourth Edition, p. 1693]*

44 The only people who can consent to give away a right are those who HAVE no rights because they are domiciled on federal  
45 territory not protected by the Constitution or the Bill of Rights:

46 *"Indeed, the practical interpretation put by Congress upon the Constitution has been long continued and uniform*  
47 *to the effect [182 U.S. 244, 279] that the Constitution is applicable to territories acquired by purchase or*  
48 *conquest, only when and so far as Congress shall so direct. Notwithstanding its duty to 'guarantee to every*  
49 *state in this Union a republican form of government' (art. 4, 4), by which we understand, according to the*  
50 *definition of Webster, 'a government in which the supreme power resides in the whole body of the people, and*

1 *is exercised by representatives elected by them,' Congress did not hesitate, in the original organization of the*  
2 *territories of Louisiana, Florida, the Northwest Territory, and its subdivisions of Ohio, Indiana, Michigan,*  
3 *Illinois, and Wisconsin and still more recently in the case of Alaska, to establish a form of government bearing*  
4 *a much greater analogy to a British Crown colony than a republican state of America, and to vest the legislative*  
5 *power either in a governor and council, or a governor and judges, to be appointed by the President. It was not*  
6 *until they had attained a certain population that power was given them to organize a legislature by vote of the*  
7 *people. In all these cases, as well as in territories subsequently organized west of the Mississippi, Congress*  
8 *thought it necessary either to extend to Constitution and laws of the United States over them, or to declare that*  
9 *the inhabitants should be entitled to enjoy the right of trial by jury, of bail, and of the privilege of the writ of*  
10 *habeas corpus, as well as other privileges of the bill of rights."*  
11 *[Downes v. Bidwell, 182 U.S. 244 (1901)]*

12 To apply these concepts, the police enforce the "vehicle code", but most of the vehicle code is a civil franchise that they may  
13 NOT enforce without ABUSING the police powers of the state. In recognition of these concepts, the civil provisions of the  
14 vehicle code are called "infractions" rather than "crimes". AND, before the civil provisions of the vehicle code may lawfully  
15 be enforced against those using the public roadways, one must be a "resident" with a domicile not within the state, but on  
16 federal territory where rights don't exist. All civil law attaches to SPECIFIC territory. That is why by applying for a driver's  
17 license, most state vehicle codes require that the person must be a "resident" of the state, meaning a person with a domicile  
18 within the statutory but not Constitutional "United States", meaning federal territory.

19 So what the vehicle codes in most states do is mix CRIMINAL and CIVIL and even PRIVATE franchise law all into one  
20 title of code, call it the "Vehicle code", and make it extremely difficult for even the most law abiding "citizen" to distinguish  
21 which provisions are CIVIL/FRANCHISES and which are CRIMINAL, because they want to put the police force to an  
22 UNLAWFUL use enforcing CIVIL rather than CRIMINAL law. This has the practical effect of making the "CODE" not  
23 only a deception, but void for vagueness on its face, because it fails to give reasonable notice to the public at large, WHICH  
24 specific provisions pertain to EACH subset of the population. That in fact, is why they have to call it "the code", rather than  
25 simply "law": Because the truth is encrypted and hidden in order to unlawfully expand their otherwise extremely limited  
26 civil jurisdiction. The two subsets of the population who they want to confuse and mix together in order to undermine your  
27 sovereignty are:

- 28 1. Those who consent to the "social compact" by choosing a domicile or residence within a specific municipal  
29 jurisdiction. These people are identified by the following statutory terms:
  - 30 1.1. Individuals.
  - 31 1.2. Residents.
  - 32 1.3. Citizens.
  - 33 1.4. Inhabitants.
  - 34 1.5. PUBLIC officers serving as an instrumentality of the government.
- 35 2. Those who do NOT consent to the "social compact" and who therefore are called:
  - 36 2.1. Free inhabitants.
  - 37 2.2. Nonresidents.
  - 38 2.3. Transient foreigners.
  - 39 2.4. Sojourners.
  - 40 2.5. EXCLUSIVELY PRIVATE human beings beyond the reach of the civil statutes implementing the social  
41 compact.

42 So how can they reach those in constitutional states with the vehicle code who are neither domiciled on federal territory nor  
43 representing a public office that is domiciled there? The way they get around the problem of only being able to enforce the  
44 CIVIL provisions of the vehicle code against domiciliaries of the federal zone is to:

- 45 1. Force those who apply for driver licenses to misrepresent their status so they appear as either statutory citizens or  
46 public officers on official business. This is done using the "permanent address" block and requiring a Social Security  
47 Number to get a license.
- 48 2. Confuse CONSTITUTIONAL "citizens" with STATUTORY "citizens", to make them appear the same even though  
49 they are NOT.
- 50 3. Arrest people domiciled in constitutional states for driving WITHOUT a license, even though technically these  
51 provisions can only be enforceable against those who are acting as a public officer WHILE driving AND who are  
52 STATUTORY but not CONSTITUTIONAL "citizens". This creates the false appearance that EVERYONE must have  
53 a license, rather than only those domiciled on federal territory or representing an office domiciled there.



The act of "governing" WITHOUT consent therefore implies CRIMINAL governing, not CIVIL governing. To procure CIVIL jurisdiction over a private right requires the CONSENT of the owner of the right. That is why the U.S. Supreme Court states in Munn the following:

*"When one becomes a member of society, he necessarily parts with some rights or privileges which, as an individual not affected by his relations to others, he might retain."*

[Munn v. Illinois, 94 U.S. 113 (1876),

SOURCE: [http://scholar.google.com/scholar\\_case?case=6419197193322400931](http://scholar.google.com/scholar_case?case=6419197193322400931)]

Therefore, if one DOES NOT consent to join a "society" as a statutory citizen, he RETAINS those SOVEREIGN rights that would otherwise be lost through the enforcement of the civil law. Here is how the U.S. Supreme Court describes this requirement of law:

*"Men are endowed by their Creator with certain unalienable rights, - 'life, liberty, and the pursuit of happiness;' and to 'secure,' not grant or create, these rights, governments are instituted. That property [or income] which a man has honestly acquired he retains full control of, subject to these limitations:*

*[1] First, that he shall not use it to his neighbor's injury, and that does not mean that he must use it for his neighbor's benefit [e.g. SOCIAL SECURITY, Medicare, and every other public "benefit"];*

*[2] second, that if he devotes it to a public use, he gives to the public a right to control that use; and*

*[3] third, that whenever the public needs require, the public may take it upon payment of due compensation."*  
[Budd v. People of State of New York, [143 U.S. 517](#) (1892)]

A PRIVATE right that is unalienable cannot be given away by a citizen, even WITH consent, to a de jure government. Hence, the only people that any government may CIVILLY govern are those without unalienable rights, all of whom MUST therefore be domiciled on federal territory where CONSTITUTIONAL rights do not exist.

Notice that when they are talking about "regulating" conduct using CIVIL law, all of a sudden they mention "citizens" instead of ALL PEOPLE. These "citizens" are those with a DOMICILE within federal territory not protected by the Constitution:

*"Under these powers the government regulates the **conduct of its citizens** one towards another, and the manner in which each shall use his own property, when such regulation becomes necessary for the public good."*

[Munn v. Illinois, 94 U.S. 113 (1876),

SOURCE: [http://scholar.google.com/scholar\\_case?case=6419197193322400931](http://scholar.google.com/scholar_case?case=6419197193322400931)]

All "citizens" that they can regulate therefore must be WITHIN the government and be acting as public officers. Otherwise, they would continue to be PRIVATE parties beyond the CIVIL control of any government. Hence, in a Republican Form of Government where the People are sovereign:

1. The only "subjects" under the civil law are public officers in the government.
2. The government is counted as a STATUTORY "citizen" but not a CONSTITUTIONAL "citizen". All CONSTITUTIONAL citizens are human beings and CANNOT be artificial entities. All STATUTORY citizens, on the other hand, are artificial entities and franchises and NOT CONSTITUTIONAL citizens.

*"A corporation [the U.S. government, and all those who represent it as public officers, is a federal corporation per 28 U.S.C. §3002(15)(A) ] is a citizen, resident, or inhabitant of the state or country by or under the laws of which it was created, and of that state or country only."*

[19 Corpus Juris Secundum (C.J.S.), Corporations, §886 (2003)]

*"Citizens of the United States within the meaning of this Amendment must be natural and not artificial persons; a corporate body is not a citizen of the United States."<sup>14</sup>*

<sup>14</sup> Insurance Co. v. New Orleans, 13 Fed.Cas. 67 (C.C.D.La. 1870). Not being citizens of the United States, corporations accordingly have been declared unable "to claim the protection of that clause of the Fourteenth Amendment which secures the privileges and immunities of citizens of the United States against abridgment or

1           impairment by the law of a State." *Orient Ins. Co. v. Daggs*, 172 U.S. 557, 561 (1869) . This conclusion was in  
2           harmony with the earlier holding in *Paul v. Virginia*, 75 U.S. (8 Wall.) 168 (1869), to the effect that corporations  
3           were not within the scope of the privileges and immunities clause of state citizenship set out in Article IV, Sec. 2.  
4           See also *Selover, Bates & Co. v. Walsh*, 226 U.S. 112, 126 (1912) ; *Berea College v. Kentucky*, 211 U.S. 45 (1908)  
5           ; *Liberty Warehouse Co. v. Tobacco Growers*, 276 U.S. 71, 89 (1928) ; *Grosjean v. American Press Co.*, 297 U.S.  
6           233, 244 (1936).

7           [SOURCE: Annotated Fourteenth Amendment, Congressional Research Service:  
8           <http://www.law.cornell.edu/amdt14a.html>]

9       3. The only statutory "citizens" are public offices in the government.

10      4. By serving in a public office, one becomes the same type of "citizen" as the GOVERNMENT is.

11      These observations are consistent with the very word roots that form the word "republic". The following video says the word  
12      origin comes from "res publica", which means a collection of PUBLIC rights shared by the public. You must therefore JOIN  
13      "the public" and become a public officer before you can partake of said PUBLIC right.

Overview of America, SEDM Liberty University, Section 2.6

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

14      This gives a WHOLE NEW MEANING to Abraham Lincoln's Gettysburg Address, in which he refers to American  
15      government as:

16           *"A government of the people, by the people, and for the people."*

17      You gotta volunteer as an uncompensated public officer for the government to CIVILLY govern you. Hence, the only thing  
18      they can CIVILLY GOVERN, is the GOVERNMENT! Pretty sneaky, huh? Here is a whole memorandum of law on this  
19      subject proving such a conclusion:

*Why Statutory Civil Law is Law for Government and Not Private Persons*, Form #05.037

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

DIRECT LINK: <http://sedm.org/Forms/05-MemLaw/StatLawGovt.pdf>

20      The other important point we wish to emphasize is that those who are EXCLUSIVELY private and therefore beyond the  
21      reach of the civil law are:

- 22      1. Free inhabitants.
- 23      2. Not a statutory "person" under the civil law or franchise statute in question.
- 24      3. Not "individuals" under the CIVIL law if they are human beings. All statutory "individuals", in fact, are identified as  
25      "employees" under 5 U.S.C. §2105(a). This is the ONLY statute that describes HOW one becomes a statutory  
26      "individual" that we have been able to find.
- 27      4. "foreign", a "transient foreigner", and sovereign in respect to government CIVIL but not CRIMINAL jurisdiction.
- 28      5. NOT "subject to" but also not necessarily statutorily "exempt" under the civil or franchise statute in question.

29      For a VERY interesting background on the subject of this section, we recommend reading the following case:

*Mugler v. Kansas*, 123 U.S. 623 (1887)

SOURCE: [http://scholar.google.com/scholar\\_case?case=12658364258779560123](http://scholar.google.com/scholar_case?case=12658364258779560123)

### 30      **3.9 "Political (PUBLIC) law" v. "civil (PRIVATE/COMMON) law"**

31      Within our republican government, the founding fathers recognized three classes of law:

- 32      1. Criminal law. Protects both PUBLIC and PRIVATE rights.
- 33      2. Civil law. Protects exclusively PRIVATE rights. In effect, it implements ONLY the common law and does not  
34      regulate the government at all.
- 35      3. Political law. Protects exclusively PUBLIC rights of public officers and offices within the government.

The above three types of law were identified in the following document upon which the founding fathers wrote the constitution and based the design of our republican form of government:

The Spirit of Laws, Charles de Montesquieu, 1758  
SOURCE: <http://famguardian.org/Publications/SpiritOfLaws/sol.htm>

The Spirit of Laws book is where the founding fathers got the idea of separation of powers and three branches of government: Executive, Legislative, and Judicial. Montesquieu defines “political law” and “political liberty” as follows:

*1. A general Idea.*

***I make a distinction between the laws that establish political liberty, as it relates to the constitution, and those by which it is established, as it relates to the citizen. The former shall be the subject of this book; the latter I shall examine in the next.***

*[The Spirit of Laws, Charles de Montesquieu, 1758, Book XI, Section I;  
SOURCE: [http://famguardian.org/Publications/SpiritOfLaws/sol\\_11.htm#001](http://famguardian.org/Publications/SpiritOfLaws/sol_11.htm#001)]*

The Constitution in turn is a POLITICAL document which represents law EXCLUSIVELY for public officers within the government. It does not obligate or abrogate any PRIVATE right. It defines what the courts call “public rights”, meaning rights possessed and owned exclusively by the government ONLY.

***“And the Constitution itself is in every real sense a law-the lawmakers being the people themselves, in whom under our system all political power and sovereignty primarily resides, and through whom such power and sovereignty primarily speaks. It is by that law, and not otherwise, that the legislative, executive, and judicial agencies which it created exercise such political authority as they have been permitted to possess. The Constitution speaks for itself in terms so plain that to misunderstand their import is not rationally possible. ‘We the People of the United States,’ it says, ‘do ordain and establish this Constitution.’ Ordain and establish! These are definite words of enactment, and without more would stamp what follows with the dignity and character of law. The framers of the Constitution, however, were not content to let the matter rest here, but provided explicitly-‘This Constitution, and the Laws of the United States which shall be made in Pursuance thereof; ... shall be the supreme Law of the Land.’ (Const. art. 6, cl. 2.) The supremacy of the Constitution as law is thus declared without qualification. That supremacy is absolute; the supremacy of a statute enacted by Congress is not absolute but conditioned upon its being made in pursuance of the Constitution. And a judicial tribunal, clothed by that instrument with complete judicial power, and, therefore, by the very nature of the power, required to ascertain and apply the law to the facts in every case or proceeding properly brought for adjudication, must apply the supreme law and reject the inferior stat- [298 U.S. 238, 297] ute whenever the two conflict. In the discharge of that duty, the opinion of the lawmakers that a statute passed by them is valid must be given great weight, Adkins v. Children’s Hospital, 261 U.S. 525, 544, 43 S.Ct. 394, 24 A.L.R. 1238; but their opinion, or the court’s opinion, that the statute will prove greatly or generally beneficial is wholly irrelevant to the inquiry. Schechter Poultry Corp. v. United States, 295 U.S. 495, 549, 550 S., 55 S.Ct. 837, 97 A.L.R. 947. “***  
*[Carter v. Carter Coal Co., 298 U.S. 238 (1936)]*

The vast majority of laws passed by Congress are what Montesquieu calls “political law” that is intended exclusively for the government and not the private citizen. The authority for implementing such political law is Article 4, Section 3, Clause 2 of the United States Constitution. To wit:

*United States Constitution  
Article 4, Section 3, Clause 2*

*The Congress shall have Power to dispose of and **make all needful Rules and Regulations respecting the Territory or other Property** belonging to the United States; and nothing in this Constitution shall be so construed as to Prejudice any Claims of the United States, or of any particular State.*

Tax franchise codes such as the Internal Revenue Code, for instance, are what Montesquieu calls “political law” exclusively for the government or public officer and not the private (CONSTITUTIONAL) citizen. Why? Because:

1. The U.S. Supreme Court identified taxes as a “political matter”. “Political law”, “political questions”, and “political matters” cannot be heard by true constitutional courts and may ONLY be heard in legislative franchise courts officiated by the Executive and not Judicial branch:

***“Thus, the Court has frequently held that domicile or residence, more substantial than mere presence in transit or sojourn, is an adequate basis for taxation, including income, property, and death taxes. Since the Fourteenth Amendment makes one a citizen of the state wherein he resides, the fact of residence creates universally reciprocal duties of protection by the state and of allegiance and support by the citizen. The latter obviously***

1 includes a duty to pay taxes, and their nature and measure is largely a political matter. Of course, the situs of  
2 property may tax it regardless of the citizenship, domicile, or residence of the owner, the most obvious illustration  
3 being a tax on realty laid by the state in which the realty is located."  
4 [Miller Brothers Co. v. Maryland, [347 U.S. 340](#) (1954)]

5 2. The U.S. Tax Court:

- 6 2.1. Is an Article I Court in the LEGISLATIVE and not JUDICIAL branch, and hence, can only officiate over matters  
7 INTERNAL to the government. See 26 U.S.C. §7441.  
8 2.2. Is a POLITICAL court in the POLITICAL branch of the government. Namely, the Executive branch.  
9 2.3. Is limited to the District of Columbia because all public offices are limited to serve there per 4 U.S.C. §72. It travels  
10 all over the country, but this is done ILLEGALLY and in violation of the separation of powers.  
11 3. The activity subject to excise taxation is limited exclusively to "public offices" in the government, which is what a "trade  
12 or business" is statutorily defined as in 26 U.S.C. §7701(a)(26).

13 [26 U.S.C. Sec. 7701\(a\)\(26\)](#)

14 "The term 'trade or business' [includes](#) the performance of the functions of a [public office](#)."

15 In Book XXVI, Section 15 of the Spirit of Laws, Montesquieu says that POLITICAL laws should not be allowed to regulate  
16 CIVIL conduct, meaning that POLITICAL laws limited exclusively to the government should not be enforced upon the  
17 PRIVATE citizen or made to "appear" as though they are "civil law" that applies to everyone:

18 *The Spirit of Laws, Book XXVI, Section 15*

19 15. That we should not regulate by the Principles of political Law those Things which depend on the Principles  
20 of civil Law.

21 As men have given up their natural independence to live under political laws, they have given up the natural  
22 community of goods to live under civil laws.

23 By the first, they acquired [PUBLIC] liberty; by the second, [PRIVATE] property. We should not decide by the  
24 laws of [PUBLIC] liberty, which, as we have already said, is only the government of the community, what  
25 ought to be decided by the laws concerning [PRIVATE] property. It is a paralogism to say that the good of the  
26 individual should give way to that of the public; this can never take place, except when the government of the  
27 community, or, in other words, the liberty of the subject is concerned; this does not affect such cases as relate  
28 to private property, because the public good consists in every one's having his property, which was given him  
29 by the civil laws, invariably preserved.

30 Cicero maintains that the Agrarian laws were unjust; because the community was established with no other view  
31 than that every one might be able to preserve his property.

32 Let us, therefore, lay down a certain maxim, that whenever the public good happens to be the matter in question,  
33 it is not for the advantage of the public to deprive an individual of his property, or even to retrench the least  
34 part of it by a law, or a political regulation. In this case we should follow the rigour of the civil law, which is  
35 the Palladium of [PRIVATE] property.

36 Thus when the public has occasion for the estate of an individual, it ought never to act by the rigour of political  
37 law; it is here that the civil law ought to triumph, which, with the eyes of a mother, regards every individual as  
38 the whole community.

39 If the political magistrate would erect a public edifice, or make a new road, he must indemnify those who are  
40 injured by it; the public is in this respect like an individual who treats with an individual. It is fully enough that  
41 it can oblige a citizen to sell his inheritance, and that it can strip him of this great privilege which he holds from  
42 the civil law, the not being forced to alienate his possessions.

43 After the nations which subverted the Roman empire had abused their very conquests, the spirit of liberty called  
44 them back to that of equity. They exercised the most barbarous laws with moderation: and if any one should doubt  
45 the truth of this, he need only read Beaumanoir's admirable work on jurisprudence, written in the twelfth century.

46 They mended the highways in his time as we do at present. He says, that when a highway could not be repaired,  
47 they made a new one as near the old as possible; but indemnified the proprietors at the expense of those who  
48 reaped any advantage from the road.<sup>41</sup> They determined at that time by the civil law; in our days, we determine  
49 by the law of politics.

3 What Montesquieu is implying is what we have been saying all along, and he said it in 1758, which was even before the  
4 Declaration of Independence was written:

- 5 1. The purpose of establishing government is exclusively to protect PRIVATE rights.
- 6 2. PRIVATE rights are protected by the CIVIL law. The civil law, in turn is based in EQUITY rather than PRIVILEGE:

7 *“Thus when the public has occasion for the estate of an individual, it ought never to act by the rigour of*  
8 *political law; it is here that the civil law ought to triumph, which, with the eyes of a mother, regards every*  
9 *individual as the whole community.”*

- 10 3. PUBLIC or government rights are protected by the PUBLIC or POLITICAL or GOVERNMENT law and NOT the  
11 CIVIL law.
- 12 4. The first and most important role of government is to prevent the POLITICAL or GOVERNMENT law from being  
13 used or especially ABUSED as an excuse to confiscate or jeopardize PRIVATE property.

14 Unfortunately, it is precisely the above type of corruption that Montesquieu describes that is the foundation of the present de  
15 facto government, tax system, and money system. ALL of them treat every human being as a PUBLIC officer against their  
16 consent, and impose what he calls the “rigors of the political law” upon them, in what amounts to a THEFT and  
17 CONFISCATION of otherwise PRIVATE property by enforcing PUBLIC law against PRIVATE people.

18 The implications of Montesquieu’s position are that the only areas where POLITICAL law and CIVIL law should therefore  
19 overlap is in the exercise of the political rights to vote and serve on jury duty. Why? Because jurists are regarded as public  
20 officers in 18 U.S.C. §201(a)(1):

21 [TITLE 18 > PART I > CHAPTER 11 > § 201](#)  
22 [§ 201. Bribery of public officials and witnesses](#)

23 (a) For the purpose of this section—

24 (1) the term “public official” means Member of Congress, Delegate, or Resident Commissioner, either before or  
25 after such official has qualified, or an officer or employee or person acting for or on behalf of the United States,  
26 or any department, agency or branch of Government thereof, including the District of Columbia, in any official  
27 function, under or by authority of any such department, agency, or branch of Government, **or a juror;**

28 However, it has also repeatedly been held by the courts that poll taxes are unconstitutional. Hence, voters technically are  
29 NOT to be regarded as public officers or franchisees for any purpose OTHER than their role as a voter. Recall that all  
30 statutory “Taxpayers” are public officers in the government.

31 In the days since Montesquieu, the purpose and definition of what he has called the CIVIL law has since been purposefully  
32 and maliciously corrupted so that it no longer protects exclusively PRIVATE rights or implements the COMMON law, but  
33 rather protects mainly PUBLIC rights and POLITICAL officers in the government. In other words, society has become  
34 corrupted by the following means that he warned would happen:

- 35 1. What Montesquieu calls CIVIL law has become the POLITICAL law.
- 36 2. There is not CIVIL (common) law anymore as he defines it, because the courts interfere with the enforcement of the  
37 common law and the protection of PRIVATE rights.
- 38 3. The purpose of government has transformed from protecting mainly PRIVATE rights using the common law to that of  
39 protecting PUBLIC rights using the STATUTE law, which in turn has become exclusively POLITICAL law.
- 40 4. All those who insist on remaining exclusively private cannot utilize any government service, because the present  
41 government forms refuse to recognize such a status or provide services to those with such status.
- 42 5. Everyone who wants to call themselves a “citizen” is no longer PRIVATE, but PUBLIC. “citizen” has become a  
43 public officer in the government rather than a private human being.
- 44 6. All “citizens” are STATUTORY rather than CONSTITUTIONAL in nature.
  - 45 6.1. There are no longer any CONSTITUTIONAL citizens because the courts refuse to recognize or protect them.
  - 46 6.2. People are forced to accept the duties of a statutory “citizen” and public officer to get any remedy at all in court or  
47 in any government agency.



The above transformations are documented in the following memorandum of law on our site:

*De Facto Government Scam*, Form #05.043  
<http://sedm.org/Forms/FormIndex.htm>

### **3.10 Lawful methods for converting PRIVATE property into PUBLIC property**

Next, we must carefully consider all the rules by which EXCLUSIVELY PRIVATE property is lawfully converted into PUBLIC property subject to government control or civil regulation. These rules are important, because the status of a particular type of property as either PRIVATE or PUBLIC determines whether either COMMON LAW or STATUTORY LAW apply respectively.

In general, only by either accepting physical property from the government or voluntarily applying for and claiming a status or right under a government franchise can one procure a PUBLIC status and be subject to STATUTORY civil law. If one wishes to be governed ONLY by the common law, then they must make their status very clear in every interaction with the government and on EVERY government form they fill out so as to avoid connecting them to any statutory franchise. Below is an example from a U.S. Department of Justice guide for prosecuting “sovereign citizens” that proves WHY this is the case:

*“What evidence refutes a good faith defense will depend on the facts and circumstances of each case. It is often helpful to focus on evidence that shows the defendant knew the law but disregarded it or was simply defying it. For instance, evidence that the defendant received proper advice from a CPA or tax preparer, or that the defendant failed to consult legitimate sources about his or her understanding of the tax laws can be helpful. To refute claims that wages are not income, that the defendant did not understand the meaning of “wages,” or that the defendant is a state citizen but not a citizen of the United States, look for loan applications during the prosecution period. Tax defiers and sovereign citizens never seem to have a problem understanding the definition of income on a loan application. They also do not hesitate to check the “yes” box to the question “are you a U.S. citizen.” Any evidence that the defendant accepted Government benefits, such as unemployment, Medicare, social security, or the Alaska Permanent Fund Dividend will also be helpful to refute the defendant’s claims that he or she is not a citizen subject to federal laws.”*

*[Prosecuting Tax Defier and Sovereign Citizen Cases—Frequently Asked Questions, U.S. Attorneys Bulletin, Volume 61, No. 2, March 2013, p. 48;*

*SOURCE: <http://famguardian.org/Publications/USAttyBulletins/usab6102.pdf>]*

The bottom line is that if you accept a government benefit, they PRESUME the right to rape and pillage absolutely ANYTHING you own. Our Path to Freedom, Form #09.015 process, by the way, makes the use of the above OFFENSE by the government in prosecuting you IMPOSSIBLE. The exhaustive list of attachment forms we provide which define the terms on all government forms they could use as evidence to prove the above also defeat the above tactic by U.S. Attorneys. Also keep in mind that the above tactic is useful against the GOVERNMENT as an offensive weapon. If your property is private, you can grant it to THEM with FRANCHISE conditions found in Form #06.027. If they argue that you can’t do it to them, indirectly they are destroying the main source of THEIR jurisdiction as well. Let them shoot themselves in the foot in front of the jury!

Below is a detailed list of the rules for converting PRIVATE property to PUBLIC property:

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

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

*[Declaration of Independence, 1776]*

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

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

3. All property BEGINS as private property. The only way to lawfully change it to public property is through the exercise of your unalienable constitutional right to contract. All franchises qualify as a type of contract, and therefore, franchises

are one of many methods to lawfully convert PRIVATE property to PUBLIC property. The exercise of the right to contract, in turn, is an act of consent that eliminates any possibility of a legal remedy of the donor against the donee:

*“Voluntis non fit injuria.*

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

*Consensus tollit errorem.*

*Consent removes or obviates a mistake. Co. Litt. 126.*

*Melius est omnia mala pati quam malo concentire.*

*It is better to suffer every wrong or ill, than to consent to it. 3 Co. Inst. 23.*

*Nemo videtur fraudare eos qui sciunt, et consentiunt.*

*One cannot complain of having been deceived when he knew the fact and gave his consent. Dig. 50, 17, 145.”*

*[Bouvier’s Maxims of Law, 1856;*

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

#### 4. In law, all rights are “property”.

**Property.** *That which is peculiar or proper to any person; that which belongs exclusively to one. In the strict legal sense, **an aggregate of rights which are guaranteed and protected by the government.** Fulton Light, Heat & Power Co. v. State, 65 Misc.Rep. 263, 121 N.Y.S. 536. **The term is said to extend to every species of valuable right and interest.** More specifically, ownership; the unrestricted and exclusive right to a thing; the right to dispose of a thing in every legal way, to possess it, to use it, and to exclude everyone else from interfering with it. That dominion or indefinite right of use or disposition which one may lawfully exercise over particular things or subjects. The exclusive right of possessing, enjoying, and disposing of a thing. The highest right a man can have to anything; being used to refer to that right which one has to lands or tenements, goods or chattels, which no way depends on another man’s courtesy.*

*The word is also commonly used to denote everything which is the subject of ownership, corporeal or incorporeal, tangible or intangible, visible or invisible, real or personal, everything that has an exchangeable value or which goes to make up wealth or estate. **It extends to every species of valuable right and interest, and includes real and personal property, easements, franchises, and incorporeal hereditaments, and includes every invasion of one’s property rights by actionable wrong.** Labberton v. General Cas. Co. of America, 53 Wash.2d. 180, 332 P.2d. 250, 252, 254.*

*Property embraces everything which is or may be the subject of ownership, whether a legal ownership, or whether beneficial, or a private ownership. Davis v. Davis. TexCiv-App., 495 S.W.2d. 607. 611. Term includes not only ownership and possession but also the right of use and enjoyment for lawful purposes. Hoffmann v. Kinealy, Mo., 389 S.W.2d. 745, 752.*

**Property, within constitutional protection, denotes group of rights inhering in citizen’s relation to physical thing, as right to possess, use and dispose of it.** *Cereghino v. State By and Through State Highway Commission, 230 Or. 439, 370 P.2d. 694, 697.*  
*[Black’s Law Dictionary, Fifth Edition, p. 1095]*

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

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

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

*Public use, in constitutional provisions restricting the exercise of the right to take property in virtue of eminent domain, means a use concerning the whole community distinguished from particular individuals. But each and every member of society need not be equally interested in such use, or be personally and directly affected by it; if the object is to satisfy a great public want or exigency, that is sufficient. Ringe Co. v. Los Angeles County, 262 U.S. 700, 43 S.Ct. 689, 692, 67 L.Ed. 1186. The term may be said to mean public usefulness, utility, or advantage, or what is productive of general benefit. It may be limited to the inhabitants of a small or restricted locality, but*

must be in common, and not for a particular individual. The use must be a needful one for the public, which cannot be surrendered without obvious general loss and inconvenience. A "public use" for which land may be taken defies absolute definition for it changes with varying conditions of society, new appliances in the sciences, changing conceptions of scope and functions of government, and other differing circumstances brought about by an increase in population and new modes of communication and transportation. *Katz v. Brandon*, 156 Conn. 521, 245 A.2d. 579, 586.

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

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

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

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

**"The United States have no constitutional capacity to exercise municipal jurisdiction, sovereignty, or eminent domain, within the limits of a State or elsewhere, except in cases where it is delegated, and the court denies the faculty of the Federal Government to add to its powers by treaty or compact."**  
[*Dred Scott v. Sandford*, 60 U.S. 393, 508-509 (1856)]

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

*Fifth Amendment - Rights of Persons*

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

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

- 7.1. Violation of the Fifth Amendment "takings clause" above.
- 7.2. "Conversion" in violation of 18 U.S.C. §654.
- 7.3. Theft.

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

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

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

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

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

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

"Men are endowed by their Creator with certain unalienable rights, -'life, liberty, and the pursuit of happiness;' and to 'secure,' not grant or create, these rights, governments are instituted. **That property [or income] which a man has honestly acquired he retains full control of, subject to these limitations: First, that he shall not use it to his neighbor's injury, and that does not mean that he must use it for his neighbor's benefit [e.g. SOCIAL SECURITY, Medicare, and every other public "benefit"]; second, that if he devotes it to a public use, he gives to the public a right to control that use; and third, that whenever the public needs require, the public may take it upon payment of due compensation.**"  
[Budd v. People of State of New York, 143 U.S. 517 (1892) ]

The above rules are summarized below:

**Table 7: Rules for converting private property to a public use or a public office**

#	Description	Requires consent of owner to be taken from owner?
1	The owner of property justly acquired enjoys full and exclusive use and control over the property. This right includes <u>the right to exclude government uses</u> or ownership of said property.	Yes
2	He may not use the property to injure the equal rights of his neighbor. For instance, when you murder someone, the government can take your liberty and labor from you by putting you in jail or your life from you by instituting the death penalty against you. Both your life and your labor are “property”. Therefore, the basis for the “taking” was violation of the equal rights of a fellow sovereign “neighbor”.	No
3	He cannot be compelled or required to use it to “benefit” his neighbor. That means he cannot be compelled to donate the property to any franchise that would “benefit” his neighbor such as Social Security, Medicare, etc.	Yes
4	If he donates it to a public use, he gives the public the right to control that use.	Yes
5	Whenever the public needs require, the public may take it without his consent upon payment of due compensation. E.g. “ <u>eminent domain</u> ”.	No

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

11.1. DIRECT CONVERSION: Owner donates the property by conveying title or possession to the government.<sup>50</sup>

11.2. INDIRECT CONVERSION: Owner assumes a PUBLIC status as a PUBLIC officer in the HOLDING of title to the property.<sup>51</sup> All such statuses and the rights that attach to it are creations and property of the government, the use of which is a privilege. The status and all PUBLIC RIGHTS that attach to it conveys a “benefit” for which the status user must pay an excise tax. The tax acts as a rental or use fee for the status, which is government property.

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

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

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

12.3. That donation process is accomplished by your own voluntary self-assessment and ONLY by that method. Before such a self-assessment, you are a “nontaxpayer” and a private person. After the assessment, you become a “taxpayer” and a public officer in the government engaged in the “trade or business” franchise.

12.4. In order to have an income tax liability, you must complete, sign, and “file” an income tax return and thereby assess yourself:

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

By assessing yourself, you implicitly give your consent to allow the public the right to control that use of the formerly PRIVATE property donated to a public use.

<sup>50</sup> An example of direct conversion would be the process of “registering” a vehicle with the Department of Motor Vehicles in your state. The act of registration constitutes consent by original ABSOLUTE owner to change the ownership of the property from ABSOLUTE to QUALIFIED and to convey legal title to the state and qualified title to himself.

<sup>51</sup> An example of a PUBLIC status is statutory “taxpayer” (public office called “trade or business”), statutory “citizen”, statutory “driver” (vehicle), statutory voter (registered voters are public officers).



1 A THEFT of property has occurred on behalf of the government if it attempts to do any of the following:

- 2 1. Circumvents any of the above rules.
- 3 2. Blurs, confuses, or obfuscates the distinction between PRIVATE property and PUBLIC property.
- 4 3. Refuses to identify EXACTLY which of the mechanisms identified in item 10 above was employed in EACH specific
- 5 case where it:
- 6 3.1. Asserts a right to regulate the use of private property.
- 7 3.2. Asserts a right to convert the character of property from PRIVATE to PUBLIC.
- 8 3.3. Asserts a right to TAX what you THOUGHT was PRIVATE property.

9 The next time someone from the government asserts a tax obligation, you might want to ask them the following very insightful  
10 questions based on the content of this section:

- 11 1. Please describe at EXACTLY what point in the taxation process my earnings were LAWFULLY converted from  
12 EXCLUSIVELY PRIVATE to PUBLIC and thereby became SUBJECT to civil statutory law and government  
13 jurisdiction. Check one or more. If none are checked, it shall CONCLUSIVELY be PRESUMED that no tax is owed:  
14 1.1. \_\_\_\_ There is no private property. EVERYTHING belongs to us and we just “RENT” it to you through taxes.  
15 Hence, we are NOT a “government” because there is not private property to protect. Everything is PUBLIC  
16 property by default.  
17 1.2. \_\_\_\_ When I was born?  
18 1.3. \_\_\_\_ When I became a CONSTITUTIONAL citizen?  
19 1.4. \_\_\_\_ When I changed my domicile to a CONSTITUTIONAL and not STATUTORY “State”.  
20 1.5. \_\_\_\_ When I indicated “U.S. citizen” or “U.S. resident” on a government form, and the agent accepting it  
21 FALSELY PRESUMED that meant I was a STATUTORY “national and citizen of the United States” per 8  
22 U.S.C. §1401 rather than a CONSTITUTIONAL “citizen of the United States”.  
23 1.6. \_\_\_\_ When I disclosed and used a Social Security Number or Taxpayer Identification Number to my otherwise  
24 PRIVATE employer?  
25 1.7. \_\_\_\_ When I submitted my withholding documents, such as IRS Forms W-4 or W-8?  
26 1.8. \_\_\_\_ When the information return was filed against my otherwise PRIVATE earnings that connected my  
27 otherwise PRIVATE earnings to a PUBLIC office in the national government?  
28 1.9. \_\_\_\_ When I FAILED to rebut the false information return connecting my otherwise PRIVATE earnings to a  
29 PUBLIC office in the national government?  
30 1.10. \_\_\_\_ When I filed a “taxpayer” form, such as IRS Forms 1040 or 1040NR?  
31 1.11. \_\_\_\_ When the IRS or state did an assessment under the authority of 26 U.S.C. §6020(b).  
32 1.12. \_\_\_\_ When I failed to rebut a collection notice from the IRS?  
33 1.13. \_\_\_\_ When the IRS levied monies from my EXCLUSIVELY private account, which must be held by a PUBLIC  
34 OFFICER per 26 U.S.C. §6331(a) before it can lawfully be levied?  
35 1.14. \_\_\_\_ When the government decided they wanted to STEAL my money and simply TOOK it, and were protected  
36 from the THEFT by a complicit Department of Justice, who split the proceeds with them?  
37 1.15. \_\_\_\_ When I demonstrated legal ignorance of the law to the government sufficient to overlook or not recognize  
38 that it is impossible to convert PRIVATE to PUBLIC without my consent, as the Declaration of Independence  
39 requires.  
40 2. How can the conversion from PRIVATE to PUBLIC occur without my consent and without violating the Fifth  
41 Amendment Takings Clause?  
42 3. If you won’t answer the previous questions, how the HELL am I supposed to receive constitutionally mandated  
43 “reasonable notice” of the following:  
44 3.1. EXACTLY what property I exclusively own and therefore what property is NOT subject to government taxation  
45 or regulation?  
46 3.2. EXACTLY what conduct is expected of me by the law?  
47 4. EXACTLY where in your publications is the first question answered and why should I believe it if even you refuse to  
48 take responsibility for the accuracy of said publications?  
49 5. EXACTLY where in the statutes and regulations is the first question answered?  
50 6. How can you refuse to answer the above questions if your own mission statement says you are required to help people  
51 obey the law and comply with the law?

### 3.11 Unlawful methods abused by government to convert PRIVATE property to PUBLIC property

There are a LOT more ways to UNLAWFULLY convert PRIVATE property to PUBLIC property than there are ways to do it lawfully. This section will address the most prevalent methods abused by state actors so that you will immediately recognize them when you are victimized by them. For the purposes of this section CONTROL and OWNERSHIP are synonymous. Hence, if the TITLE of the property remains in your name but there is any aspect of control over the USE of said property that does not demonstrably injure others, then the property ceases to be absolutely owned and therefore is owned by the government.

Based on the previous section, there is ONLY one condition in which PRIVATE property can be converted to PUBLIC property without the consent of the owner, which is when it is used to INJURE the rights of others. Any other type of conversion is THEFT. The U.S. Supreme Court describes that process of illegally CONVERTING property from PRIVATE to PUBLIC as follows. Notice that they only reference the “citizen” as being the object of regulation, which implies that those who are “nonresidents” and “transient foreigners” are beyond the control of those governments in whose territory they have not chosen a civil domicile:

*“The doctrine that each one must so use his own as not to injure his neighbor — sic utere tuo ut alienum non lædas — is the rule by which every member of society must possess and enjoy his property; and all legislation essential to secure this common and equal enjoyment is a legitimate exercise of State authority. Except in cases where property may be destroyed to arrest a conflagration or the ravages of pestilence, or be taken under the pressure of an immediate and overwhelming necessity to prevent a public calamity, the power of the State over the property of the citizen [NOT EVERYONE, but only those consent to become citizens by choosing a domicile] does not extend beyond such limits.”*  
[Munn v. Illinois, 94 U.S. 113 (1876)]

Below is a list of the more prevalent means abused by corrupt and covetous governments to illegally convert PRIVATE property to PUBLIC PROPERTY without the express consent of the owner. Many of these techniques are unrecognizable to the average American and therefore surreptitious, which is why they continue to be abused so regularly and chronically by public dis-servants:

1. Deceptively label statutory PRIVILEGES as RIGHTS.
2. Confuse STATUTORY citizenship with CONSTITUTIONAL citizenship.
3. Refuse to admit that the court you are litigating in is a FRANCHISE court that has no jurisdiction over non-franchisees or people who do not consent to the franchise.
4. Abuse the words “includes” and “including” to add anything they want to the definition of “person” or “individual” within the franchise. All such “persons” are public officers and not private human beings. See:  

Legal Deception, Propaganda, and Fraud, Form #05.014  
<http://sedm.org/Forms/FormIndex.htm>
5. Refuse to impose the burden of proof upon the government to show that you EXPRESSLY CONSENTED to convert PRIVATE property into PUBLIC property BEFORE they can claim jurisdiction over it.
6. Silently PRESUME that the property in question is PUBLIC property connected with the “trade or business” (public office per 26 U.S.C. §7701(a)(26)) franchise and force you to prove that it ISN’T by CHALLENGING false information returns filed against it, such as IRS Forms W-2, 1098, 1099, and K-1. See:  

Correcting Erroneous Information Returns, Form #04.001  
<http://sedm.org/Forms/FormIndex.htm>
7. Presume that the STATUTORY and CONSTITUTIONAL contexts for geographical words are the same. They are NOT, and in fact are mutually exclusive.
8. Presume that because you submitted an application for a franchise, that you:
  - 8.1. CONSENTED to the franchise and were not under duress.
  - 8.2. Were requesting a “benefit” and therefore agreed to the obligations associated with the “benefit”.

CALIFORNIA CIVIL CODE  
DIVISION 3. OBLIGATIONS  
PART 2. CONTRACTS  
CHAPTER 3. CONSENT  
[Section 1589](#)

*1589. A voluntary acceptance of the benefit of a transaction is equivalent to a consent to all the obligations arising from it, so far as the facts are known, or ought to be known, to the person accepting.*

8.3. Agree to accept the obligations associated with the status described on the application, such as “taxpayer”, “driver”, “spouse”.

If you want to prevent the above, reserve all your rights on the application, indicate duress, and define all terms on the form as NOT connected with any government or statutory law.

9. PRESUME that the OWNER has a civil statutory status that he or she did not consent to, such as:

9.1. “spouse” under the family code of your state, which is a franchise.

9.2. “driver” under the vehicle code of your state, which is a franchise.

9.3. “taxpayer” under the tax code of your state, which is a franchise.

10. PRESUME in the case of physical PROPERTY that it was situated on federal territory to which the general and exclusive jurisdiction of the national government applies, even though it is not. This is primarily done by playing word games with geographical “words of art” such as “State” and “United States”.

11. Refuse to satisfy the burden of proving that the owner of the property expressly consented in a manner that he/she prescribed to change the status of either himself or the property over which they claim a public interest.

12. Judges will interfere with attempts to introduce evidence in the proceeding that challenges any of the above presumptions.

13. Unlawfully compel the use of Social Security Numbers or Taxpayer Identification Numbers in violation of 42 U.S.C. §408(a)(8) in connection with specific property as a precondition of rendering a usually essential service. It will be illegally compelled because:

13.1. The party against whom it was compelled was not a statutory “Taxpayer” or “person” or “individual” or to whom a duty to furnish said number lawfully applies.

13.2. The property was not located on territory subject to the territorial jurisdiction of that national government.

14. Use one franchise as a way to recruit franchisees under OTHER franchises that are completely unrelated. For instance, they will enact a vehicle code statute that allows for confiscation of REGISTERED vehicles only that are being operated by UNLICENSED drivers. That way, everyone who wants to protect their vehicle also indirectly has to ALSO become a statutory “driver” using the public road ways for commercial activity and thus subject to regulation by the state, even though they in fact ARE NOT intending to do so.

15. Issue a license and then refuse to recognize the authority and ability in court of those possessing said license to act in an EXCLUSIVELY PRIVATE capacity. For instance:

15.1. They may have a contractor’s license but they are NOT allowed to operate as OTHER than a licensed contractor...OR are NOT allowed to operate in an exclusively PRIVATE capacity.

15.2. They may have a vehicle registration but are NOT allowed to remove it or NOT use it during times when they are NOT using the public roadways for hire, which is most of the time. In other words, the vehicle is the equivalent to “off duty” at some times. They allow police officers, who are PUBLIC officers, to be off duty, but not anyone who DOESN’T work for the government.

16. Issue or demand GOVERNMENT ID and then presume that the applicant is a statutory “resident” for ALL purposes, rather than JUST the specific reason the ID was issued. Since a “resident” is a public officer, in effect they are PRESUMING that you are a public officer 24 hours a day, 7 days a week, and that you HAVE to assume this capacity without pay or “benefit” and without the ability to quit. See:

*Why Domicile and Becoming a “Taxpayer” Require Your Consent*, Form #05.002, Section 13.4  
<http://sedm.org/Forms/FormIndex.htm>

What all of the above government abuses have in common is that they do one or more of the following:

1. Involve PRESUMPTIONS which violate due process of law and are therefore UNCONSTITUTIONAL. See:

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

2. Refuse to RECOGNIZE the existence of PRIVATE property or PRIVATE rights.

3. Violate the very purpose of establishing government to begin with, which is to PROTECT PRIVATE property by LEAVING IT ALONE and not regulating or benefitting from its use or abuse until AFTER it has been used to injure the equal rights of anyone OTHER than the original owner.

4. Violate the Unconstitutional Conditions Doctrine of the U.S. Supreme Court. See section 28.2 later.

5. Needlessly interfere with the ownership or control of otherwise PRIVATE property.

6. Often act upon property BEFORE it is used to institute an injury, instead of AFTER. Whenever the law acts to PREVENT future harm rather than CORRECT past harm, it requires the consent of the owner. The common law itself only provides remedies for PAST harm and cannot act on future conduct, except in the case of injunctions where PAST harm is already demonstrated.

7. Institute involuntary servitude against the owner in violation of the Thirteenth Amendment.

- 1 8. Represent an eminent domain over PRIVATE property in violation of the state constitution in most states.  
2 9. Violate the takings clauses of the Fifth Amendment to the United States Constitution.  
3 10. Violate the maxim of law that the government has a duty to protect your right to NOT receive a “benefit” and NOT pay  
4 for “benefits” that you don’t want or don’t need.

5 *Invito beneficium non datur.*  
6 *No one is obliged to accept a benefit against his consent. Dig. 50, 17, 69. But if he does not dissent he will be*  
7 *considered as assenting. Vide Assent.*

8 *Quilibet potest renunciare juri pro se inducto.*  
9 *Any one may renounce a law introduced for his own benefit. To this rule there are some exceptions. See 1 Bouv.*  
10 *Inst. n. 83.*

11 [*Bouvier’s Maxims of Law, 1856,*  
12 *SOURCE: <http://famguardian.org/Publications/BouvierMaximsOfLaw/BouviersMaxims.htm>]*

13 It ought to be obvious to the reader that the basis for Socialism is public ownership of ALL property.

14 *“socialism n (1839) 1: any of various economic and political theories **advocating collective or governmental***  
15 ***ownership and administration of the means of production and distribution of goods 2 a: a system of society or***  
16 ***group living in which there is no private property b: a system or condition of society in which the means of***  
17 *production are owned and controlled by the state 3: a stage of society in Marxist theory transitional between*  
18 *capitalism and communism and distinguished by unequal distribution of goods and pay according to work done.”*  
19 *[Webster’s Ninth New Collegiate Dictionary, 1983, ISBN 0-87779-510-X, p. 1118]*

20 Any system of law that recognizes no absolute and inviolable constitutional boundary between PRIVATE property and  
21 PUBLIC property, or which regards ALL property as being subject to government taxation and/or regulation is a socialist or  
22 collectivist system. That socialist system is exhaustively described in the following:

<p><i>Socialism: The New American Civil Religion</i>, Form #05.016 <a href="http://sedm.org/Forms/FormIndex.htm">http://sedm.org/Forms/FormIndex.htm</a></p>
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23 Below is how the U.S. Supreme Court characterizes efforts to violate the rules for converting PRIVATE property into  
24 PUBLIC property listed above and thereby STEAL PRIVATE property. The text below the following line up to the end of  
25 the section comes from the case indicated:

26 \_\_\_\_\_  
27 Munn v. Illinois, 94 U.S. 113 (1876)

28 The question presented, therefore, is one of the greatest importance, — whether it is within the competency of a State to fix  
29 the compensation which an individual may receive for the use of his own property in his private business, and for his services  
30 in connection with it.

31 [. . .]

32 139\*139 The validity of the legislation was, among other grounds, assailed in the State court as being in conflict with that  
33 provision of the State Constitution which declares that no person shall be deprived of life, liberty, or property without due  
34 process of law, and with that provision of the Fourteenth Amendment of the Federal Constitution which imposes a similar  
35 restriction upon the action of the State. The State court held, in substance, that the constitutional provision was not violated  
36 so long as the owner was not deprived of the title and possession of his property; and that it did not deny to the legislature the  
37 power to make all needful rules and regulations respecting the use and enjoyment of the property, referring, in support of the  
38 position, to instances of its action in prescribing the interest on money, in establishing and regulating public ferries and public  
39 mills, and fixing the compensation in the shape of tolls, and in delegating power to municipal bodies to regulate the charges  
40 of hackmen and draymen, and the weight and price of bread. In this court the legislation was also assailed on the same ground,  
41 our jurisdiction arising upon the clause of the Fourteenth Amendment, ordaining that no State shall deprive any person of  
42 life, liberty, or property without due process of law. But it would seem from its opinion that the court holds that property  
43 loses something of its private character when employed in such a way as to be generally useful. The doctrine declared is that  
44 property "becomes clothed with a public interest when used in a manner to make it of public consequence, and affect the  
45 community at large;" and from such clothing the right of the legislature is deduced to control the use of the property, and to

determine the compensation which the owner may receive for it. When Sir Matthew Hale, and the sages of the law in his day, spoke of property as affected by a public interest, and ceasing from that cause to be juris privati solely, that is, ceasing to be held merely in private right, they referred to property dedicated by the owner to public uses, or to property the use of which was granted by the government, or in connection with which special privileges were conferred. Unless the property was thus dedicated, or some right bestowed by the government was held with the property, either by specific grant or by prescription of so long a time as 140\*140 to imply a grant originally, the property was not affected by any public interest so as to be taken out of the category of property held in private right. But it is not in any such sense that the terms "clothing property with a public interest" are used in this case. From the nature of the business under consideration — the storage of grain — which, in any sense in which the words can be used, is a private business, in which the public are interested only as they are interested in the storage of other products of the soil, or in articles of manufacture, it is clear that the court intended to declare that, whenever one devotes his property to a business which is useful to the public, — "affects the community at large," — the legislature can regulate the compensation which the owner may receive for its use, and for his own services in connection with it. "When, therefore," says the court, "one devotes his property to a use in which the public has an interest, he, in effect, grants to the public an interest in that use, and must submit to be controlled by the public for the common good, to the extent of the interest he has thus created. He may withdraw his grant by discontinuing the use; but, so long as he maintains the use, he must submit to the control." The building used by the defendants was for the storage of grain: in such storage, says the court, the public has an interest; therefore the defendants, by devoting the building to that storage, have granted the public an interest in that use, and must submit to have their compensation regulated by the legislature.

If this be sound law, if there be no protection, either in the principles upon which our republican government is founded, or in the prohibitions of the Constitution against such invasion of private rights, all property and all business in the State are held at the mercy of a majority of its legislature. The public has no greater interest in the use of buildings for the storage of grain than it has in the use of buildings for the residences of families, nor, indeed, anything like so great an interest; and, according to the doctrine announced, the legislature may fix the rent of all tenements used for residences, without reference to the cost of their erection. If the owner does not like the rates prescribed, he may cease renting his houses. He has granted to the public, says the court, an interest in the use of the 141\*141 buildings, and "he may withdraw his grant by discontinuing the use; but, so long as he maintains the use, he must submit to the control." The public is interested in the manufacture of cotton, woollen, and silken fabrics, in the construction of machinery, in the printing and publication of books and periodicals, and in the making of utensils of every variety, useful and ornamental; indeed, there is hardly an enterprise or business engaging the attention and labor of any considerable portion of the community, in which the public has not an interest in the sense in which that term is used by the court in its opinion; and the doctrine which allows the legislature to interfere with and regulate the charges which the owners of property thus employed shall make for its use, that is, the rates at which all these different kinds of business shall be carried on, has never before been asserted, so far as I am aware, by any judicial tribunal in the United States.

The doctrine of the State court, that no one is deprived of his property, within the meaning of the constitutional inhibition, so long as he retains its title and possession, and the doctrine of this court, that, whenever one's property is used in such a manner as to affect the community at large, it becomes by that fact clothed with a public interest, and ceases to be juris privati only, appear to me to destroy, for all useful purposes, the efficacy of the constitutional guaranty. All that is beneficial in property arises from its use, and the fruits of that use; and whatever deprives a person of them deprives him of all that is desirable or valuable in the title and possession. If the constitutional guaranty extends no further than to prevent a deprivation of title and possession, and allows a deprivation of use, and the fruits of that use, it does not merit the encomiums it has received. Unless I have misread the history of the provision now incorporated into all our State constitutions, and by the Fifth and Fourteenth Amendments into our Federal Constitution, and have misunderstood the interpretation it has received, it is not thus limited in its scope, and thus impotent for good. It has a much more extended operation than either court, State, or Federal has given to it. The provision, it is to be observed, places property under the same protection as life and liberty. Except by due process of law, no State can 142\*142 deprive any person of either. The provision has been supposed to secure to every individual the essential conditions for the pursuit of happiness; and for that reason has not been heretofore, and should never be, construed in any narrow or restricted sense.

No State "shall deprive any person of life, liberty, or property without due process of law," says the Fourteenth Amendment to the Constitution. By the term "life," as here used, something more is meant than mere animal existence. The inhibition against its deprivation extends to all those limbs and faculties by which life is enjoyed. The provision equally prohibits the mutilation of the body by the amputation of an arm or leg, or the putting out of an eye, or the destruction of any other organ of the body through which the soul communicates with the outer world. The deprivation not only of life, but of whatever God



has given to everyone with life, for its growth and enjoyment, is prohibited by the provision in question, if its efficacy be not frittered away by judicial decision.

By the term "liberty," as used in the provision, something more is meant than mere freedom from physical restraint or the bounds of a prison. It means freedom to go where one may choose, and to act in such manner, not inconsistent with the equal rights of others, as his judgment may dictate for the promotion of his happiness; that is, to pursue such callings and avocations as may be most suitable to develop his capacities, and give to them their highest enjoyment.

**The same liberal construction which is required for the protection of life and liberty, in all particulars in which life and liberty are of any value, should be applied to the protection of private property. If the legislature of a State, under pretence of providing for the public good, or for any other reason, can determine, against the consent of the owner, the uses to which private property shall be devoted, or the prices which the owner shall receive for its uses, it can deprive him of the property as completely as by a special act for its confiscation or destruction. If, for instance, the owner is prohibited from using his building for the purposes for which it was designed, it is of little consequence that he is permitted to retain the 143\*143 title and possession; or, if he is compelled to take as compensation for its use less than the expenses to which he is subjected by its ownership, he is, for all practical purposes, deprived of the property, as effectually as if the legislature had ordered his forcible dispossession. If it be admitted that the legislature has any control over the compensation, the extent of that compensation becomes a mere matter of legislative discretion. The amount fixed will operate as a partial destruction of the value of the property, if it fall below the amount which the owner would obtain by contract, and, practically, as a complete destruction, if it be less than the cost of retaining its possession. There is, indeed, no protection of any value under the constitutional provision, which does not extend to the use and income of the property, as well as to its title and possession.**

This court has heretofore held in many instances that a constitutional provision intended for the protection of rights of private property should be liberally construed. It has so held in the numerous cases where it has been called upon to give effect to the provision prohibiting the States from legislation impairing the obligation of contracts; the provision being construed to secure from direct attack not only the contract itself, but all the essential incidents which give it value and enable its owner to enforce it. Thus, in *Bronson v. Kinzie*, reported in the 1st of Howard, it was held that an act of the legislature of Illinois, giving to a mortgagor twelve months within which to redeem his mortgaged property from a judicial sale, and prohibiting its sale for less than two-thirds of its appraised value, was void as applied to mortgages executed prior to its passage. It was contended, in support of the act, that it affected only the remedy of the mortgagee, and did not impair the contract; but the court replied that there was no substantial difference between a retrospective law declaring a particular contract to be abrogated and void, and one which took away all remedy to enforce it, or encumbered the remedy with conditions that rendered it useless or impracticable to pursue it. And, referring to the constitutional provision, the court said, speaking through Mr. Chief Justice Taney, that

*"it would be unjust to the memory of the distinguished men who framed it, to suppose that it was designed to protect a mere barren and 144\*144 abstract right, without any practical operation upon the business of life. It was undoubtedly adopted as a part of the Constitution for a great and useful purpose. It was to maintain the integrity of contracts, and to secure their faithful execution throughout this Union, by placing them under the protection of the Constitution of the United States. And it would but Ill. become this court, under any circumstances, to depart from the plain meaning of the words used, and to sanction a distinction between the right and the remedy, which would render this provision illusive and nugatory, mere words of form, affording no protection and producing no practical result."*

And in *Pumpelly v. Green Bay Company*, 13 Wall. 177, the language of the court is equally emphatic. That case arose in Wisconsin, the constitution of which declares, like the constitutions of nearly all the States, that private property shall not be taken for public use without just compensation; and this court held that the flooding of one's land by a dam constructed across a river under a law of the State was a taking within the prohibition, and required compensation to be made to the owner of the land thus flooded. The court, speaking through Mr. Justice Miller, said: —

*"It would be a very curious and unsatisfactory result, if, in construing a provision of constitutional law, always understood to have been adopted for protection and security to the rights of the individual as against the government, and which has received the commendation of jurists, statesmen, and commentators, as placing the just principles of the common law on that subject beyond the power of ordinary legislation to change or control them, it shall be held that, if the government refrains from the absolute conversion of real property to the uses of the public, it can destroy its value entirely, can inflict irreparable and permanent injury to any extent, can, in effect, subject it to total destruction without making any compensation, because, in the narrowest sense of the word, it is not taken for the public use. **Such a construction would pervert the constitutional provision into a restriction on the rights of the citizen, as those rights stood at the common law, instead of the government, and***

1 make it an authority for invasion of private right under the pretext of the public good, which had no warrant  
2 in the laws or practices of our ancestors."

3 The views expressed in these citations, applied to this case, would render the constitutional provision invoked by the  
4 defendants effectual to protect them in the uses, income, and revenues of their property, as well as in its title and  
5 possession. The construction actually given by the State court and by this court makes the provision, in the language  
6 of Taney, a protection to "a mere barren and abstract right, without any practical operation upon the business of  
7 life," and renders it "illusory and nugatory, mere words of form, affording no protection and producing no practical  
8 result."

9 The power of the State over the property of the citizen under the constitutional guaranty is well defined. The State may take  
10 his property for public uses, upon just compensation being made therefor. It may take a portion of his property by way of  
11 taxation for the support of the government. It may control the use and possession of his property, so far as may be necessary  
12 for the protection of the rights of others, and to secure to them the equal use and enjoyment of their property. The doctrine  
13 that each one must so use his own as not to injure his neighbor — sic utere tuo ut alienum non lædas — is the rule by  
14 which every member of society must possess and enjoy his property; and all legislation essential to secure this common  
15 and equal enjoyment is a legitimate exercise of State authority. Except in cases where property may be destroyed to  
16 arrest a conflagration or the ravages of pestilence, or be taken under the pressure of an immediate and overwhelming  
17 necessity to prevent a public calamity, the power of the State over the property of the citizen does not extend beyond  
18 such limits.

19 It is true that the legislation which secures to all protection in their rights, and the equal use and enjoyment of their property,  
20 embraces an almost infinite variety of subjects. Whatever affects the peace, good order, morals, and health of the community,  
21 comes within its scope; and every one must use and enjoy his property subject to the restrictions which such legislation  
22 imposes. What is termed the police power of the State, which, from the language often used respecting it, one would suppose  
23 to be an undefined and irresponsible element in government, can only interfere with the conduct of individuals in their  
24 intercourse with each other, and in the use of their property, so far 146\*146 as may be required to secure these objects. The  
25 compensation which the owners of property, not having any special rights or privileges from the government in  
26 connection with it, may demand for its use, or for their own services in union with it, forms no element of consideration  
27 in prescribing regulations for that purpose. If one construct a building in a city, the State, or the municipality exercising a  
28 delegated power from the State, may require its walls to be of sufficient thickness for the uses intended; it may forbid the  
29 employment of inflammable materials in its construction, so as not to endanger the safety of his neighbors; if designed as a  
30 theatre, church, or public hall, it may prescribe ample means of egress, so as to afford facility for escape in case of accident;  
31 it may forbid the storage in it of powder, nitro-glycerine, or other explosive material; it may require its occupants daily to  
32 remove decayed vegetable and animal matter, which would otherwise accumulate and engender disease; it may exclude from  
33 it all occupations and business calculated to disturb the neighborhood or infect the air. Indeed, there is no end of regulations  
34 with respect to the use of property which may not be legitimately prescribed, having for their object the peace, good order,  
35 safety, and health of the community, thus securing to all the equal enjoyment of their property; but in establishing these  
36 regulations it is evident that compensation to the owner for the use of his property, or for his services in union with it, is not  
37 a matter of any importance: whether it be one sum or another does not affect the regulation, either in respect to its utility or  
38 mode of enforcement. One may go, in like manner, through the whole round of regulations authorized by legislation, State  
39 or municipal, under what is termed the police power, and in no instance will he find that the compensation of the owner for  
40 the use of his property has any influence in establishing them. It is only where some right or privilege is conferred by the  
41 government or municipality upon the owner, which he can use in connection with his property, or by means of which  
42 the use of his property is rendered more valuable to him, or he thereby enjoys an advantage over others, that the  
43 compensation to be received by him becomes a legitimate matter of regulation. Submission to the regulation of  
44 compensation in such cases is an implied condition 147\*147 of the grant, and the State, in exercising its power of  
45 prescribing the compensation, only determines the conditions upon which its concession shall be enjoyed. When the  
46 privilege ends, the power of regulation ceases.

47 Jurists and writers on public law find authority for the exercise of this police power of the State and the numerous regulations  
48 which it prescribes in the doctrine already stated, that everyone must use and enjoy his property consistently with the rights  
49 of others, and the equal use and enjoyment by them of their property. "The police power of the State," says the Supreme  
50 Court of Vermont, "extends to the protection of the lives, limbs, health, comfort, and quiet of all persons, and the protection  
51 of all property in the State. According to the maxim, sic utere tuo ut alienum non lædas, which, being of universal application,  
52 it must, of course, be within the range of legislative action to define the mode and manner in which every one may so use his  
53 own as not to injure others." Thorpe v. Rutland & Burlington Railroad Co., 27 Vt. 149. "We think it a settled principle  
54 growing out of the nature of well-ordered civil society," says the Supreme Court of Massachusetts, "that every holder of

property, however absolute and unqualified may be his title, holds it under the implied liability that his use of it shall not be injurious to the equal enjoyment of others having an equal right to the enjoyment of their property, nor injurious to the rights of the community." Commonwealth v. Alger, 7 Cush. 84. In his Commentaries, after speaking of the protection afforded by the Constitution to private property, Chancellor Kent says: —

*"But though property be thus protected, it is still to be understood that the law-giver has the right to prescribe the mode and manner of using it, so far as may be necessary to prevent the abuse of the right, to the injury or annoyance of others, or of the public. The government may, by general regulations, interdict such uses of property as would create nuisances and become dangerous to the lives, or health, or peace, or comfort of the citizens. Unwholesome trades, slaughter-houses, operations offensive to the senses, the deposit of powder, the application of steam-power to propel cars, the building with combustible materials, and the burial of the dead, may all be interdicted by law, in the midst of dense masses of population, 148\*148 on the general and rational principle that every person ought so to use his property as not to injure his neighbors, and that private interests must be made subservient to the general interests of the community. 2 Kent, 340.*

The Italics in these citations are mine. The citations show what I have already stated to be the case, that the regulations which the State, in the exercise of its police power, authorizes with respect to the use of property are entirely independent of any question of compensation for such use, or for the services of the owner in connection with it.

There is nothing in the character of the business of the defendants as warehousemen which called for the interference complained of in this case. Their buildings are not nuisances; their occupation of receiving and storing grain infringes upon no rights of others, disturbs no neighborhood, infects not the air, and in no respect prevents others from using and enjoying their property as to them may seem best. **The legislation in question is nothing less than a bold assertion of absolute power by the State to control at its discretion the property and business of the citizen, and fix the compensation he shall receive. The will of the legislature is made the condition upon which the owner shall receive the fruits of his property and the just reward of his labor, industry, and enterprise. "That government," says Story, "can scarcely be deemed to be free where the rights of property are left solely dependent upon the will of a legislative body without any restraint. The fundamental maxims of a free government seem to require that the rights of personal liberty and private property should be held sacred." Wilkeson v. Leland, 2 Pet. 657. The decision of the court in this case gives unrestrained license to legislative will.**

The several instances mentioned by counsel in the argument and by the court in its opinion, in which legislation has fixed the compensation which parties may receive for the use of their property and services, do not militate against the views I have expressed of the power of the State over the property of the citizen. They were mostly cases of public ferries, bridges, and turnpikes, of wharfingers, hackmen, and draymen, and of interest on money. In all these cases, except that of interest on money, which I shall presently notice there was some special 149\*149 privilege granted by the State or municipality; and no one, I suppose, has ever contended that the State had not a right to prescribe the conditions upon which such privilege should be enjoyed. **The State in such cases exercises no greater right than an individual may exercise over the use of his own property when leased or loaned to others. The conditions upon which the privilege shall be enjoyed being stated or implied in the legislation authorizing its grant, no right is, of course, impaired by their enforcement. The recipient of the privilege, in effect, stipulates to comply with the conditions. It matters not how limited the privilege conferred, its acceptance implies an assent to the regulation of its use and the compensation for it.** The privilege which the hackman and drayman have to the use of stands on the public streets, not allowed to the ordinary coachman or laborer with teams, constitutes a sufficient warrant for the regulation of their fares. In the case of the warehousemen of Chicago, no right or privilege is conferred by the government upon them; and hence no assent of theirs can be alleged to justify any interference with their charges for the use of their property.

The quotations from the writings of Sir Matthew Hale, so far from supporting the positions of the court, do not recognize the interference of the government, even to the extent which I have admitted to be legitimate. They state merely that the franchise of a public ferry belongs to the king, and cannot be used by the subject except by license from him, or prescription time out of mind; and that when the subject has a public wharf by license from the king, or from having dedicated his private wharf to the public, as in the case of a street opened by him through his own land, he must allow the use of the wharf for reasonable and moderate charges. Thus, in the first quotation which is taken from his treatise De Jure Maris, Hale says that the king has

*"a right of franchise or privilege, that no man may set up a common ferry for all passengers without a prescription time out of mind or a charter from the king. He may make a ferry for his own use or the use of his family, but not for the common use of all the king's subjects passing that way; because it doth in consequent tend to a common charge, and is become a thing of public interest and use, and every man for his passage 150\*150 pays a toll, which is a common charge, and every ferry ought to be under a public regulation, viz., that it give attendance at due times, keep a boat in due order, and take but reasonable toll; for if he fail in these he is finable."*

Of course, one who obtains a license from the king to establish a public ferry, at which "every man for his passage pays a toll," must take it on condition that he charge only reasonable toll, and, indeed, subject to such regulations as the king may prescribe.

In the second quotation, which is taken from his treatise *De Portibus Maris*, Hale says: —

*"A man, for his own private advantage, may, in a port or town, set up a wharf or crane, and may take what rates he and his customers can agree for cranage, wharfage, housellage, pesage; for he doth no more than is lawful for any man to do, viz., makes the most of his own. If the king or subject have a public wharf, unto which all persons that come to that port must come and unlade or lade their goods as for the purpose, because they are the wharves only licensed by the king, or because there is no other wharf in that port, as it may fall out where a port is newly erected, in that case there cannot be taken arbitrary and excessive duties for cranage, wharfage, pesage, &c.; neither can they be enhanced to an immoderate rate, but the duties must be reasonable and moderate, though settled by the king's license or charter. For now the wharf and crane and other conveniences are affected with a public interest, and they cease to be juris privati only; as if a man set out a street in new building on his own land, it is now no longer bare private interest, but is affected by the public interest."*

The purport of which is, that if one have a public wharf, by license from the government or his own dedication, he must exact only reasonable compensation for its use. By its dedication to public use, a wharf is as much brought under the common-law rule of subjection to reasonable charges as it would be if originally established or licensed by the crown. All property dedicated to public use by an individual owner, as in the case of land for a park or street, falls at once, by force of the dedication, under the law governing property appropriated by the government for similar purposes.

I do not doubt the justice of the encomiums passed upon Sir 151\*151 Matthew Hale as a learned jurist of his day; but I am unable to perceive the pertinency of his observations upon public ferries and public wharves, found in his treatises on "The Rights of the Sea" and on "The Ports of the Sea," to the questions presented by the warehousing law of Illinois, undertaking to regulate the compensation received by the owners of private property, when that property is used for private purposes.

The principal authority cited in support of the ruling of the court is that of *Alnutt v. Inglis*, decided by the King's Bench, and reported in 12 East. But that case, so far from sustaining the ruling, establishes, in my judgment, the doctrine that everyone has a right to charge for his property, or for its use, whatever he pleases, unless he enjoys in connection with it some right or privilege from the government not accorded to others; and even then it only decides what is above stated in the quotations from Sir Matthew Hale, that he must submit, so long as he retains the right or privilege, to reasonable rates. In that case, the London Dock Company, under certain acts of Parliament, possessed the exclusive right of receiving imported goods into their warehouses before the duties were paid; and the question was whether the company was bound to receive them for a reasonable reward, or whether it could arbitrarily fix its compensation. In deciding the case, the Chief Justice, Lord Ellenborough, said: —

*"There is no doubt that the general principle is favored, both in law and justice, that every man may fix what price he pleases upon his own property, or the use of it; but if, for a particular purpose, the public have a right to resort to his premises and make use of them, and he have a monopoly in them for that purpose, if he will take the benefit of that monopoly, he must, as an equivalent, perform the duty attached to it on reasonable terms."*

And, coming to the conclusion that the company's warehouses were invested with "the monopoly of a public privilege," he held that by law the company must confine itself to take reasonable rates; and added, that if the crown should thereafter think it advisable to extend the privilege more generally to other persons and places, so that the public would not be restrained from exercising a choice of warehouses for the purpose, the company might be enfranchised from the restriction which 152\*152 attached to a monopoly; but, so long as its warehouses were the only places which could be resorted to for that purpose, the company was bound to let the trade have the use of them for a reasonable hire and reward. The other judges of the court placed their concurrence in the decision upon the ground that the company possessed a legal monopoly of the business, having the only warehouses where goods imported could be lawfully received without previous payment of the duties. From this case it appears that it is only where some privilege in the bestowal of the government is enjoyed in connection with the property, that it is affected with a public interest in any proper sense of the terms. It is the public privilege conferred with the use of the property which creates the public interest in it.

In the case decided by the Supreme Court of Alabama, where a power granted to the city of Mobile to license bakers, and to regulate the weight and price of bread, was sustained so far as regulating the weight of the bread was concerned, no question was made as to the right to regulate the price. 3 Ala. 137. There is no doubt of the competency of the State to prescribe the weight of a loaf of bread, as it may declare what weight shall constitute a pound or a ton. But I deny the power of any legislature under our government to fix the price which one shall receive for his property of any kind. If the power can be



exercised as to one article, it may as to all articles, and the prices of everything, from a calico gown to a city mansion, may be the subject of legislative direction.

**Other instances of a similar character may, no doubt, be cited of attempted legislative interference with the rights of property.** The act of Congress of 1820, mentioned by the court, is one of them. There Congress undertook to confer upon the city of Washington power to regulate the rates of wharfage at private wharves, and the fees for sweeping chimneys. Until some authoritative adjudication is had upon these and similar provisions, I must adhere, notwithstanding the legislation, to my opinion, that those who own property have the right to fix the compensation at which they will allow its use, and that those who control services have a right to fix the compensation at which they will be rendered. The chimney-sweeps may, I think, safely claim all the compensation which 153\*153 they can obtain by bargain for their work. In the absence of any contract for property or services, the law allows only a reasonable price or compensation; but what is a reasonable price in any case will depend upon a variety of considerations, and is not a matter for legislative determination.

**The practice of regulating by legislation the interest receivable for the use of money, when considered with reference to its origin, is only the assertion of a right of the government to control the extent to which a privilege granted by it may be exercised and enjoyed. By the ancient common law it was unlawful to take any money for the use of money: all who did so were called usurers, a term of great reproach, and were exposed to the censure of the church; and if, after the death of a person, it was discovered that he had been a usurer whilst living, his chattels were forfeited to the king, and his lands escheated to the lord of the fee. No action could be maintained on any promise to pay for the use of money, because of the unlawfulness of the contract. Whilst the common law thus condemned all usury, Parliament interfered, and made it lawful to take a limited amount of interest. It was not upon the theory that the legislature could arbitrarily fix the compensation which one could receive for the use of property, which, by the general law, was the subject of hire for compensation, that Parliament acted, but in order to confer a privilege which the common law denied. The reasons which L.Ed. to this legislation originally have long since ceased to exist; and if the legislation is still persisted in, it is because a long acquiescence in the exercise of a power, especially when it was rightfully assumed in the first instance, is generally received as sufficient evidence of its continued lawfulness. 10 Bac. Abr. 264.[\*]**

There were also recognized in England, by the ancient common law, certain privileges as belonging to the lord of the manor, which grew out of the state of the country, the condition of the people, and the relation existing between him and 154\*154 his tenants under the feudal system. Among these was the right of the lord to compel all the tenants within his manor to grind their corn at his mill. No one, therefore, could set up a mill except by his license, or by the license of the crown, unless he claimed the right by prescription, which presupposed a grant from the lord or crown, and, of course, with such license went the right to regulate the tolls to be received. Woolrych on the Law of Waters, c. 6, of Mills. Hence originated the doctrine which at one time obtained generally in this country, that there could be no mill to grind corn for the public, without a grant or license from the public authorities. It is still, I believe, asserted in some States. This doctrine being recognized, all the rest followed. The right to control the toll accompanied the right to control the establishment of the mill.

It requires no comment to point out the radical differences between the cases of public mills and interest on money, and that of the warehouses in Chicago. No prerogative or privilege of the crown to establish warehouses was ever asserted at the common law. **The business of a warehouseman was, at common law, a private business and is so in its nature. It has no special privileges connected with it, nor did the law ever extend to it any greater protection than it extended to all other private business. No reason can be assigned to justify legislation interfering with the legitimate profits of that business, that would not equally justify an intermeddling with the business of every man in the community, so soon, at least, as his business became generally useful.**

### **3.12 The franchisee is a public officer and a “fiction of law”**

The U.S. Supreme Court acknowledged that a frequent source of unconstitutional activity by government actors is to create fictitious offices, when it held:

*"An unconstitutional act is not a law; it confers no rights; it imposes no duties; it affords no protection; **it creates no office**; it is in legal contemplation, as inoperative as though it had never been passed."*  
[Norton v. Shelby County, [118 US 425](#) (1885)]

An unlawfully created public office is sometimes called a “fiction of law”. Such legal fictions are also described in Form #09.071. Those exercising it are called “de facto officers”. All those engaged in franchises are public officers in the



government. The fictitious public office and/or “trade or business” (26 U.S.C. §7701(a)(26)) to which all the government’s enforcement rights attach is also called a “fiction of law” by some judges. Here is the definition:

*“Fiction of law. An assumption or supposition of law that something which is or may be false is true, or that a state of facts exists which has never really taken place. An assumption [PRESUMPTION], for purposes of justice, of a fact that does not or may not exist. A rule of law which assumes as true, and will not allow to be disproved, something which is false, but not impossible. Ryan v. Motor Credit Co., 30 N.J.Eq. 531, 23 A.2d. 607, 621. These assumptions are of an innocent or even beneficial character, and are made for the advancement of the ends of justice. They secure this end chiefly by the extension of procedure from cases to which it is applicable to other cases to which it is not strictly applicable, the ground of inapplicability being some difference of an immaterial character. See also Legal fiction.” [Black’s Law Dictionary, Sixth Edition, p. 623]*

The key elements of all fictions of law from the above are:

1. A PRESUMPTION of the existence or truth of an otherwise nonexistent thing.
2. The presumptions are of an INNOCENT or BENEFICIAL character.
3. The presumptions are made for the advancement of the ends of justice.
4. All of the above goals are satisfied against BOTH parties to the dispute, not just the government. Otherwise the constitutional requirement for equal protection and equal treatment has been transgressed.

The fictitious public office that forms the heart of the modern SCAM income tax clearly does not satisfy the elements for being a “fiction of law” because:

1. All presumptions that violate due process of law or result in an injury to EITHER party affected by the presumption are unconstitutional. See:

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

2. The presumption does not benefit BOTH parties to a dispute that involves it. It ONLY benefits the government at the expense of innocent nontaxpayers and EXCLUSIVELY PRIVATE parties.
3. The presumption of the existence of the BOGUS office does NOT advance justice for BOTH parties to any dispute involving it. The legal definition of justice is the RIGHT TO BE LEFT ALONE. The presumption of the existence of the BOGUS office ensures that those who do not want to volunteer for the office but who are the subject of FALSE information returns are NEVER left alone and are continually harassed illegally by the IRS. Here is the legal definition of “justice” so you can see for yourself:

“PAULSEN, ETHICS (Thilly’s translation), chap. 9.

*Justice, as a moral habit, is that tendency of the will and mode of conduct which refrains from disturbing the lives and interests of others [INCLUDING us], and, as far as possible, hinders such interference on the part of others. This virtue springs from the individual’s respect for his fellows as ends in themselves and as his co equals. The different spheres of interests may be roughly classified as follows: body and life; the family, or the extended individual life; property, or the totality of the instruments of action; honor, or the ideal existence; and finally freedom, or the possibility of fashioning one’s life as an end in itself. The law defends these different spheres, thus giving rise to a corresponding number of spheres of rights, each being protected by a prohibition. . . . To violate the rights, to interfere with the interests of others, is injustice. All injustice is ultimately directed against the life of the neighbor; it is an open avowal that the latter is not an end in itself, having the same value as the individual’s own life. The general formula of the duty of justice may therefore be stated as follows: Do no wrong yourself, and permit no wrong to be done, so far as lies in your power; or, expressed positively: Respect and protect the right.”*  
*[Readings on the History and System of the Common Law, Second Edition, Roscoe Pound, 1925, p. 2]*

Therefore it is clearly a CRUEL FRAUD for any judge to justify his PRESUMPTION of the existence of the BOGUS public office that is the subject of the excise tax by calling it a “fiction of law”.

If you want to see an example of WHY this fiction of law was created as a way to usurp jurisdiction, read the following U.S. Supreme Court cite:

*“It is true, that the person who accepts an office may be supposed to enter into a compact to be answerable to the government, which he serves, for any violation of his duty; and, having taken the oath of office, he would unquestionably be liable, in such case, to a prosecution for perjury in the Federal Courts. But because one man, by his own act, renders himself amenable to a particular jurisdiction, shall another man, who has not incurred a similar obligation, be implicated? If, in other words, it is sufficient to vest a jurisdiction in this court, that a Federal Officer is concerned; if it is a sufficient proof of a case arising under a law of the United States to affect other persons, that such officer is bound, by law, to discharge his duty with fidelity; a source of jurisdiction is opened, which must inevitably overflow and destroy all the barriers between the judicial authorities of the State*

and the general government. Any thing which can prevent a Federal Officer from the punctual, as well as from an impartial, performance of his duty; an assault and battery; or the recovery of a debt, as well as the offer of a bribe, may be made a foundation of the jurisdiction of this court; and, considering the constant disposition of power to extend the sphere of its influence, fictions will be resorted to, when real cases cease to occur. A mere fiction, that the defendant is in the custody of the marshall, has rendered the jurisdiction of the King's Bench universal in all personal actions."

[United States v. Worrall, 2 U.S. 384 (1798)]

SOURCE: [http://scholar.google.com/scholar\\_case?case=3339893669697439168/](http://scholar.google.com/scholar_case?case=3339893669697439168/)

The reason for the controversy in the above case was that a bribe occurred on state land by a nonresident domiciled in the state, and therefore that federal law did not apply. In the above case, the court admitted that a "fiction" was resorted to usurp jurisdiction because no legal authority could be found. The fact that the defendant was in custody created the jurisdiction. It didn't exist before they ILLEGALLY KIDNAPPED him. Notice also that they mention an implied "compact" or contract related to the office being exercised, and that THAT compact was the source of their jurisdiction over the officer who was bribed. This is the SAME contract to which all those who engage in a statutory "trade or business" are party to.

### 3.13 "Public" v. "Private" Franchises Compared

Another useful exercise is to compare PUBLIC franchises, meaning government franchises, with PRIVATE franchises that involve private parties exclusively. Understanding these distinctions is very important to those who want to be able to produce legally admissible evidence that governments are illegally implementing or enforcing their franchises. Below is a table summarizing the main differences between PUBLIC and PRIVATE franchises:

**Table 8: Public v. Private Franchises Compared**

<i>Characteristic</i>	<i>PUBLIC/GOVERNMENT Franchise</i>	<i>PRIVATE Franchise</i>
<b>Franchise agreement is</b>	Civil law associated with the <a href="#">domicile</a> of those who are <a href="#">statutory but not constitutional</a> "citizens" and "residents" within the venue of the GRANTOR	Private law among all those who expressly consented in writing
<b><a href="#">Consent</a> to the franchise procured by</b>	IMPLIED by ACTION of participants: 1. Using the government's license number; 2. Declaring a STATUS under the franchise such as "taxpayer"	EXPRESS by signing a WRITTEN contract absent duress
<b>Franchise rights are property of</b>	Government ( <a href="#">de facto government</a> if property outside of federal territory)	Human being or private company
<b>Choice of law governing disputes under the franchise agreement</b>	Franchise agreement itself and <a href="#">Federal Rule of Civil Procedure 17(b)</a> .	Franchise agreement only
<b>Disputes legally resolved in</b>	<a href="#">Article 4, Section 3, Clause 2</a> statutory FRANCHISE court with INEQUITY	Constitutional court in EQUITY
<b>Courts officiating disputes operate in</b>	POLITICAL context and issue [political] OPINIONS	LEGAL context and issue ORDERS
<b>Parties to the contract</b>	Are "public officers" within the government grantor of the franchise	Maintain their status as private parties
<b>Domicile of franchise participants</b>	<a href="#">Federal territory</a> . See <a href="#">26 U.S.C. §7701(a)(39)</a> and <a href="#">§7408(d)</a>	Wherever the parties declare it or express it in the franchise

How can we prove that a so-called "government" is operating a franchise as a PRIVATE company or corporation in EQUITY rather than as a parens patriae protected by sovereign immunity? Below are the conditions that trigger this status as we understand them so far:

1. When they are implementing the franchises against parties domiciled outside of their EXCLUSIVE rather than subject matter jurisdiction. For instance, when the federal government implements or enforces a federal franchise within states of the Union, then it is operating outside its territory and implicitly waives sovereign immunity. Hence, they are "purposefully availing themselves" of commercial activity outside of their jurisdiction and waive immunity within the jurisdiction they are operating. See:

Federal Jurisdiction, Form #05.018  
<http://sedm.org/Forms/FormIndex.htm>

2. When domicile and one's status as a statutory "citizen", "resident", or "U.S. person" under the civil laws of the grantor:
  - 2.1. Is not required in the franchise agreement itself.
  - 2.2. Is in the franchise agreement but is ignored or disregarded as a matter of policy and not law by the government. For instance, the government ignores the legal requirements of the franchise found in 20 C.F.R. §422.104 and insists that EVERYONE is eligible and TO HELL with the law.
3. When the government practices or encourages, deceives, or protects others in practicing CRIMINAL IDENTITY THEFT to make state nationals LOOK like someone domiciled within or physically present within federal territory. See:

Government Identity Theft, Form #05.046  
<http://sedm.org/Forms/FormIndex.htm>
4. When any of the above conditions occur, then the government engaging in them:
  - 4.1. Is engaging in PRIVATE business activity beyond its core purpose as a de jure "government"
  - 4.2. Is operating in a de facto capacity and not as a "sovereign". See:

De Facto Government Scam, Form #05.043  
<http://sedm.org/Forms/FormIndex.htm>
  - 4.3. Is abusing its monopolistic authority to compete with private business concerns
  - 4.4. Is "purposefully availing itself" of commerce in the foreign jurisdictions, such as states of the Union, that it operates the franchise
  - 4.5. Implicitly waives sovereign immunity under the Foreign Sovereign Immunities Act (F.S.I.A.), 28 U.S.C. Chapter 97 and its equivalent act in the foreign jurisdictions that it operates the franchise
  - 4.6. Implicitly agrees to be sued IN EQUITY in a Constitutional court if it enforces the franchise against NONRESIDENTS
  - 4.7. Cannot truthfully identify the statutory FRANCHISE courts that administer the franchise as "government" courts, but simply PRIVATE arbitration boards.

The following ruling by the U.S. Supreme Court confirms some of the above.

*See also Clearfield Trust Co. v. United States, 318 U.S. 363, 369 (1943) ("The United States does business on business terms") (quoting United States v. National Exchange Bank of Baltimore, 270 U.S. 527, 534 (1926)); Perry v. United States, supra at 352 (1935) ("When the United States, with constitutional authority, makes contracts, it has rights and incurs responsibilities similar to those of individuals who are parties to such instruments. There is no difference . . . except that the United States cannot be sued without its consent") (citation omitted); United States v. Bostwick, 94 U.S. 53, 66 (1877) ("The United States, when they contract with their citizens, are controlled by the same laws that govern the citizen in that behalf"); Cooke v. United States, 91 U.S. 389, 398 (1875) (explaining that when the United States "comes down from its position of sovereignty, and enters the domain of commerce, it submits itself to the same laws that govern individuals there").*

*See Jones, 1 Cl.Ct. at 85 ("Wherever the public and private acts of the government seem to commingle, a citizen or corporate body must by supposition be substituted in its place, and then the question be determined whether the action will lie against the supposed defendant"); O'Neill v. United States, 231 Ct.Cl. 823, 826 (1982) (sovereign acts doctrine applies where, "[w]here [the] contracts exclusively between private parties, the party hurt by such governing action could not claim compensation from the other party for the governing action"). The dissent ignores these statements (including the statement from Jones, from which case Horowitz drew its reasoning literally verbatim), when it says, post at 931, that the sovereign acts cases do not emphasize the need to treat the government-as-contractor the same as a private party.*  
[United States v. Winstar Corp., 518 U.S. 839 (1996)]

Only one sentence in the above seems suspicious:

*"When the United States, with constitutional authority, makes contracts, it has rights and incurs responsibilities similar to those of individuals who are parties to such instruments. There is no difference . . . except that the United States cannot be sued [IN ITS OWN COURTS] without its consent"*

What they are referring to above is that the "United States" federal corporation cannot be sued IN THEIR OWN COURTS without their consent, not that they cannot be sued in EQUITY in a court of a constitutional state. The federal government has no direct control over the courts of a legislatively "foreign state", such as a state of the Union. Hence, it cannot impede itself being sued directly there when it is operating a private business in competition with other private businesses in a commercial market place. An example is "insurance services", such as Social Security, which is private insurance. The

government deceptively calls the premiums a “tax” on the 800 line of Social Security, but in fact, they are simply PRIVATE insurance premiums. No one can make you buy any commercial product the government offers, including private “Social Insurance”. Otherwise, we are talking about THEFT and involuntary servitude. The definition of “State” found in the Social Security Act is entirely consistent with these conclusions. “State” is nowhere defined to expressly include states of the Union and therefore, they are NOT included under the rules of statutory construction. Hence, they are “foreign” for the subject matter of Social Security, Medicare, and every other federal socialism program.

*“Expressio unius est exclusio alterius. A maxim of statutory interpretation meaning that the expression of one thing is the exclusion of another. Burgin v. Forbes, 293 Ky. 456, 169 S.W.2d. 321, 325; Newblock v. Bowles, 170 Okl. 487, 40 P.2d. 1097, 1100. Mention of one thing implies exclusion of another. **When certain persons or things are specified in a law, contract, or will, an intention to exclude all others from its operation may be inferred.** Under this maxim, if statute specifies one exception to a general rule or assumes to specify the effects of a certain provision, other exceptions or effects are excluded.”*  
[Black’s Law Dictionary, Sixth Edition, p. 581]

A legal term useful in describing the proper operation of government franchises is “publici juris”. Here is a legal definition:

*“PUBLICI JURIS. Lat. Of public right. The word “public” in this sense means pertaining to the people, or affecting the community at large [the SOCIALIST collective]; that which concerns a multitude of people; and the word “right,” as so used, means a well-founded claim; an interest; concern; advantage; benefit. State v. Lyon, 63 Okl. 285, 165 P. 419, 420.*

*This term, as applied to a thing or right [PRIVILEGE], means that it is open to or exercisable by all persons. It designates things which are owned by “the public;” that is, the entire state or community, and not by any private person. When a thing is common property, so that anyone can make use of it who likes, it is said to be publici juris; as in the case of light, air, and public water. Sweet. “*  
[Black’s Law Dictionary, Fourth Edition, p. 1397]

We allege that:

1. Associating anything with a government identifying number (SSN or TIN)
  - 1.1. Changes the character of the thing so associated to “publici juris”
  - 1.2. Donates and converts private property to a public use, public purpose, and public office
  - 1.3. Makes you the trustee with equitable title over the thing donated, instead of the LEGAL OWNER of the property
2. The compelled, involuntary use of government identifying numbers therefore constitutes THEFT and CONVERSION, which are CRIMES.

For further details on the compelled use of government identifying numbers, see:

[Why It is Illegal for Me to Request or Use a “Taxpayer Identification Number”, Form #04.205](http://sedm.org/Forms/FormIndex.htm)  
<http://sedm.org/Forms/FormIndex.htm>

## **4 PUBLIC Rights v. PRIVATE Rights<sup>52</sup>**

If you would like a simplified training course or presentation summarizing everything in the following subsections, please see:

[Private Right or Public Right? Course, Form #12.044](https://sedm.org/Forms/FormIndex.htm)  
<https://sedm.org/Forms/FormIndex.htm>

### **4.1 Introduction**

*“Indeed, in a free government almost all other rights would become worthless if the government possessed power over the private fortune of every citizen.”*  
[John Marshall; SOURCE: <http://quotio.com/quote/Indeed-in-a-free/315738>]

*“This nation, as experience has proved, cannot always remain at peace, and has no right to expect that it always will have wise and humane rulers, sincerely attached to the principles of the Constitution. **Wicked men, ambitious***

<sup>52</sup> Adapted from Great IRS Hoax, Form #11.302, Section 4.3 with permission.

1                   *of power, with hatred of liberty and contempt of law, may fill the place once occupied by Washington and*  
2                   *Lincoln; and if this right is conceded, and the calamities of war again befall us, **the dangers to human liberty***  
3                   ***are frightful to contemplate.** ... For this, and other equally weighty reasons, they secured the inheritance they*  
4                   *had fought to maintain, by incorporating in a written Constitution **the safeguards which time had proven were***  
5                   ***essential** to its preservation. **Not one of these safeguards can the President or Congress or the Judiciary disturb,***  
6                   *except the one concerning the writ of habeas corpus."*  
7                   *[Ex Parte Milligan, 71 U.S. 2, 18 L.Ed. 281, 297 (1866)]*

8       This section concerns itself with the origin and nature of rights and privileges. We discuss the subject both from a biblical  
9       as well as a legal/civil perspective. The subject of rights and privileges is of utmost importance in understanding our role in  
10      society and the relationship that government has to us as the sovereign people that they serve. Failure to fully understand  
11      this subject can result in making you into a government slave and signing away all your rights and sovereignty without even  
12      realizing it.

13     The various articles contained within this chapter will demonstrate to you the facts and the proof, not only that these things  
14     are true, but just how they are used to infringe upon your Unalienable Rights as Sovereign Americans and "natural persons"  
15     of the several Union states. These Sovereign Americans of the several Union states are the only People who have  
16     Constitutional (Natural) Rights. No other status of "citizenship" or "residency" has these Natural Rights, yet you claim these  
17     other forms of citizenship every day, and as you do so, you are unknowingly waving your Natural Rights for the illusion of  
18     benefits and privileges from the federal government. In effect, you have exchanged your own Natural Rights for mere  
19     "government privileges" and thereby irreparably compromised your personal liberty and sovereignty [Whoops.]

20     It is all a matter of perspective and choice. The problem is, you probably don't know or understand that there are two sides  
21     to this coin - and more importantly, that you have a choice. If you don't know how or when to "Reserve your Rights" then  
22     you become prey to oppression and tyranny by anyone, including the various levels of government, who might wish to take  
23     advantage of you for their own sake or their notions of what is best for you. It is time to take charge of your own destiny and  
24     stop being so casual about your Rights. You do have them, in that they do still exist. The question is do you have access to  
25     them, when you need them the most. Not likely, unless you understand and use this valuable information at every turn in your  
26     involvement with all levels of government.

27     So, please, take the time to read, study and verify this information thoroughly for yourself. And please, feel free to share it  
28     with others. Organize discussion groups with your friends, relatives, and with your various clubs and organizations. The more  
29     people who become enlightened, the sooner we can stop the insanity of oppression and tyranny, by any one, especially our  
30     own government.

31     Time after time we have all heard the expression, "*The People have the power.*" Probably more times than any one of us can  
32     count. We have heard that "We the People..." are the masters and the federal government is the servant of the People. Today,  
33     most of us would agree that it is the other way around. Yet few of us can explain how or why this has come to be true. While  
34     most of us understand these powers are actually our Rights as they were known, understood and written into the Declarations  
35     of Independence, the Constitution of the United States of America and the Bill of Rights, few of us understand how to use  
36     and enforce these Rights. The majority of us are unaware of how to protect these rights and ourselves from those who would  
37     choose to usurp them, [entrapping us into a web of deceit](#) and misleading us to believe we must obey what are obviously laws  
38     which function outside our protections under the Constitution.

39     We often hear speakers proclaim "*The people must protect (reserve) their Rights or they won't have any.*" Yet, few actually  
40     know how. Of course every elected official is required to take an oath of office, which includes the statement "... to protect  
41     and defend the Constitution of the United States of America...". As we all have come to realize, we are gradually losing our  
42     Rights with each passing year, as the government continues to erode them away with still more federal regulation being  
43     imposed.

44     In paraphrasing Supreme Court Justice Clarence Thomas (well known for his conservative views), he said:

45                   *"... I promise to fight federalism at every turn. But, the People must first 'reserve' their 'Rights' or I can do nothing*  
46                   *..."*

47     We have all heard other notable people make similar statements in the past, and yet I have found that very few of us actually  
48     know and understand what is meant by these words. Most of us assume that the government itself is waging the battle to  
49     protect our Rights, or simply believe that these Rights we have are just there and known to all. So, who in their right mind  
50     would, or even could, get away with denying them? As you read this section, not only will you come to know exactly what



1 Justice Thomas meant in those few words, but you will also understand precisely how to go about “reserving your Rights.”  
2 You will learn that there is a lot more going on here than first meets the eye.

3 So, how do we protect and enforce these Unalienable Rights granted to us by our Creator, from those who would steal them  
4 away? Who are those that would trick us into being unknowing and unwilling victims of what seems to be unconstitutional  
5 laws that violate our natural rights?

6 Most would agree that it is the government and big business which seek to usurp our rights. The government on all levels  
7 (local, county, state and federal) operates on a system that is actually outside the protections of the Constitution, which is a  
8 little known and even less understood conspiracy perpetrated on the American People to control their lives and their money  
9 (property and other assets). Meanwhile, big business lobbies congress to the point that “We the People...” have little if any  
10 input or affect in the legislative process. So, it is our elected officials in government who have betrayed both their oaths of  
11 office, and our faith that they will do what they promised during the election process.

12 It is our goal, as set forth in this book, to inform you as to precisely how government and big business accomplish these deeds  
13 of deception, trickery and fraud. Then, to further instruct you, we will educate you as to how to overcome these obstacles  
14 and barriers to the freedoms we were granted by our Creator, and guaranteed by our Constitution, for which so many have  
15 fought and died to preserve and protect for ourselves and for our posterity.

16 We have the power - we always have! It is time then to reeducate ourselves, getting away from the leftist rhetoric and back  
17 to the simple facts of the matter in an effort to save our Constitution and our Individual Freedoms. Our tolerance and silence  
18 has too long been mistaken for ignorance, and the faith we have entrusted in our elected officials has certainly been betrayed.

19 *“No legislative act contrary to the Constitution can be valid. To deny this would be to affirm that the deputy*  
20 *(agent) is greater than his principal; that the servant is above the master; that the representatives of the people*  
21 *are superior to the people; that men, acting by virtue of powers may do not only what their powers do not*  
22 *authorize, but what they forbid. It is not to be supposed that the Constitution could intend to enable the*  
23 *representatives of the people to substitute their will to that of their constituents. A Constitution is, in fact, and*  
24 *must be regarded by judges, as fundamental law. If there should happen to be an irreconcilable variance between*  
25 *the two, the Constitution is to be preferred to the statute.”*  
26 *[Alexander Hamilton (Federalist Paper # 78)]*

27 *“Where rights secured by the Federal Constitution are involved, there can be no rule-making or legislation*  
28 *which would abrogate them.”*  
29 *[Miranda v. Arizona, 384 U.S. 436 (1966) ]*

30 *“Truth is incontrovertible, ignorance can deride it, panic may resent it, malice may destroy it, but there it is.”*  
31 *[Winston Churchill]*

## 32 **4.2 The “Publici Juris” or “Public Rights” Scam**<sup>53</sup>

33 The Public Rights Doctrine of the U.S. Supreme Court is the starting point for determining whether a right is PRIVATE or  
34 PUBLIC, and in what court disputes over the right may be heard. This section will discuss this doctrine and the foundation  
35 of it, which is “publici juris”. We also discuss the dividing line between PUBLIC and PRIVATE and how to distinguish each  
36 in the following course on our site.

<p><i>Private Right or Public Right? Course</i>, Form #12.044 <a href="https://sedm.org/LibertyU/PrivateRightOrPublicRight.pdf">https://sedm.org/LibertyU/PrivateRightOrPublicRight.pdf</a></p>
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37 The term “publici juris”, which is Latin for “public right” is defined as follows:

38 *“PUBLICI JURIS. Lat. Of public right. The word “public” in this sense means pertaining to the people, or*  
39 *affecting the community at large; that which concerns a multitude of people; and the word “right,” as so used,*  
40 *means a well-founded claim; an interest; concern; advantage; benefit. State v. Lyon, 63 Okl. 285, 165 P. 419,*  
41 *420.*

42 *This term, as applied to a thing or right, means that it is open to or exercisable by all [CIVIL STATUTORY]*  
43 *persons [but not CONSTITUTIONAL “persons”]. It designates things which are owned by “the public:” that is,*

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<sup>53</sup> Source: *Why the Federal Income Tax is a Privilege Tax Upon Government Property*, Form #04.404, Section 2; <https://sedm.org/Forms/FormIndex.htm>.

1 *the entire state or community, and not by any private person. When a thing is common property, so that any one*  
2 *can make use of it who likes, it is said to be publici juris; as in the case of light, air, and public water. Sweet.*

3 [Black's Law Dictionary, Fourth Edition, p. 1397]

4 They use Latin in the definition to disguise the term “public right” because they are trying to pull a fast one on the mainstream  
5 populace. Whenever a court or a legal dictionary uses Latin, guaranteed they are trying to deceive or mislead you to disguise  
6 their LACK of lawful authority.

7 Notice the phrase in the above “owned by the public”, and by that they mean PUBLIC property. The word “benefit” also  
8 betrays a privilege as well. “Common property” implies COLLECTIVE control and ownership, rather than PERSONAL  
9 ownership.

10 They use the phrase “it is open to or exercisable by all persons”, but they can ONLY mean all human beings consensually  
11 domiciled in the forum and EXCLUDING those who are NOT. In other words, VOLUNTARY CLUB MEMBERS.  
12 Otherwise, involuntary servitude and a Fifth Amendment taking of property would be the result. See:

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

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

HTML: <https://famguardian.org/Subjects/Taxes/Remedies/DomicileBasisForTaxation.htm>

13 STATUTORY persons always require a domicile within the CIVIL jurisdiction of a geographical region. That domicile must  
14 be CONSENSUAL (Form #05.003). If you don't consent to a domicile (Form #05.002) in the forum or venue, the only  
15 CIVIL protection you have is the CONSTITUTION and the COMMON LAW and STATUTORY CIVIL law (Form #05.037)  
16 DOES NOT and CANNOT APPLY. See:

Why Statutory Civil Law is Law for Government and Not Private Persons, Form #05.037

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

17 The definition of “PUBLIC RIGHT/PUBLICI JURIS” is therefore deceptive and equivocates (Form #05.014), because the  
18 TWO contexts for “persons” are not identified or qualified and are MUTUALLY exclusive:

- 19 1. CONSTITUTIONAL “persons”: Human beings protected by the Bill of Rights and the common law and NOT  
20 statutory civil law.
- 21 2. STATUTORY “persons”: Fictional creations of Congress (“Straw men”, Form #05.042) which only have the  
22 limited subset of CONSTITUTIONAL rights entirely defined and controlled by Congress.

23 You CANNOT be a CONSTITUTIONAL “person” and a STATUTORY “person” at the SAME time:

- 24 1. Either you have CONSTITUTIONAL rights (Form #10.002) in a given context, or you have STATUTORY  
25 privileges (Form #05.030).
- 26 2. If you claim STATUTORY privileges, you SURRENDER CONSTITUTIONAL rights.

27 *"The words "privileges" and "immunities," like the greater part of the legal phraseology of this country, have*  
28 *been carried over from the law of Great Britain, and recur constantly either as such or in equivalent expressions*  
29 *from the time of Magna Charta. For all practical purposes they are synonymous in meaning, and originally*  
30 *signified a peculiar right or private law conceded to particular persons or places whereby a certain individual*  
31 *or class of individuals was exempted from the rigor of the common law. Privilege or immunity is conferred*  
32 *upon any person when he is invested with a legal claim to the exercise of special or peculiar rights, authorizing*  
33 *him to enjoy some particular advantage or exemption. "*

34 [The Privileges and Immunities of State Citizenship, Roger Howell, PhD, 1918, pp. 9-10;

35 SOURCE: [http://famguardian.org/Publications/ThePrivAndImmOfStateCit/The\\_privileges\\_and\\_immunities\\_of](http://famguardian.org/Publications/ThePrivAndImmOfStateCit/The_privileges_and_immunities_of_state_c.pdf)  
36 [state\\_c.pdf](http://famguardian.org/Publications/ThePrivAndImmOfStateCit/The_privileges_and_immunities_of_state_c.pdf)]

37 See Magill v. Browne, Fed.Cas. No. 8952, 16 Fed.Cas. 408; 6 Words and Phrases, 5583, 5584; A J. Lien,  
38 “Privileges and Immunities of Citizens of the United States,” in Columbia University Studies in History,  
39 Economics, and Public Law, vol. 54, p. 31.

They are therefore DELIBERATELY deceiving you at the very entry point of asserting PUBLIC CIVIL jurisdiction. They want you to UNKNOWINGLY surrender CONSTITUTIONAL rights by FALSELY believing that CONSTITUTIONAL “persons” and STATUTORY “persons” are equivalent, even though they are MUTUALLY exclusive and non-overlapping.

The “Brandeis Rules” of the U.S. Supreme Court describe EXACTLY how you transition from a PRIVATE/CONSTITUTIONAL “person” to a PUBLIC/STATUTORY CIVIL “person”:

*“The Court developed, for its own governance in the cases confessedly within its jurisdiction, a series of rules under which it has avoided passing upon a large part of all the constitutional questions pressed upon it for decision. They are:*

[. . .]

**6. The Court will not pass upon the constitutionality of a statute at the instance of one who has availed himself of its benefits.** *FN7 Great Falls Mfg. Co. v. Attorney General, 124 U.S. 581, 8 S.Ct. 631, 31 L.Ed. 527; Wall v. Parrot Silver & Copper Co., 244 U.S. 407, 411, 412, 37 S.Ct. 609, 61 L.Ed. 1229; St. Louis Malleable Casting Co. v. Prendergast Construction Co., 260 U.S. 469, 43 S.Ct. 178, 67 L.Ed. 351.*

FOOTNOTES:

*FN7 Compare Electric Co. v. Dow, 166 U.S. 489, 17 S.Ct. 645, 41 L.Ed. 1088; Pierce v. Somerset Ry., 171 U.S. 641, 648, 19 S.Ct. 64, 43 L.Ed. 316; Leonard v. Vicksburg, etc., R. Co., 198 U.S. 416, 422, 25 S.Ct. 750, 49 L.Ed. 1108.*

*[Ashwander v. Tennessee Valley Authority, 297 U.S. 288, 56 S.Ct. 466 (1936)]*

**NOTE:** For the court to suggest in Ashwander that you can’t raise a constitutional issue is to tell you that:

1. You are NO LONGER a CONSTITUTIONAL “person”.
2. You have VOLUNTARILY exchanged PRIVATE/CONSTITUTIONAL rights for PUBLIC STATUTORY PRIVILEGES.
3. You are a GOVERNMENT WHORE of the kind described by the Bible in the following article:  

*Are You “Playing the Harlot” with the Government?*, SEDM  
<https://sedm.org/are-you-playing-the-harlot/>
4. You have SURRENDERED all constitutional remedies in the way described on the next page.

BEND OVER!

Notice in the Brandeis Rules THAT:

1. He was in effect MAKING LAW, because he cited NO AUTHORITY for the rules.
2. The judge was operating in a POLITICAL capacity, which real judges cannot do.
3. Because he was operating in a political capacity and “making law” that directly SURRENDERS all of your constitutional rights, then He was in effect REPEALING the entire Bill of Rights and thus violating his oath to “support and defend the constitution”.
4. He admitted that the court has DELIBERATELY OBFUSCATED the [Separation Between Public and Private \(Form #12.025\)](#). Confusing these two is the MAIN method of tyranny, in fact, and they can’t hand the prisoners the key to their prison cell!

Here’s another example:

*“The distinction between public rights and private rights has not been definitively explained in our precedents. Nor is it necessary to do so in the present cases, for it suffices to observe that a matter of public rights must at a minimum arise “between the government and others.” Ex parte Bakelite Corp., supra, at 451, 49 S.Ct., at 413. In contrast, “the liability of one individual to another under the law as defined,” Crowell v. Benson, supra, at 51, 52 S.Ct., at 292, is a matter of private rights. Our precedents clearly establish that only controversies in the former category may be removed from Art. III courts and delegated to legislative courts or administrative agencies for their determination. See Atlas Roofing Co. v. Occupational Safety and Health Review Comm’n, 430 U.S. 442, 450, n. 7, 97 S.Ct. 1261, 1266, n. 7, 51 L.Ed.2d. 464 (1977); Crowell v. Benson, supra, 285 U.S., at 50-51, 52 S.Ct., at 292. See also Katz, Federal Legislative Courts, 43 Harv.L.Rev. 894, 917-*

918 (1930).FN24 Private-rights disputes, on the other hand, lie at the core of the historically recognized judicial power.”

[. . .]

Although Crowell and Raddatz do not explicitly distinguish between rights created by Congress [PUBLIC RIGHTS] and other [PRIVATE] rights, such a distinction underlies in part Crowell's and Raddatz' recognition of a critical difference between rights created by federal statute and rights recognized by the Constitution. Moreover, such a distinction seems to us to be necessary in light of the delicate accommodations required by the principle of separation of powers reflected in Art. III. The constitutional system of checks and balances is designed to guard against “encroachment or aggrandizement” by Congress at the expense of the other branches of government. *Buckley v. Valeo*, 424 U.S., at 122, 96 S.Ct., at 683. But when Congress creates a statutory right [a “privilege” or “public right” in this case, such as a “trade or business”], it clearly has the discretion, in defining that right, to create presumptions, or assign burdens of proof, or prescribe remedies; it may also provide that persons seeking to vindicate that right must do so before particularized tribunals created to perform the specialized adjudicative tasks related to that right. FN35 Such provisions do, in a sense, affect the exercise of judicial power, but they are also incidental to Congress' power to define the right that it has created. No comparable justification exists, however, when the right being adjudicated is not of congressional creation. In such a situation, substantial inroads into functions that have traditionally been performed by the Judiciary cannot be characterized merely as incidental extensions of Congress' power to define rights that it has created. Rather, such inroads suggest unwarranted encroachments upon the judicial power of the United States, which our Constitution reserves for Art. III courts. [*Northern Pipeline Const. Co. v. Marathon Pipe Line Co.*, 458 U.S. 50, 102 S.Ct. 2858 (1983)]

More on judges unconstitutionally “making law” at:

1. *How Judges Unconstitutionally “Make Law”*, Litigation Tool #01.009  
<https://sedm.org/Litigation/01-General/HowJudgesMakeLaw.pdf>
2. Courts Cannot Make Law  
<https://youtu.be/avXHXxeT-UU>

On the subject of judges “making law”, Montesquieu who designed our three branch system of government with [separation of powers \(Form #05.023\)](#) in his famous book “The Spirit of Laws” STERNLY WARNED BEFORE the Constitution was even written(!) the following:

“When the legislative and executive powers are united in the same person, or in the same body of magistrates, there can be no liberty; because apprehensions may arise, lest the same monarch or senate should enact tyrannical laws, to execute them in a tyrannical manner.

Again, there is no liberty, if the judiciary power be not separated from the legislative and executive. Were it joined with the legislative, the life and liberty of the subject would be exposed to arbitrary control; for the judge would be then the legislator. Were it joined to the executive power, the judge might behave with violence and oppression [sound familiar?].

There would be an end of everything, were the same man or the same body, whether of the nobles or of the people, to exercise those three powers, that of enacting laws, that of executing the public resolutions, and of trying the causes of individuals.”

[. . .]

In what a situation must the poor subject be in those republics! The same body of magistrates are possessed, as executors of the laws, of the whole power they have given themselves in quality of legislators. They may plunder the state by their general determinations; and as they have likewise the judiciary power in their hands, every private citizen may be ruined by their particular decisions.”

[*The Spirit of Laws*, Charles de Montesquieu, 1758, Book XI, Section 6;  
SOURCE: [http://famguardian.org/Publications/SpiritOfLaws/sol\\_11.htm](http://famguardian.org/Publications/SpiritOfLaws/sol_11.htm)]

What the U.S. Supreme Court has done, through “The Public Rights Doctrine”, is to put in effect the following POLICY that is not LAW but which has the practical EFFECT and FORCE of law:

1. Government can do no wrong PROVIDED that it is operating within its statutory and constitutional limits, and therefore cannot be sued as a wrongdoer, unless the statute they are administering is or has been declared unconstitutional.

2. Disputes between TWO private parties protected by the Constitution must be heard in Constitutional, Article III courts.
3. Disputes between a PRIVATE party and the GOVERNMENT must be heard in:
- 3.1. Legislative franchise courts in the LEGISLATIVE or EXECUTIVE Branch if no Constitutional wrong is implicated, because you are seeking a privilege against Uncle.
- 3.2. A constitutional Article III court if a Constitutional violation is implicated.
4. Any privilege or right originating from a civil statute that is not in the Constitution is, by definition a public right AGAINST the government. Thus, it is a PRIVILEGE that can be regulated by the government and heard in a franchise court. [Northern Pipeline Const. Co. v. Marathon Pipe Line Co., 458 U.S. 50, 102 S.Ct. 2858 \(1983\)](#)
5. Franchise courts, also called “legislative franchise courts”:
- 5.1. Are legislatively created creatures of Congress which can only hear disputes relating to federal property coming under 5 U.S.C. §553(a)(2).
- 5.2. Cannot hear constitutional issues or rights violations.
- 5.3. Cannot hear disputes of those not partaking of the civil statutory privileges or franchise they were created to administer.
- 5.4. Are part of what now deceased Supreme Court Justice Antonin Scalia called “The FOURTH Branch of government”, implying that they are unconstitutional. [Freytag v. Commissioner, 501 U.S. 868 \(1991\)](#).
6. If you wish to invoke your constitutional rights against a government actor who injured your constitutional rights:
- 6.1. That dispute is against THE INDIVIDUAL ACTOR, not against the government.
- 6.2. You must satisfy the burden of proof that the tortious actor was acting OUTSIDE of their delegated constitutional or statutory authority. Usually, this means that your status or your earnings did NOT fall within the STATUTORY definitions provided in the civil statute they were administering using the strict rules of statutory construction and interpretation documented in Form #05.014.
- 6.3. The Department of Justice can overrule you by simply declaring, absent ANY proof, that they were operating WITHIN their authority, even if the definitions say they were NOT. See 28 U.S.C. §2679(d)(3).
- 6.4. If the tortious actor was acting outside their delegated authority, they are NOT entitled to free representation by the Department of Justice.
7. If you file the action against the tortious actor in STATE court, then the action cannot be removed to FEDERAL court WITHOUT the defendant proving that federal property OF SOME KIND listed in 5 U.S.C. §553(a)(2) is involved, and thus, that a “federal question” is at issue.
8. The COURT which allows for removal from state to federal court itself is committing a tort WITHOUT enforcing the requirement of the defendant to prove “federal question” and FEDERAL PROPERTY is at issue. See 28 U.S.C. §1652, which is deliberately vague to protect UNLAWFUL removals and IDENTITY THEFT that they facilitate, as documented in:
- [Government Identity Theft, Form #05.046](#)  
<https://sedm.org/Forms/05-MemLaw/GovernmentIdentityTheft.pdf>
9. Lastly, there are cases where even though the offending party in the government who you are suing INDIVIDUALLY caused an unlawful taking of PRIVATE property, the property is still in the CUSTODY of the government.
- 9.1. Suing the corrupt individual will not return the property and you have to sue the PROPERTY and indirectly the party possessing it at the time, which is usually the government.
- 9.2. The action to return the property must be filed as an “in rem” action against the PROPERTY and NOT the government.
- 9.3. In rem actions against the government for property unlawfully in their custody ARE permitted and are NOT privileges, but RIGHTS and NO STATUTE is necessary to reclaim the property WRONGFULLY in government possession. Property taken from a “nontaxpayer” under the color but without the actual authority of law is not “taxes”, but THEFT, and therefore would NOT come under the Internal Revenue Code, which only governs interactions with CONSENTING STATUTORY “taxpayers”:

*"The revenue laws are a code or system in regulation of tax assessment and collection. They relate to taxpayers, and not to nontaxpayers. The latter are without their scope. No procedure is prescribed for nontaxpayers, and no attempt is made to annul any of their rights and remedies in due course of law. With them Congress does not assume to deal, and they are neither of the subject nor of the object of the revenue laws..."*  
[Long v. Rasmussen, 281 F. 236 (1922)]

*"Revenue Laws relate to taxpayers and not to non-taxpayers [American Citizens/American Nationals not subject to the exclusive jurisdiction of the Federal Government]. The latter are without their scope. No procedures are prescribed for non-taxpayers and no attempt is made to annul any of their Rights or Remedies in due course of*



1 law. With them[non-taxpayers] Congress does not assume to deal and they are neither of the subject nor of the  
2 object of federal revenue laws.”  
3 [Economy Plumbing & Heating v. U.S., 470 F.2d. 585 (1972)]

4 “A claim against the United States is a right to demand money from the United States.<sup>54</sup> Such claims are  
5 sometimes spoken of as gratuitous in that they cannot be enforced by suit without statutory consent.<sup>55</sup> **The**  
6 **general rule of non-liability of the United States does not mean that a citizen cannot be protected against the**  
7 **wrongful governmental acts that affect the citizen or his or her property.**<sup>56</sup> **If, for example, money or property**  
8 **of an innocent person goes into the federal treasury by fraud to which a government agent was a party, the**  
9 **United States cannot [lawfully] hold the money or property against the claim of the injured party.**<sup>57</sup>”  
10 [American Jurisprudence 2d, United States, §45 (1999)]  
11

12 “When the Government has illegally received money which is the property of an innocent citizen and when this  
13 money has gone into the Treasury of the United States, there arises an implied contract on the part of the  
14 Government to make restitution to the rightful owner under the Tucker Act and this court has jurisdiction to  
15 entertain the suit.

16 90 Ct.Cl. at 613, 31 F.Supp. at 769.”  
17 [Gordon v. U. S., 227 Ct.Cl. 328, 649 F.2d. 837 (Ct.Cl., 1981) ]  
18

19 California Civil Code  
20 Section 2224

21 “One who gains a thing by fraud, accident, mistake, undue influence, the violation of a trust, or other wrongful  
22 act, is, unless he or she has some other and better right thereto, an involuntary trustee of the thing gained, for the  
23 benefit of the person who would otherwise have had it.”  
24

25 “The United States, we have held, cannot, as against the claim of an innocent party, hold his money which has  
26 gone into its treasury by means of the fraud of its agent. While here the money was taken through mistake  
27 without element of fraud, the unjust retention is immoral and amounts in law to a fraud of the taxpayer's rights.  
28 What was said in the State Bank Case applies with equal force to this situation. ‘An action will lie whenever  
29 the defendant has received money which is the property of the plaintiff, and which the defendant is obligated  
30 by natural justice and equity to refund. The form of the indebtedness or the mode in which it was incurred is  
31 immaterial.’”  
32 [Bull v. United States, 295 U.S. 247, 261, 55 S.Ct. 695, 700, 79 L.Ed. 1421]

33 More on the Public Rights Doctrine of the U.S. Supreme Court and the subject of “Publici juris” at:

Sovereignty and Freedom Topic, Section 6: Private and Natural Rights and Natural Law, Family Guardian Fellowship  
<https://famguardian.org/Subjects/Freedom/Freedom.htm>

### 34 **4.3 PRIVATE Rights Defined and Explained**

35 “The people...are the only sure reliance for the preservation of our liberty.”  
36 [Thomas Jefferson to James Madison, 1787. ME 6:392]

37 “The people of every country are the only safe guardians of their own rights.”  
38 [Thomas Jefferson to John Wyche, 1809]

39 The Bill of Rights documents PRIVATE rights. We define “private” as follows:

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<sup>54</sup> United States ex rel. Angarica v. Bayard, 127 U.S. 251, 32 L.Ed. 159, 8 S.Ct. 1156, 4 AFTR 4628 (holding that a claim against the Secretary of State for money awarded under a treaty is a claim against the United States); Hobbs v. McLean, 117 U.S. 567, 29 L.Ed. 940, 6 S.Ct. 870; Manning v. Leighton, 65 Vt. 84, 26 A 258, motion dismd 66 Vt. 56, 28 A 630 and (disapproved on other grounds by Button’s Estate v. Anderson, 112 Vt. 531, 28 A.2d. 404, 143 A.L.R. 195).

<sup>55</sup> Blagge v. Balch, 162 U.S. 439, 40 L.Ed. 1032, 16 S.Ct. 853.

<sup>56</sup> Wilson v. Shaw, 204 U.S. 24, 51 L.Ed. 351, 27 S.Ct. 233.

<sup>57</sup> Bull v. United States, 295 U.S. 247, 79 L.Ed. 1421, 55 S.Ct. 695, 35-1 USTC ¶9346, 15 AFTR 1069; United States v. State Bank, 96 U.S. 30, 96 Otto 30, 24 L.Ed. 647.

The word "private" when it appears in front of other entity names such as "person", "individual", "business", "employee", "employer", etc. shall imply that the entity is:

1. In possession of absolute, exclusive ownership and control over their own labor, body, and all their property. In Roman Law this was called "dominium".
2. On an EQUAL rather than inferior relationship to government in court. This means that they have no obligations to any government OTHER than possibly the duty to serve on jury and vote upon voluntary acceptance of the obligations of the civil status of "citizen" (and the DOMICILE that creates it). Otherwise, they are entirely free and unregulated unless and until they INJURE the equal rights of another under the common law.
3. A "nonresident" in relation to the state and federal government.
4. Not a PUBLIC entity defined within any state or federal statutory law. This includes but is not limited to statutory "person", "individual", "taxpayer", "driver", "spouse" under any under any civil statute or franchise.
5. Not engaged in a public office or "trade or business" (per 26 U.S.C. §7701(a)(26)). Such offices include but are not limited to statutory "person", "individual", "taxpayer", "driver", "spouse" under any civil statute or franchise.

"PRIVATE PERSON. An individual who is not the incumbent of an office."  
[Blacks Law Dictionary, Fourth Edition, p. 1359]

6. Not consenting to contract with or acquire any public status, public privilege, or public right under any state or federal franchise. For instance, the phrase "private employee" means a common law worker that is NOT the statutory "employee" defined within 26 U.S.C. §3401(c) or 26 C.F.R. §301.3401(c)-1 or any other federal or state law or statute.
7. Not sharing ownership or control of their body or property with anyone, and especially a government. In other words, ownership is not "qualified" but "absolute".
8. Not subject to civil enforcement or regulation of any kind, except AFTER an injury to the equal rights of others has occurred. Preventive rather than corrective regulation is an unlawful taking of property according to the Fifth Amendment takings clause.
9. Not "privileged" or party to a franchise of any kind:

"PRIVILEGE. "A right, power, franchise, or immunity held by a person or class, against or beyond the course of the law. [ . . . ] That which releases one from the performance of a duty or obligation, or exempts one from a liability which he would otherwise be required to perform, or sustain in common [common law] with all other persons. State v. Grosnickle, 189 Wis. 17, 206 N.W. 895, 896. A peculiar advantage, exemption, or immunity. Sacramento Orphanage & Children's Home v. Chambers, 25 Cal.App. 536, 144 P. 317, 319.  
[Black's Law Dictionary, Fourth Edition, pp. 1359-1360]

"Is it a franchise? A franchise is said to be a right reserved to the people by the constitution, as the elective franchise. Again, it is said to be a privilege conferred by grant from government, and vested in one or more individuals, as a public office. Corporations, or bodies politic are the most usual franchises known to our laws. In England they are very numerous, and are defined to be royal privileges in the hands of a subject. An information will lie in many cases growing out of these grants, especially where corporations are concerned, as by the statute of 9 Anne, ch. 20, and in which the public have an interest. In 1 Strange R. ( The King v. Sir William Louthier,) it was held that an information of this kind did not lie in the case of private rights, where no franchise of the crown has been invaded.

If this is so--if in England a privilege existing in a subject, which the king alone could grant, constitutes it a franchise--in this country, under our institutions, a privilege or immunity of a public nature, which could not be exercised without a legislative grant, would also be a franchise."  
[People v. Ridgley, 21 Ill. 65, 1859 WL 6687, 11 Peck 65 (Ill., 1859)]

10. The equivalent to a common law or Constitutional "person" who retains all of their common law and Constitutional protections and waives none.

"The words "privileges" and "immunities," like the greater part of the legal phraseology of this country, have been carried over from the law of Great Britain, and recur constantly either as such or in equivalent expressions from the time of Magna Charta. For all practical purposes they are synonymous in meaning, and originally signified a peculiar right or private law conceded to particular persons or places whereby a certain individual or class of individuals was exempted from the rigor of the common law. Privilege or immunity is conferred upon any person when he is invested with a legal claim

to the exercise of special or peculiar rights, authorizing him to enjoy some particular advantage or exemption. "  
[The Privileges and Immunities of State Citizenship, Roger Howell, PhD, 1918, pp. 9-10;  
SOURCE:  
[http://famguardian.org/Publications/ThePrivAndImmOfStateCit/The\\_privileges\\_and\\_immunities\\_of\\_state\\_c.pdf](http://famguardian.org/Publications/ThePrivAndImmOfStateCit/The_privileges_and_immunities_of_state_c.pdf)]

See Magill v. Browne, Fed.Cas. No. 8952, 16 Fed.Cas. 408; 6 Words and Phrases, 5583, 5584; A.J. Lien, "Privileges and Immunities of Citizens of the United States," in Columbia University Studies in History, Economics, and Public Law, vol. 54, p. 31.

Every attempt by anyone in government to alienate rights that the Declaration of Independence says are UNALIENABLE shall also be treated as "PRIVATE BUSINESS ACTIVITY" that cannot be protected by sovereign, official, or judicial immunity. So called "government" cannot make a [profitable business or franchise](#) out of alienating inalienable rights without ceasing to be a classical/de jure government and instead becoming in effect an [economic terrorist and de facto government in violation of Article 4, Section 4](#).

"No servant [or government or biological person] can serve **two masters**; for either he will hate the one and love the other, or else he will be loyal to the one and despise the other. **You cannot serve God and mammon [government]**." [Luke 16:13, Bible, NKJV]

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

Black's Law Dictionary (Sixth Edition) defines our Constitutional Rights:

"... Natural rights are those which grow out of the nature of man [the Creator] and depend upon personality, as distinguished from such as are created by law and depend upon civilized society; or those which are plainly assured by natural law;..."  
[Black's Law Dictionary, Sixth Edition, p. 1324]

In other words, Natural Rights or Natural Laws come from nature [the Creator] and are separate and distinct from those laws derived by man. We also call them PRIVATE rights. Our Constitution not only recognizes these Natural Rights (Natural Laws), but guarantees them as individual Rights. The Constitution recognizes that they are superior to all other laws, including the laws made by man (any level of government). That is, unless of course you freely waive your Rights, which is exactly what you do under compulsion every time you file an income tax return. It is likely, however, that you didn't know that is what you were doing. Hence, this section.

Possession of a legal right conveys certain advantages upon us in a court of law as revealed by the U.S. supreme Court, *Marbury v. Madison*, 5 U.S. 137, 1 Cranch 137, 2 L.Ed. 60 (1803):

The very essence of civil liberty certainly consists in the right of every individual [note that he said **individual**, and not **citizen**, since you don't have to be a citizen to have the protection of government] to claim the protection of the laws, whenever he receives an injury. One of the first duties of government is to afford that protection. In Great Britain the king himself is sued in the respectful form of a petition, and he never fails to comply with the judgment of his court.

In the 3d vol. of his Commentaries, p. 23, Blackstone states two cases in which a remedy is afforded by mere operation of law.

"In all other cases," he says, "it is a general and indisputable rule, that where there is a legal right, there is also a legal remedy by suit, or action at law, whenever that right is invaded."

And afterwards, p. 109, of the same vol. he says,

"I am next to consider such injuries as are cognizable by the court of the common law. And herein I shall for the present only remark, that all possible injuries whatsoever, that did not fall within the exclusive cognizance of either the ecclesiastical, military, or maritime tribunals, are, for that very reason, within the cognizance of the common law courts of justice; for it is a settled and invariable principle in the laws of England, that every right, when withheld, must have a remedy, and every injury its proper redress.

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

The above case is often cited as an authority on the subject of rights, even by the government, and makes mandatory reading for the budding freedom fighter.

The supreme Court has said repeatedly that governments may not tax or regulate the exercise of PRIVATE rights. Here is but one example:

*"A state may not impose a charge for the enjoyment of a right granted by the Federal Constitution."*  
[Murdock v. Commonwealth of Pennsylvania, 319 U.S. 105, 63 S.Ct. 870 (1943)]

However, governments can regulate the exercise of "privileges":

*"The power to tax the exercise of a privilege is the power to control or suppress its enjoyment."*  
[Murdock v. Commonwealth of Pennsylvania, 319 U.S. 105, 63 S.Ct. 870 (1943)]

#### **4.4 PUBLIC Rights/Privileges Defined and Explained**

What is a "privilege"? It is a PUBLIC right created by government in civil statutes conveying a right AGAINST the government or an agent of the government ONLY.

**PRIVILEGE.** A particular and peculiar benefit or advantage enjoyed by a person, company, or class, beyond the common advantages of other citizens. An exceptional or extraordinary power or exemption. A right, power, franchise, or immunity held by a person or class, against or beyond the course of the law. *Waterloo Water Co. v. Village of Waterloo*, 193 N.Y.S. 360, 362, 200 App.Div. 718; *Colonial Motor Coach Corporation v. City of Oswego*, 215 N.Y.S. 159, 163, 126 Misc. 829; *Cope v. Flanery*, 234 P. 845, 849, 70 Cal.App. 738; *Bank of Commerce & Trust Co. v. Senter*, 260 S.W. 144, 147, 149 Tenn. 569; *State v. Betts*, 24 N.J.L. 557.

An exemption from some burden or attendance, with which certain persons are indulged, from a supposition of law that the stations they All, or the offices they are engaged in, are such as require all their time and care, and that, therefore, without this indulgence, it would be impracticable to execute such offices to that advantage which the public good requires. *Dike v. State*, 38 Minn. 366, 38 N.W. 95; *International Trust Co. v. American L. & T. Co.*, 62 Minn. 501, 65 N.W. 78. *State v. Gilman*, 33 W.Va. 146, 10 S.E. 283, 6 L.R.A. 847. That which releases one from the performance of a duty or obligation, or exempts one from a liability which he would otherwise be required to perform, or sustain in common with all other persons. *State v. Grosnickle*, 189 Wis. 17, 206 N.W. 895, 896. A peculiar advantage, exemption, or immunity. *Sacramento Orphanage & Children's Home v. Chambers*, 25 Cal.App. 536, 144 P. 317, 319.

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A right which the nature of a debt gives to a creditor, and which entitles him to be preferred before other creditors. Civil Code La. art. 3186. It is merely an accessory of the debt which it secures, and falls with the extinguishment of the debt. *A. Baldwin & Co. v. McCain*, 159 La. 966, 106 So. 459, 460. The civil-law privilege became, by adoption of the admiralty courts, the admiralty lien. *Howe, Stud. Civ. L. 89; The J. E. Rumbell*, 148 U.S. 1, 13 S.Ct. 498, 37 L.Ed. 345.

**Privileges and immunities.** Within the meaning of the 14th amendment of the United States constitution, such privileges as are fundamental, which belong to the citizens of all free governments and which have at all times been enjoyed by citizens of the United States. *La Tourette v. McMaster*, 104 S.C. 501, 89 S.E. 398, 399. They are only those which owe their existence to the federal government, its national character, its Constitution, or its laws. *Ownbey v. Morgan*, 256 U.S. 94, 41 S.Ct. 433, 65 L.Ed. 837, 17 A.L.R. 873; *Prudential Ins. Co. of America v. Cheek*, 25 U.S. 530, 42 S.Ct. 516, 520, 66 L.Ed. 1044, 27 A.L.R. 27; *Rosenthal v. New York*, 33 S.Ct. 227, 226 U.S. 260, 57 L.Ed. 212, Ann.Cas.1914B, 71.  
[Black's Law Dictionary, Fourth Edition, pp. 1359-1360]

Those who may exercise government privileges must hold an OFFICE within the government to do so. It is interesting that we had to go to the English dictionary rather than the law dictionary to determine that privileges=offices:

**priv•i•lege** \ 'priv-līj, 'pri-və- \ noun

[Middle English, from Anglo-French, from Latin *privilegium* law for or against a private person, from *privus* private + *leg-*, *lex* law] 12th century: a right or immunity granted as a peculiar benefit, advantage, or favor: PREROGATIVE especially: such a right or immunity attached specifically to a position or an office.  
[Mish, F. C. (2003). Preface. Merriam-Webster's collegiate dictionary. (Eleventh ed.). Springfield, MA: Merriam-Webster, Inc.]

The key to having PRIVATE rights is to *avoid* the government trap of becoming a person in receipt of government privileges, meaning PUBLIC privileges. Even the U.S. Supreme court admitted this, when it said:

*"The rights of sovereignty extend to all persons and things **not privileged**, that are within the territory. They extend to all strangers resident therein; not only to those who are naturalized, and to those who are domiciled therein, having taken up their abode with the intention of permanent residence, but also to those whose residence is transitory. All strangers are under the protection of the sovereign while they are within his territory and owe a temporary allegiance in return for that protection."*  
[Carlisle v. United States, 83 U.S. 147, 154 (1873)]

Keep in mind that being a statutory "U.S. citizen", in receipt of the "privileges and immunities" of federal citizenship derived from 8 U.S.C. §1401 is the very privilege that in effect, denies you your other Constitutionally guaranteed rights and personal sovereignty. Therefore, the key to having rights is also to not be a privileged statutory "U.S. citizen" or a "citizen of the United States" under 8 U.S.C. §1401, but instead to be a "national" defined in 8 U.S.C. §1101(a)(21) and the Fourteenth Amendment. You don't need statutory federal citizenship found in 8 U.S.C. §1401 to have rights. Your PRIVATE rights come from the land you live on and not your citizenship status. The only thing that being a statutory "U.S. citizen" under 8 U.S.C. §1401 does is take away rights, not endow you with rights. "U.S. citizen" status under 8 U.S.C. §1401 was invented only to regulate and enslave people born in and occupying territories and possessions of the United States and has absolutely no bearing upon persons born in states of the Union. Everyone else who was born in a state of the Union already had the rights of kings!

*"No white person born within the limits of the United States, and subject to their [the states, and not the federal government] jurisdiction, or born without those limits, and subsequently naturalized under their laws, owes the status of citizenship to the recent amendments [Thirteenth and Fourteenth Amendments] to the Federal Constitution."*  
[Van Valkenburg v. Brown, 43 Cal. 43 (1872)]

#### **4.5 PUBLIC rights are created legislatively by the State and can be taken away while PRIVATE rights are created by God and cannot be taken away**

If you want to find out whether something is a privilege, look for a statute that authorizes it to be TAKEN AWAY. If you find one, then it's a PUBLIC PRIVILEGE rather than PRIVATE RIGHT.

A PRIVATE right is a behavior or a choice, the exercise of which can't be taken away, fined, taxed, or regulated by anyone, including the government. The rights recognized by the Bill of Rights are "unalienable" according to the Declaration of Independence because they are created by God rather than the Government.

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

The word "unalienable" is defined as follows:

*"Unalienable. Inalienable; incapable of being aliened, that is, sold and transferred."*  
[Black's Law Dictionary, Fourth Edition, p. 1693]

So in other words, PRIVATE rights protected by the Constitution or a REAL, de jure government may not lawfully be bargained away, sold, or transferred in relation to that government, including by the commercial mechanism of a franchise. Governments must drop to the level of PRIVATE individuals and surrender their sovereign immunity, in fact, before they can entice you out of a right protected by the Constitution without violating the Constitution and even then, they are violating the purpose of their creation and engaging in a commercial conflict of interest in criminal violation of 18 U.S.C. §208 to make a business (franchise) out of destroying and enticing you out of your rights.

*See also Clearfield Trust Co. v. United States, 318 U.S. 363, 369 (1943) ("The United States does business on business terms") (quoting United States v. National Exchange Bank of Baltimore, 270 U.S. 527, 534 (1926)); Perry v. United States, supra at 352 (1935) ("When the United States, with constitutional authority, makes contracts, it has rights and incurs responsibilities similar to those of individuals who are parties to such instruments. There is no difference . . . except that the United States cannot be sued without its consent") (citation omitted); United States v. Bostwick, 94 U.S. 53, 66 (1877) ("The United States, when they contract with*



1 their citizens, are controlled by the same laws that govern the citizen in that behalf"); *Cooke v. United States*,  
2 91 U.S. 389, 398 (1875) (explaining that when the United States "comes down from its position of sovereignty,  
3 and enters the domain of commerce, it submits itself to the same laws that govern individuals there").

4 See *Jones*, 1 Cl.Ct. at 85 ("Wherever the public and private acts of the government seem to commingle, a citizen  
5 or corporate body must by supposition be substituted in its place, and then the question be determined whether  
6 the action will lie against the supposed defendant"; *O'Neill v. United States*, 231 Ct.Cl. 823, 826 (1982)  
7 (sovereign acts doctrine applies where, "[w]here [the] contracts exclusively between private parties, the party hurt  
8 by such governing action could not claim compensation from the other party for the governing action"). The  
9 dissent ignores these statements (including the statement from *Jones*, from which case *Horowitz* drew its  
10 reasoning literally verbatim), when it says, post at 931, that the sovereign acts cases do not emphasize the need  
11 to treat the government-as-contractor the same as a private party.  
12 [*United States v. Winstar Corp.*, 518 U.S. 839 (1996)]

13 What specifically do PRIVATE rights attach to? They attach irrevocably to LAND protected by the Constitution, and not to  
14 the STATUS of the people standing on said land.

15 "It is locality that is determinative of the application of the Constitution, in such matters as judicial procedure,  
16 and not the status of the people who live in it."  
17 [*Balzac v. Porto Rico*, 258 U.S. 298 (1922)]

18 Notice that the Declaration of Independence also states that all men are EQUAL. The results of the requirement that rights  
19 are unalienable and that all men are equal are the following:

- 20 1. Kings are impossible.  
21 2. The source of all sovereignty is the People as private individuals and NOT as a collective.

22 "Sovereignty is the right to govern; a nation or State-sovereign is the person or persons in whom that resides.  
23 In Europe the sovereignty is generally ascribed to the Prince; here it rests with the people; there, the sovereign  
24 actually administers the Government; here, never in a single instance; our Governors are the agents  
25 [fiduciaries] of the people, and at most stand in the same relation to their sovereign, in which regents in Europe  
26 stand to their sovereigns. Their Princes have personal powers, dignities, and pre-eminences, our rulers have  
27 none but official; nor do they partake in the sovereignty otherwise, or in any other capacity, than as private  
28 citizens." at 472."  
29 [*Justice Wilson, Chisholm, Ex'r. v. Georgia*, 2 Dall. (U.S.) 419, 1 L.ed. 454, 457, 471, 472) (1794)]

- 30 3. All governments are established by authority delegated by the people they serve. In that sense, they govern ONLY by  
31 our continuing consent and when they fail to do their job properly, it is our right AND duty as the Sovereigns they serve  
32 to fire them by changing our domicile and forming a competing government that does a better job.  
33 4. No group or collection of men can have any more authority than a single man.  
34 5. No government, which is simply a collection of men, can have any more authority, rights, or privileges than a single  
35 man.  
36 6. The people cannot delegate an authority they do not themselves individually have. For instance, they cannot delegate  
37 the authority to injure the equal rights of others by stealing from others. Hence, they cannot delegate an authority to a  
38 government to collect a tax that redistributes wealth by taking from one group of private individuals and giving it to  
39 another group or class of private individuals.  
40 7. A government that asserts "sovereign immunity" must also give natural persons the same right. When governments  
41 assert sovereign immunity in court, their opponent has to produce evidence of consent to be sued in writing. The same  
42 concept of sovereign immunity pertains to us as natural persons, where if the government attempts to allege that we  
43 consented to something, they too must produce evidence of consent to be sued and surrender rights IN WRITING.  
44 8. The only place where all men are UNEQUAL is on federal territory where Constitutional rights do not exist.

45 If you would like a wonderful, animated version of the above concepts, then we highly recommend the following:

Philosophy of Liberty <a href="http://sedm.org/LibertyU/PhilosophyOfLiberty.htm">http://sedm.org/LibertyU/PhilosophyOfLiberty.htm</a>
--

46 Why is all of this relevant and important to the subject of government authority over private persons? Because once you  
47 understand this concept of equality, you also understand that:

- 48 1. The foundation of the Constitution is equal protection.

2. Any attempt to make us unequal constitutes tyranny, usurpation, and slavery.
3. Any attempt to do any of the following constitutes tyranny, usurpation, and slavery:
  - 3.1. Replace rights with privileges.
  - 3.2. Describe rights as privileges.
  - 3.3. Call a privilege a “right”.
4. Any attempt to do any of the following constitutes tyranny, usurpation, and slavery because it compels us into subjection and subordination to a political ruler as a “public official”:
  - 4.1. Compel us to participate in a government franchise.
  - 4.2. Presume that we consented to participate in said franchise without being required to obtain our consent in writing where all rights surrendered to procure the benefits of the franchise are fully disclosed.
  - 4.3. Replace a de jure government service with a franchise.
  - 4.4. Confer benefits of a franchise against our will and without our consent.
5. Any attempt to make some persons or groups of persons more equal than others is idolatry in violation of the first four commandments of the Ten Commandments. See Exodus 20:3-8. It amounts to the establishment of a religion and a “superior being”. All religions are based on the “worship” of superior beings, and the essence of “worship” is obedience. The fact that obedience to this superior being is a product of the force implemented under the authority of law doesn’t change the nature of the relationship at all. It is STILL a religion.

*“You shall have no other gods [or rulers or governments] before Me.*

*You shall not make for yourself a carved image—any likeness of anything that is in heaven above, or that is in the earth beneath, or that is in the water under the earth; **you shall not bow down to them nor serve them [rulers or governments]**. For I, the LORD your God, am a jealous God, visiting the iniquity of the fathers upon the children to the third and fourth generations of those who hate Me, but showing mercy to thousands, to those who love Me and keep My commandments.  
[Exodus 20:3-6, Bible, NKJV]*

A PUBLIC privilege, on the other hand, is something that can be taken away at any moment, usually at the discretion of the entity providing it, subject only to the contractual and legal constraints governing your relationship with that entity. They attach to your CIVIL STATUS, which you acquire through a domicile in a specific place and thereby becoming subject to the statutory civil laws of that place. For instance, it is unconstitutional for the government to tax or fine you for exercising your right to free speech guaranteed by the First Amendment to the Constitution. Voting, for instance, is a privilege. It is also called the “elective franchise”. The government can lawfully revoke that privilege if you are convicted of a felony. Anything that can be revoked legislatively is a privilege rather than a right.

You can’t be fined for exercising the right not to incriminate yourself guaranteed by the 5<sup>th</sup> Amendment, by, for instance, fining you \$500 (under the “Jurat” amendment and 26 U.S.C. §6702) for refusing to sign your 1040 income tax return “under penalty of perjury”. The government also should never be permitted to fine you for your right under the Petition clause of the constitution to correct a government wrongdoing (the First Amendment states that we have a right “to petition the Government for a redress of grievances.”), but in fact the courts routinely do this anyway, in violation of the Constitution. This tactic is part of the “judicial conspiracy to protect the income tax” defined elsewhere in this document, including in section 6.6. The fact that most Americans allow and tolerate this kind of injustice, abuse, and violation of their God-given rights confounds us and simply reveals how apathetic and indifferent we have become about our heritage and our treasured rights under the Constitution of the United States.

PUBLIC privileges attach to a statutory “status” rather than to land protected by the Constitution as in the case of rights. Such statutory statuses include “taxpayer”, “citizen”, “resident”, “employee”, “driver”, “spouse”, etc. If you don’t have the status, then you can’t exercise the privilege, and usually the only way you can acquire the status is by filling out a government form that usually calls itself an “application”. For instance, IRS Form W-4 identifies itself as an “Employee Withholding Allowance Certificate”. If you fill out, sign, and submit that form the regulations controlling its use say that it is an agreement or contract and that you are to be treated as a statutory “employee” beyond that point but NOT before. If you don’t want the status of statutory “employee” under federal law or don’t want the “benefits” associated with said status such as social insurance, then you have to use a different form such as IRS Form W-8BEN.

Privileges, however, are much different from rights. Privileges we want are how the government, our employer, and others we know enslave and coerce us into giving up our rights voluntarily. Giving up a right is an injury, and as one shrewd friend frequently said:

1                   *"The more you want, the more the world can hurt you."*

2     The more needy and desperate we allow ourselves to become, the more susceptible we become to being abused by voluntarily  
3     jeopardizing our rights and becoming willing slaves to others. There is nothing unconstitutional or illegal about giving away  
4     our rights to PRIVATE parties and not governments in exchange for benefits in this way, so long as we do it voluntarily and  
5     with full knowledge of exactly what we are giving up to procure the benefit. The Constitution doesn't apply to transactions  
6     involving private parties, in fact. This is called "informed consent". Situations where we surrender rights in exchange for  
7     privileges are commonplace and actually are the foundation of the commercial marketplace. This exchange is referred to as  
8     a business transaction and is usually governed by some contractual or legal vehicle in order to protect the property interests  
9     of the parties to the transaction. This legal vehicle is the Uniform Commercial Code, or UCC and the contract that fixes the  
10    rights of the two or PRIVATE parties to it. An example of a privilege we give up our property rights to exercise is legalized  
11    gambling. If a person is a compulsive gambler and they lose their whole life savings and gamble themselves into massive  
12    debt, they in effect have sold themselves into legalized financial slavery to the casino. That's perfectly legal, and the laws  
13    will protect the property interest of the casino and the right of the casino to collect on the debt. Even though the Thirteenth  
14    Amendment outlawed slavery and even though the gambler might be a slave in this circumstance, because it was his choice  
15    and he wasn't compelled to do it, then it isn't illegal or unconstitutional.

16    Another example of privileges being exchanged for rights is when we obtain a state marriage license. When we voluntarily  
17    get a marriage license, we basically surrender our God-given right to control the fruit of our marriage, including our children  
18    and all our property, and give jurisdiction to the government to control every aspect of our lives. Many people do this because  
19    their hormones get the better of them and they aren't practical or rational enough to negotiate the terms of their marriage and  
20    won't sit down with their spouse and write down an agreement that will keep the government out of their lives. Marriage is  
21    supposed to be a confidential spiritual and religious union between a man and a woman, but when we get a marriage license,  
22    we violate the separation of church and state and actually get married not only to our spouse, but also to the government. We  
23    become, in effect, a polygamist! A marriage license is a license to the government, not to us, that allows them to invade our  
24    lives any way they see fit at any time at the request of either spouse and based on the presumption that they are furthering the  
25    "public good", whatever that is! If couples get married in the church and get a marriage certificate but don't get a marriage  
26    license from the state, then the government has no jurisdiction over the spouses, the children, or the property of the marriage,  
27    and the only way it can get jurisdiction, under such circumstances is to PROVE that someone within the relationship is being  
28    hurt by the actions of others. If divorce results from an unlicensed marriage, the parties can litigate if need be, but the  
29    government has to stay within the bounds of any written or verbal agreement that the spouses have between them.

30    The government can't take away or even bargain away rights protected by the Constitution because the Declaration of  
31    Independence, which is "organic law" of this country which is implemented by the Constitution, says these rights are  
32    "unalienable", which means they can't be sold or transferred by any commercial process, including franchises.

33                   *"Unalienable. Inalienable; incapable of being aliened, that is, sold and transferred [to the government]."*  
34                   *[Black's Law Dictionary, Fourth Edition, p. 1693]*

35    However, governments can definitely take away privileges, often indiscriminately. For instance, receiving social security  
36    checks is a privilege, and not a right. The courts have repeatedly ruled that social security is not a contract or a right, but a  
37    privilege. We can only earn that privilege by "volunteering" to be a U.S. or "federal" statutory and NOT constitutional  
38    "citizen" and paying into the Social Security System. Paying into the Social Security System means participants have to  
39    waive their right to not be taxed on our income with direct taxes, which the Constitution forbids. Same thing for Medicare  
40    and disability insurance. There is nothing immoral or unethical or illegal with being taxed on our income to support these  
41    programs provided:

- 42       1. The programs are ONLY offered to those domiciled and physically present on federal territory that is no part of any  
43       state of the Union, who are called statutory "U.S. citizens" and "U.S. residents". Offering the "benefit" to those  
44       domiciled outside the territory of the sovereign such as those domiciled in states of the Union is a violation of the  
45       separation of powers doctrine.
- 46       2. Those being offered the "benefit" are informed prior to joining that participation was voluntary and that we could  
47       not be coerced to join or punished for not joining.
- 48       3. The program is only offered to EXISTING public officers in the government and is NOT used as a mechanism to  
49       unlawfully create any NEW offices. Pursuant to 4 U.S.C. §72, all such public offices may be exercise ONLY in the  
50       District of Columbia and NOT elsewhere, except as expressly provided by law. There is no provision within the  
51       I.R.C. or the Social Security Act that in fact authorizes the creation of NEW public offices or the exercise of the  
52       offices that it does regulate within the exclusive jurisdiction of any state of the Union. Furthermore, there are no

internal revenue districts within any state of the Union, so revenue can't be collected outside the District of Columbia, which is the only remaining internal revenue district.

4. There is some measure of accountability and fiduciary duty associated with the government in managing and investing our money. Good stewardship of our contributions by the government is expected and bad stewardship is punished by the law and those who enforce the law.
5. We are informed frequently by the fiduciary that we can leave the program at any time, and that our benefits will be proportional to our contributions.
6. We made a conscious, informed decision on a signed contract to sacrifice our rights to qualify to receive the benefit or privilege. This is called "informed consent", which can only exist where there is "full disclosure" by either party of the rights surrendered and the benefits obtained through the surrender of rights. This approach is the basis for what is called "good faith" dealing.
7. If you die young or never collect benefits, your contributions plus interest should be given to your relatives, so that the government doesn't benefit financially from people dying.
8. There is no unwritten or invisible or undisclosed contract that binds us, and nothing will be expected of us that wasn't clearly explained up front before we signed the contract.

However, the problem is that our federal government has mismanaged the funds put into the Social Security System and squandered the money. This has lead them to violate their fiduciary duties and the above requirements as follows:

1. Government employees routinely and deliberately waive or overlook the domicile requirement as a matter of public policy rather than law, and thereby turn a government function into private business. See 20 C.F.R. §422.104, which says that only statutory "citizens" and "residents" domiciled on federal territory within a statutory but not constitutional "State" may lawfully participate.
2. The government refuses to be accountable or to notify us of the benefits we have earned. They also don't tell us on their statements how much we would earn if we quit contributing today and only drew benefits based on what we paid in the past.
3. The federal government won't tell us that participation is voluntary and they provide no means on the social security website (<http://www.ssa.gov>) to *de-enroll* from the program. Instead, they try to fool us all into thinking that the program is mandatory when in fact it is entirely voluntary. The reason the U.S. Government won't tell us that participation is voluntarily is that so many people would leave such an inefficient and poorly managed system to start their own plans when they find this out that the Ponzi scheme it has become would suffer instant meltdown and would turn into a big scandal!
4. If you never collect benefits or you die young, all the money you paid in and the interest aren't given to your relatives as an inheritance. The government keeps EVERYTHING, and this is a BIG injustice that would not occur if the program were run more like the annuity that it should be.
5. There is no written agreement or contract, so they have no obligation or liability to be good stewards over our contributions.
6. Our kids are coerced into joining the system when they are born under the Enumeration At Birth Program and the decision is made by their parents and not by them directly. This is unethical and immoral.
7. We are also coerced by our parents to join because the IRS deceives us into thinking that we are obligated to get Socialist Security Numbers for each of our children in order to qualify to use them as deductions on our taxes. In effect, they bribe us with our own money to sell our children into slavery into this inept and poorly managed system.

For all the above reasons and many more, *we recommend exiting this bankrupt welfare-state system as quickly as you can.* It's a "privilege" you can't be coerced to participate in anyway. We have to ask ourselves: Is a *compelled* benefit really a benefit, or just another form of slavery? The trick is determining how to escape, because you will get absolutely NO help from the Social Security Administration or the government! We provide answers to this dilemma of how to abandon the Social Security Program and your federal citizenship in Chapter 3 of the *Tax Fraud Prevention Manual*, Form #06.008.

## **4.6 The Creator of a Right Determines Who May Regulate and Tax It**

The creator of a right determines who may regulate and tax a specific right. If the creator is God or the Constitution, the right is PRIVATE. If the creator is the state through a legislative enactment, the right is PUBLIC.

According to the Declaration of Independence, our PRIVATE rights come for God and not government or any law enacted by government:

1                   *"We hold these truths to be self-evident, that **all men are created equal, that they are endowed by their Creator***  
2                   ***with certain unalienable Rights**, that among these are Life, Liberty and the pursuit of Happiness.--That to secure*  
3                   *these rights, Governments are instituted among Men, deriving their just powers from the consent of the governed,*  
4                   *"*  
5                   *[Declaration of Independence, 1776]*

6       Some people ignorantly argue that the Declaration of Independence cited above is not "LAW" and they are wrong. The very  
7       first enactment of Congress on p. 1 of volume 1 of the Statutes At Large incorporated the Declaration of Independence as the  
8       laws of this country. Don't believe us on this critical point? Watch Judge Andrew Napolitano say the same thing. He also  
9       says that law is THE MOST VIOLATED provision of law in existence:

<p>10       <i>Judge Andrew Napolitano says the Declaration of Independence is LAW enacted by Congress</i>, Exhibit #03.006 11       <a href="http://sedm.org/Exhibits/ExhibitIndex.htm">http://sedm.org/Exhibits/ExhibitIndex.htm</a></p>
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12       An unalienable PRIVATE right is one that cannot be sold, bargained away, or transferred by any process, including either  
13       your consent or through any franchise:

14                   *"Unalienable. Inalienable; incapable of being aliened, that is, sold and transferred."*  
15                   *[Black's Law Dictionary, Fourth Edition, p. 1693]*

16       As the Declaration of Independence states, governments are established to secure and protect PRIVATE rights. Here is an  
17       affirmation of these principles by the U.S. Supreme Court:

18                   *"The most basic function of any government is to provide for the security of the individual and of his [PRIVATE]*  
19                   *property. [Lanzetta v. New Jersey, 306 U. S. 451, 455](#). These ends of society are served by the criminal laws which*  
20                   *for the most part are aimed at the prevention of crime. Without the reasonably effective performance of the task*  
21                   *of preventing private violence and retaliation, it is idle to talk about human dignity and civilized values."*  
22                   *[Miranda v. Arizona, 384 U.S. 436, 539 (1966)]*

23       Any attempt to alienate PRIVATE rights, and especially if done without the consent of the owner of the right, therefore:

- 24       1. Works a purpose OPPOSITE for which government was created.
- 25       2. Is a breach of fiduciary duty on the part of the government.
- 26       3. Is a theft.
- 27       4. Must be classified as PRIVATE business activity that may not be protected with sovereign immunity. Sovereign  
28       immunity, recall, may only be invoked by de jure governments, not private corporations masquerading as  
29       "government", which we call "de facto government".

30       We should be asking ourselves: Just how sacred are our God given constitutionally protected PRIVATE rights? Have we  
31       lost sight of our objective of restoring liberty for ourselves and family? And even if we know something is wrong, and we  
32       start to do something about it, are we standing on solid ground?

33       We are the masters over our government and not its subjects. We are the "sovereign people" as the U.S. Supreme Court called  
34       us in *Boyd v. State of Nebraska*, 12 S.Ct. 375, 143 U.S. 135, 36 L.Ed. 103 (1892). We should not allow ourselves to be  
35       compelled to waive fundamental rights to comply with some taxing scheme, merely for exercising my right to work and exist.

36       We absolutely have no "legal duty" to waive our fundamental rights to:

- 37       1. Speak or not to speak, as protected under the First Amendment.
- 38       2. Be secure in my personal home, papers and effects, as protected under the Fourth Amendment.
- 39       3. Not be compelled to be a witness against myself per the Fifth Amendment.
- 40       4. Due process of law, as protected under the Fifth and Fourteenth Amendments.
- 41       5. An impartial jury, as protected under the Sixth Amendment.
- 42       6. Any other rights protected under the Ninth Amendment.

43       This is not a wild theory claim. We don't need to claim rights under the state Uniform Commercial Code. Our rights are God  
44       given, not commercially given. Neither do I need to fear waiving a right because I use a "zip code" as part of my mailing  
45       address.



1 The Supreme Court of the United States has already ruled on the standard for waiver of rights.

2 *"Waivers of constitutional rights not only must be voluntary but must be knowing, intelligent acts done with*  
3 *sufficient awareness of the relevant circumstances and likely consequences."*  
4 *[Brady v. U.S., 397 U.S. at 749, 90 S.Ct. 1463 at 1469 (1970). ]*

5 See also the following cases:

6 *Fuentes v. Shevin, 407 U.S. 67 (1972);*  
7 *Brookhart v. Janis, 384 U.S. 6 (1966);*  
8 *Empsak v. U.S., 349 U.S. 190 (1955);*  
9 *Johnson v. Zerbst, 304 U.S. 58 (1938).*

10 The issue of protection of rights has a track record 10 miles long. We should be able to confidently say:

11 *"We got em, they are ours, you (government) can't take em. If you (government) say that we lost them or waived*  
12 *them, the burden of proof is on you (government) to show us how we lost them or waived them or where you have*  
13 *the authority to take them."*

14 Let us cite an example that establishes a standard for the protection of rights, so you can see some of these cases that establish  
15 that track record. Back in the 60's, there was a voting rights case down in Texas. The state of Texas was imposing a poll tax  
16 on the voters prior to letting them vote. The Texas U.S. District Court said in *U.S. v. Texas*, 252 F.Supp 234, 254, (1966):

17 *"Since, in general, only those who wish to vote pay the poll tax, the tax as administered by the State, is equivalent*  
18 *to a charge or a penalty imposed on the exercise of a fundamental right. If the tax were increased to a high degree,*  
19 *as it could be if valid, it would result in the destruction of the right to vote. See Grosjean v. American Press Co.,*  
20 *297 U.S. 233, 244, 54 S.Ct. 444 (1936). "*  
21 *[U.S. v. Texas, 252 F.Supp 234, 254, (1966)]*

22 [Note that the court reiterated the fundamental premise of law expressed by Chief Justice John Marshall in the landmark  
23 decision of *McCulloch v. Maryland*, 4 Wheat 418 at 431 (1819), that "the power to tax is the power to destroy."]

24 The Texas district court went on to quote from the Supreme Court case of *Harman v. Forssenius*, 380 U.S. 528 at 540, 85  
25 S.Ct. 1177, 1185 (1965):

26 *"It has long been established that a State may not impose a penalty upon those who exercise a right guaranteed*  
27 *by the Constitution." Frost & Frost Trucking Co. v. Railroad Comm'n of California, 271 U.S. 583. "Constitutional*  
28 *rights would be of little value if they could be indirectly denied," Smith v. Allwright, 321 U.S. 649, 644, or*  
29 *manipulated out of existence,' Gomillion v. Lightfoot, 364 U.S. 339, 345."*  
30 *[Harman v. Forssenius, 380 U.S. 528 at 540, 85 S.Ct. 1177, 1185 (1965)]*

31 That Texas federal district court held the poll tax unconstitutional and invalid and enjoined the state of Texas from requiring  
32 the payment of a poll tax as a prerequisite to voting.

33 Now a rare legal procedure followed that ruling. The state of Texas appealed. Not to the court of appeals, but directly to the  
34 Supreme Court. And in an equally rare circumstance, the Supreme Court took the district court's opinion as its own and  
35 affirmed the Judgment based on the facts and opinion stated by the district court. See *Texas v. U.S.*, 384 U.S. 155 (1966).

36 When the Amendments to the Constitution for the United States were ratified, they were considered a bill of restrictions on  
37 the government, not a legislative grant of privileges that could be taken from "we the people." The courts have upheld this  
38 premise many times, so if you're going to take a stand, it would be wise to base that stand on a position that has, at the  
39 minimum, the track record established for the guarantee of fundamental rights. There is none better!!

40 The conclusion of this exercise then, is that the government cannot tax or penalize the exercise of a right. You might then  
41 ask yourself:

- 42 1. How can the IRS impose a \$5000 fine for filing a so-called "frivolous" tax return that exercises our Fifth Amendment  
43 right not to incriminate ourselves and doesn't have our signature? (this is called a Jurat violation)  
44 2. Why does the IRS impose a \$50 fine upon employers or individual who file a 1099 form that does not have a social  
45 security number if the party we employed wants his or her 5<sup>th</sup> Amendment right not to incriminate him/herself respected?

- 1 3. Why can the state require individuals to provide their social security number in order to get a driver's license that allows  
2 them to exercise their RIGHT to travel?
- 3 4. Why can the government impose penalties on individuals for the exercise of rights when the Constitution in Article 1,  
4 Section 9, Clause 3 specifically forbids the federal government to impose Bills of Attainder, which are penalties not  
5 imposed by a jury trial? Likewise, Article 1, Section 10 also forbids states to impose penalties without a judicial trial?

6 The answer is that neither the state nor federal governments are legally allowed to do any of the above in a state of the union  
7 where the Bill of Rights apply, because they amount to a tax or a penalty on the exercise of a God-given right! On the other  
8 hand, they are perfectly entitled to do all of the above as long as they are doing so within the federal zone, where the Bill of  
9 Rights do not apply, which is why we say throughout this book that the Internal Revenue Code and most state income tax  
10 laws can only apply within the federal zone. The source of authority to do the above is a legislative grant of PUBLIC  
11 privileges, not PRIVATE rights. If you look for the implementing regulations that authorize any of the above actions, they  
12 don't exist. Because implementing regulations are not required for laws that only apply to government employees, then this  
13 is a strong clue that Subtitle A of the Internal Revenue Code can ONLY apply to federal employees who are elected or  
14 appointed officers of the United States government in receipt of taxable privileges of public office. Applying any of the  
15 penalties mentioned above to anyone but appointed or elected officers of the United States government and who reside in  
16 states of the Union are ILLEGAL and constitute a tort that you can sue for in court. These are the very illegal actions that  
17 convert our glorious republic into a relativistic, totalitarian socialistic democracy where the collective as a whole is the  
18 sovereign and no individuals have rights. They continue to be perpetrated because of fundamental ignorance about the  
19 separation of powers and sovereignty between the state and federal governments.

20 **4.7 PUBLIC rights and PRIVATE rights compared**

21 We have prepared the following table to compare rights with privileges to make this section crystal clear and to help you  
22 discern the two:  
23

1 **Table 9: Private Rights and PUBLIC privileges compared**

#	Characteristic	PRIVATE Right	PUBLIC Privilege
1	Name	Right	Privilege
2	How created	By God through His law	Legislatively granted by government (“publici juris”)
3	Attach to	IRREVOCABLY to land protected by the Constitution	Statutory “statutes” such as “taxpayer”, “citizen”, “resident”, “spouse”, “driver”, “benefit recipient”, “employee”
4	Exercised ONLY by	Human beings	Public offices and officers of the state and federal government
5	Described in	Bill of Rights God’s Laws Natural law	Statutes Codes Administrative regulations
6	Can be legislatively revoked?	No	Yes
7	Protected by	Police powers of the state Article III constitutional and NOT franchise courts	Administrative codes, regulations, and Article IV legislative franchise courts

2 Lastly, it is VERY important to realize that the very words we use to describe ourselves establish whether we are engaged in  
3 a privileged activity or a right. We must be VERY careful to recognize key “words or art” that create a false legal presumption  
4 of “privilege” and remove or replace them from our written and spoken vocabulary and all the government forms and  
5 correspondence. This subject is covered more thoroughly in section 2.5.2.6 of the *Sovereignty Forms and Instructions*  
6 *Manual*, Form #10.005, if you would like to know more. Below is a table showing you how to describe yourself so as to  
7 avoid any association with “privileged” and thus “taxable” activities or status:  
8

1 **Table 10: Privileged v. Nonprivileged words**

#	Condition	Privileged PUBLIC Status	Unprivileged PRIVATE status	Reason
1	Place where you live	Residence	Dwelling	The only people who have a “residence” are aliens. See 26 C.F.R. §1.872-1
2	Residency	Resident Citizen	Inhabitant Free inhabitant	The only “residents” are aliens with a domicile in the District of Columbia under the I.R.C.
3	Citizenship status	Citizen	National	A subject “citizen” is subject to the legislative jurisdiction of the government. A “national” is not, unless of course he injures the equal rights of others.
4	“Taxpayer” status	Taxpayer	Nontaxpayer	A “taxpayer” is subject to the I.R.C. A “nontaxpayer” is not. He is “foreign” with respect to it, as defined in 26 U.S.C. §7701(a)(31)
5	Marriage status	Married	Betrothed	Those who are “married” have a license. The only “marriages” recognized in most states is a licensed marriage. All persons with licensed marriages are polygamists. They marry BOTH the state AND their spouse and consent to be subject to the family code in their state.
6	Country to which you owe allegiance	“United States”	“United States of America”	The “United States” is the government of the District of Columbia and the territories and possessions of the federal government and excludes states of the Union, which are “foreign” with respect to the legislative jurisdiction of states of the Union.
7	What you earn by working	“wages” “income”	Earnings	“wages”, which are defined under 26 C.F.R. §31.3401(a)-3, can only be earned by federal statutory “employees”, which are elected or appointed officers of the United States government under 26 C.F.R. §31.3401(c)-1. “income” can only be earned by federally chartered corporations under the indirect excise tax upon “trade or business” activity described in Subtitle A of the Internal Revenue Code. Since you don’t hold a “public office” and are not engaged in a “trade or business”, then you are incapable of earning either “wages” or “income”. See section 5.6.7 later for details.
8	Employment status	Self-employed Employee	Self-supporting Worker	The only “employees” under the Internal Revenue Code are those connected with a “trade or business”, as defined in 26 U.S.C. §7701(a)(26) and 26 C.F.R. §31.3401(c)-1. The only people who are “self-employed” are those federal “employees” who have income connected with a “trade or business”, which is a “public office” as shown in 26 U.S.C. §1402.
9	Method of defining words	“includes”	“means”	See <i>Legal Deception, Propaganda, and Fraud</i> , Form #05.014, Section 15.2.
10	Place to send mail	Address	Dwelling	You can’t “have” or “possess” an address. An “address” is information, not a location. A dwelling is a physical location.

Do you see how tricky this game with words is? The trickiness is deliberate, so that you can be deceived by a covetous government into becoming a “subject” of their corrupt laws and a feudal serf residing on the federal plantation:

*“For where [government] envy and self-seeking [of money they are not entitled to] exist, confusion [and deception] and every evil thing will be there.”*  
*[James 3:16, Bible, NKJV]*

#### **4.8 PRIVATE Civil Liberties v. PUBLIC Civil Rights v. PUBLIC Political Rights**

There is a great deal of confusion over the distinctions between “civil rights”, “civil liberties”, “constitutional rights”, and “political rights” and the nature of each as either PUBLIC or PRIVATE. We believe this confusion is deliberately crafted to confuse PUBLIC and PRIVATE so that PRIVATE is easier to STEAL for covetous politicians.

Most legal publications are not very useful in helping distinguish each right as PUBLIC or PRIVATE and the definitions have historically change drastically over the years, which makes the task even more difficult. The distinctions we make in this section are therefore somewhat arbitrary but intended to prevent the confusion of PUBLIC and PRIVATE rights so that PRIVATE rights are not lost or indiscriminately converted to PUBLIC rights without the consent of the owner.

It is very important to understand that there are three classes of rights within our system of jurisprudence. All other “rights” are simply subsets of these three classes of rights:

1. PRIVATE Civil Liberties. Also called PRIVATE rights. Relate to the Bill of Rights and natural rights and have no relation to the establishment, support or management of the government. Attach to the land you stand on and not your citizenship status. Everyone, whether alien or citizen, has this kind of right and the protection afforded by government is equal to all for this type of right. On this subject,, the U.S. Supreme Court said:

*“The Fourteenth Amendment of the Constitution is not confined to the protection of citizens. It says:*

*Nor shall any State deprive any person of life, liberty, or property without due process of law, nor deny to any person within its jurisdiction the equal protection of the laws.*

*These provisions are universal in their application to all persons within the territorial jurisdiction, without regard to any differences of race, of color, or of nationality; and the equal protection of the laws is a pledge of the protection of equal laws.”*  
*[Yick Wo v. Hopkins, 118 U.S. 356 (1886)]*

2. PUBLIC Civil Rights. Also called PUBLIC rights. Privileges granted to STATUTORY “citizens” and “residents” and created by Congress. Available mainly to those physically present on and domiciled on federal territory. You lose these rights if you change your domicile to be outside of federal territory.
3. PUBLIC Political rights. Also called PUBLIC rights. Are a privilege incident to citizenship. Involve participation, directly or indirectly, in the establishment or management of the government. They include voting, the right to serve as a jurist, and the right to occupy public office. In most jurisdictions, political rights usually have the prerequisite of “allegiance”, in order to ensure that those who manage or administer the government as voters and jurists have the best interests of the society in mind.

“Civil rights” and “Political rights” as used above were first defined and clarified in the case of *Fletcher v. Tuttle*, 151 Ill. 41, 37 N.E. 683 (1894). Note that BOTH of these types of rights refer to “members of a district community or nation” rather than merely to ALL people physically situated on specific land:

*“As defined by Anderson, a civil right is ‘a right accorded to every member of a district community or nation,’ while a political right is a ‘right exercisable in the administration of government.’ And, Law Dict. 905. Says Bouvier: ‘Political rights consist in the power to participate, directly or indirectly, in the establishment or management of the government. These political rights are fixed by the constitution. Every citizen has the right of voting for public officers, and of being elected. These are the political rights which the humblest citizen possesses. Civil rights are those which have no relation to the establishment, support, or management of the government. They consist in the power of acquiring and enjoying property, or exercising the paternal and marital powers, and the like. It will be observed that every one, unless deprived of them by sentence of civil death, is in the enjoyment of the civil rights, which is not the case with political rights; for an alien, for example, has no political, although in full enjoyment of the civil, rights.’ 2 Bouv. Law Dict. 597.*



The question, then, is whether the assertion and protection of political rights, as judicial power is apportioned in this state between courts of law and courts of chancery, are a proper matter of chancery jurisdiction. We would not be understood as holding that political rights are not a matter of judicial solicitude and protection, and that the appropriate judicial tribunal will not, in proper cases, give them prompt and efficient protection, but we think they do not come within the proper cognizance of courts of equity. In *Sheridan v. Colvin*, 78 Ill. 237, this court, adopting, in substance, the language of Kerr on Injunctions, said: 'It is elementary law that the subject of the jurisdiction of the court of chancery is civil property. The court is conversant only with the questions of property and the maintenance of civil rights. Injury to property, whether actual or prospective, is the foundation on which the jurisdiction rests. The court has no jurisdiction in matters merely criminal or [151 Ill. 54]merely immoral, which do not affect any right of property. Nor do matters of a political character come within the jurisdiction of the court of chancery. Nor has the court of chancery jurisdiction to interfere with the public duties of any department of the government, except under special circumstances, and where necessary for the protection of rights or property.' In that case the police commissioners of the city of Chicago filed their bill in chancery against the mayor, the members of the common council, and certain officers of the city to restrain the enforcement of the city ordinance reorganizing the police force of the city, and depriving the complainants of their functions as police commissioners, it being claimed that the common council had no power to pass the ordinance, and that it was consequently void. It was held that the rights which were thus sought to be protected and enforced were purely political, and that a court of chancery, therefore, had no jurisdiction to interfere with the passage or enforcement of the ordinance. In *Dickey v. Reed*, 78 Ill. 261, a bill in chancery was filed by the state's attorney of Cook county, and by taxpayers of the city of Chicago, to restrain the members of the common council of the city and the city clerk from canvassing the returns of the election held in the city April 23, 1875, upon the question whether the city would become incorporated under the general incorporation act. It was claimed that the election, for certain reasons, was void, and also that gross frauds had been perpetrated at the election, by depositing a large number of ballots in the ballot boxes which had not been cast by the voters, and that a large number of the illegal and fraudulent votes in favor of organization had been cast, and that various other irregularities, having the effect of invalidating the election, had intervened. A preliminary injunction having been awarded, it was disregarded by the city officers, who proceeded, notwithstanding, to canvass the vote and declare [151 Ill. 55]the result. Various of the city officers and their advisers were attached and fined for contempt, and, on appeal to this court from the judgment for contempt, it was held that the matter presented by the bill was a matter over which a court of chancery had no jurisdiction, and that the injunction was void, so that its violation was not an act which subjected the violators to proceedings for contempt. In *Harris v. Schryock*, 82 Ill. 119, it was held that the power to hold an election is political, and not judicial, and that a court of equity has no jurisdiction to restrain officers from the exercise of such powers; and it was said that this was in accordance with repeated decisions of this court, and in support of that statement. *People v. City of Galesburg*, 48 Ill. 485; *Walton v. Develing*, 61 Ill. 201; *Darst v. People*, 62 Ill. 306; and *Dickey v. Reed*, supra, are cited. So, in *Delahanty v. Warner*, 75 Ill. 185, it was held that a court of equity has no jurisdiction to entertain a bill to enjoin the mayor and aldermen of a city from removing a party from office, and appointing a successor, and from preventing the party from discharging his duties after removal by them, as the party's remedy as law is complete by quo warranto against the successor, or by mandamus against the mayor and councilmen. In *State v. Stanton*, 6 Wall. 50, a bill was filed by the state of Georgia against the secretary of war and other officers representing the executive authority of the United States, to restrain them in the execution of the acts of congress known as the 'Reconstruction Acts,' on the ground that the enforcement of those acts would annul and totally abolish the existing state government of the state, and establish another and different one in its place, and would, in effect, overthrow and destroy the corporate existence of the state, by depriving it of all means and instrumentalities whereby its existence might and otherwise would be maintained; and it was held that the bill [151 Ill. 56]called for a judgment upon a political question, and that it would not therefore be entertained by a court of chancery; and it was further held that the character of the bill was not changed by the fact that, in setting forth the political rights sought to be protected, it averred that the state had real and personal property, such, for example, as public buildings, etc., of the enjoyment of which, by the destruction of its corporate existence, the state would be deprived, such averment not being the substantial ground of the relief sought. In *Re Sawyer*, 124 U. S. 200, 8 Sup.Ct. 482, it was held that the circuit court of the United States had no jurisdiction to entertain a bill in equity to restrain the mayor and committee of a city in Nebraska from removing a city officer upon charges filed against him for misfeasance in office, and that an injunction issued on such bill, as well as an order committing certain persons for contempt in disregarding the injunction, was absolutely void. In that case the court say. 'The office and jurisdiction of a court of equity, unless enlarged by express statute, are limited to the protection of rights of property. It has no jurisdiction over the prosecution, the punishment, or the pardon of crimes or misdemeanors, or over the appointment and removal of public officers. To assume such jurisdiction, or to sustain a bill in equity to restrain or relieve against proceedings for the punishment of offenses, or for the removal of public officers, is to invade the domain of the courts of common law, or of the executive and administrative department of the government.' In support of its decision, the court cites, among various other cases, the decisions of this court in *Delahanty v. Warner*, *Sheridan v. Colvin*, and *Dickey v. Reed*, above referred to, and quotes with approval the passage in the opinion in *Sheridan v. Colvin* above set forth, taken, in substance, from Kerr on Injunctions. [151 Ill. 57]Other authorities of similar import might be referred to, but the foregoing are amply sufficient to show that wherever the established distinctions between equitable and common-law jurisdiction are observed, as they are in this state, courts of equity have no authority or jurisdiction to interpose for the protection of rights which are merely political, and where no civil or property right is involved. In all such cases, the remedy, if there is one, may be sought in a court of law. The extraordinary jurisdiction of courts of chancery cannot therefore be invoked to protect the right of a citizen to vote or to be voted for at an election, or his right to be a candidate for or to be elected to any office; nor can it be invoked for the purpose of restraining the holding of an election, or of directing or controlling the mode in which, or of determining the rules of law in pursuance of which, an election shall be held. These matters involve in themselves no property rights, but pertain solely to the political administration of government. If a public officer, charged with political administration, has disobeyed or threatens to disobey the mandate of the

1 law, whether in respect to calling or conducting an election or otherwise, the party injured or threatened with  
2 injury in his political rights is not without remedy; but his remedy must be sought in a court of law, and not in a  
3 court of chancery.

4 The only decision to which we are referred in which relief of the character of that sought in this case was given  
5 in what was in substance an equitable proceeding is *State v. Cunningham*, 83 Wis. 90, 53 N. W. 35. That was an  
6 original proceeding brought in the supreme court of Wisconsin, to test the validity of the apportionment law,  
7 passed by the legislature of that state, dividing the state into legislative districts. An injunction was prayed to  
8 restrain the secretary of state from publishing notices of an election of members of the senate and assembly in  
9 the legislative districts attempted to be created by that act, and from filing [151 Ill. 58] and preserving in his office  
10 certificates of nomination and nomination papers, and from certifying the same to the several county clerks. The  
11 court entertained jurisdiction of the proceeding, and, on final hearing, awarded a perpetual injunction as prayed  
12 for. We have carefully considered the case as reported, and, if we understand it correctly, it cannot, in our opinion,  
13 be regarded as an authority in favor of equity jurisdiction in the case before us. In this connection it may be borne  
14 in mind, as a matter of some importance, that the Wisconsin Code of Procedure attempts to abolish the distinction  
15 between actions at law and in equity; but as to precisely how far that statutory provision has been held to have  
16 broken down the distinctions between common-law and equitable remedies we do not pretend to be accurately  
17 advised. But, whether that distinction is held to remain practically unaffected by the statute or not, it appears  
18 from the opinion of the court that its jurisdiction to grant a remedy by injunction in that case was based solely  
19 upon that provision of the constitution of Wisconsin which gives to the supreme court jurisdiction 'to issue writs  
20 of habeas corpus, mandamus, injunction, quo warranto, certiorari, and other original and remedial rights, and  
21 to hear and determine the same. Const. art. 7, § 3. In construing this provision of the constitution, the court holds  
22 that these various writs, and injunction among them, are prerogative writs; and that the supreme court is thereby  
23 given original jurisdiction in all judicial questions affecting the sovereignty of the state, its franchises and  
24 prerogatives, or the liberty of the people; and that injunction and mandamus are thereby made correlative  
25 remedies, so as to authorize resort to injunction to restrain excess of action in the same class of cases where  
26 mandamus may be resorted to for the purpose of supplying defects. Thus, the court, in the opinion, quoting the  
27 language of a former decision in which this constitutional provision is construed, say: 'And it is very safe to  
28 assume that the [151 Ill. 59] constitution gives injunction to restrain excess in the same class of cases as it gives  
29 mandamus to supply defect; the use of the one writ or the other in each case turning solely on the accident of  
30 overaction or shortcoming of the defendant; and it may be that, where defect and excess meet in a single case,  
31 the court might meet both, in its discretion, by one of the writs, without being driven to send out both, tied together  
32 with red tape, for a single purpose.' And again: 'Inasmuch as the use of the writ of injunction, in the exercise of  
33 the original jurisdiction of this court, is correlative with the writ of mandamus, the former issuing to restrain  
34 where the latter compels action, it is plain that this case, as against the respondent, is a proper one for an  
35 injunction to restrain unauthorized action by him in a matter where his duties are clearly ministerial, and affect  
36 the sovereignty rights and franchises of the state, and the liberties of the people.' It thus seems plain that, in view  
37 of the construction of the constitution of Wisconsin adopted by the supreme court of that state, the prerogative  
38 writ of injunction of which that court is given original jurisdiction is a writ of a different nature, and having a  
39 different scope and purpose, from an ordinary injunction in equity. Where the established distinctions between  
40 equity and common-law jurisdiction are observed, injunction and mandamus are not correlative remedies, in the  
41 sense of being applicable to the same subject-matter, the choice of a writ to be resorted to in a particular case to  
42 depend upon whether there is an excess of action to be restrained or a defect to be supplied. The two writs properly  
43 pertain to entirely different jurisdictions, and to different classes of proceedings, injunction being the proper writ  
44 only in cases of equitable cognizance, and mandamus being a common-law writ, and applicable only in cases  
45 coming within the appropriate jurisdiction of courts of common law. Besides, it would seem that, in Wisconsin,  
46 the writ of injunction of which the supreme [151 Ill. 60] court is given original jurisdiction is not limited, as is the  
47 jurisdiction of courts of equity, to cases involving civil or property rights, but may be resorted to in all cases  
48 'affecting the sovereignty of the state, its franchises or prerogatives, or the liberties of the people,' thus including  
49 within its scope the protection of political as well as civil or property rights. It thus seems plain that *State v.*  
50 *Cunningham* was decided under a judicial system differing essentially from ours, and that it cannot be resorted  
51 to as an authority upon the question of the jurisdiction of courts of equity in this state in cases of this character.  
52 [*Fletcher v. Tuttle*, 151 Ill. 41, 37 N.E. 683 (Ill., 1894)]

53 Black's Law Dictionary, Sixth Edition, refers to "civil rights" as "civil liberties", and defines them as follows:

54 "Civil liberties. Personal, natural rights guaranteed and protected by the Constitution; e.g. freedom of speech,  
55 press, freedom from discrimination, etc. Body of law dealing with natural liberties, shorn of excesses which  
56 invade equal rights of others. Constitutionally, they are restraints on government. *Sowers v. Ohio Civil Rights*  
57 *Commission*, 20 Ohio Misc. 115, 252 N.E.2d. 463, 476. State law may recognize liberty interests more extensive  
58 than those independently protected by the Federal Constitution. *Mills v. Rogers*, 457 U.S. 291, 300, 102 S.Ct.  
59 2442, 2449, 73 L.Ed.2d. 16 (1982). See also Bill of Rights, Civil Rights Acts; Fundamental rights."  
60 [Black's Law Dictionary, Sixth Edition, p. 246]

61 As we said previously, the rights indicated in the Bill of Rights are PRIVATE, so the above refers to PRIVATE rights. If  
62 they are referring to civil statutes as the origin of the right, then it is a PUBLIC right and PUBLIC privilege.

63 Black's Law Dictionary, Sixth Edition, defines "political rights" as follows:

1                    ***“Political rights.*** *Those which may be exercised in the formation or administration of the government. Rights of*  
2                    *citizens established or recognized by constitutions which give them the power to participate directly or indirectly*  
3                    *in the establishment or administration of the government.”*  
4                    *[Black’s Law Dictionary, Sixth Edition, p. 1159]*

5       Below is a tabular summary that compares these two fundamental types of rights and the place from which they derive in the  
6       case of states of the Union:  
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**Table 11: Two types of rights within states of the Union: PRIVATE Civil Liberties v. Political PUBLIC Rights**

#	Right	Origin	Classification	
			Civil PRIVATE Liberty	Political PUBLIC Right
1	Freedom of speech and assembly	First Amendment	•	
1.1	Right to assemble and associate free of government interference.	First Amendment	•	
1.2	Right to speak freely without punishment	First Amendment	•	
1.3	Right to not be compelled to associate with any political or economic activity or group	First Amendment	•	
2	Right to bear arms and own a gun	Second Amendment	•	
3	Right to not be required to accommodate soldiers in your house	Third Amendment	•	
4	Right of privacy and security of personal papers and effects from search and seizure	Fourth Amendment	•	
5	Right to due process	Fifth Amendment	•	
5.1	Cannot be required to incriminate oneself	Fifth Amendment	•	
5.2	Property cannot be taken without just compensation or a court hearing	Fifth Amendment	•	
6	Rights of accused	Sixth Amendment	•	
6.1	Right to be informed of charges	Sixth Amendment	•	
6.2	Right of speedy trial	Sixth Amendment	•	
6.3	Right to counsel	Sixth Amendment	•	
6.4	Right to obtain witnesses in one's favor	Sixth Amendment	•	
6.5	Right to be confronted by witness against us	Sixth Amendment	•	
7	Right to jury in civil trials.	Seventh Amendment	•	
8	Right to not have excessive bails, punishments or fines imposed	Eighth Amendment	•	
9	Rights of persons reserved where not delegated to federal government	Ninth Amendment	•	
10	Rights of states reserved where not delegated to federal government	Tenth Amendment	•	
11	Right to vote	Fifteenth Amendment; State Constitution		•
12	Right to serve on jury duty	State Constitution		•

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On federal land or property where exclusive federal jurisdiction applies, as described in Article 1, Section 8, Clause 17 of the Federal Constitution, the above table looks very different. Remember that the Bill of Rights does not apply within federal property. Therefore, all rights are PUBLIC rights that derive from federal legislation and “acts of congress” published in the Statutes At Large and codified in Title 48 of the U.S. Code. Since Congress can rewrite its own laws any time it wants, then it can take away rights by simple legislation. Therefore, on federal property, what are mistakenly called “rights” are really just “privileges”. Anything that can be taken away on a whim or through a legislative enactment simply cannot be described as a “PRIVATE right”.

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Below is the revised version of the above table that reflects these realities. The term “Civil PUBLIC Privilege” as used in the following table is the equivalent to “Civil Right”. The term “Civil Right” is NOT equivalent to “Civil Liberty” as defined earlier. Civil Rights are PUBLIC, Civil Liberties are always PRIVATE.

1 **Table 12: Two types of PUBLIC rights within the Federal Zone**

#	Right	Origin	Classification	
			Civil PUBLIC Privilege	Political PUBLIC Privilege
1	Freedom of speech and assembly	Acts of Congress	●	
1.1	Right to assemble and associate free of government interference.	Acts of Congress	●	
1.2	Right to speak freely without punishment	Acts of Congress	●	
1.3	Right to not be compelled to associate with any political or economic activity or group	Acts of Congress	●	
2	Right to bear arms and own a gun	Acts of Congress	●	
3	Right to not be required to accommodate soldiers in your house	Acts of Congress	●	
4	Right of privacy and security of personal papers and effects from search and seizure	Acts of Congress	●	
5	Right to due process	Acts of Congress	●	
5.1	Cannot be required to incriminate oneself	Acts of Congress	●	
5.2	Property cannot be taken without just compensation or a court hearing	Acts of Congress	●	
6	Rights of accused	Acts of Congress	●	
6.1	Right to be informed of charges	Acts of Congress	●	
6.2	Right of speedy trial	Acts of Congress	●	
6.3	Right to counsel	Acts of Congress	●	
6.4	Right to obtain witnesses in one's favor	Acts of Congress	●	
6.5	Right to be confronted by witness against us	Acts of Congress	●	
7	Right to jury in civil trials.	Acts of Congress	●	
8	Right to not have excessive bails, punishments or fines imposed	Acts of Congress	●	
9	Rights of persons reserved where not delegated to federal government	Acts of Congress	●	
10	Rights of states reserved where not delegated to federal government	Acts of Congress	●	
11	Right to vote	Acts of Congress		●
12	Right to serve on jury duty	Acts of Congress		●

2 Within federal territories, possessions, and Indian reservations, “PRIVATE rights” don’t exist and the “PUBLIC privileges”  
3 that replace them are legislatively granted and often, there isn’t even a Constitution to protect people from government  
4 usurpation. The only “laws” within federal territories and possessions are those that are enacted by Congress, in most cases.  
5 Below is a listing of the legislative “Bill of Rights” for each of the territories and possessions of the United States that are  
6 under the stewardship of the U.S. Congress. “Bill of Rights” is a misnomer, and they should be called “Bill of Privileges”  
7 rather than “Bill of Rights” because the rights conveyed are PUBLIC and can be revoked. When a territory is emancipated  
8 as the Philippines was, all of these so-called rights can be revoked by Congress through a mere act of legislation. The list  
9 below is not all-inclusive but shows you only the most important territories and possessions:

10 **Table 13: “Bill of PUBLIC Rights” for U.S. territories, possessions, and Indian reservations**

#	Territory/Possession	Legislative “Bill of Rights” Found At
1	Guam	48 U.S.C. §1421b
2	Puerto Rico	48 U.S.C. §737
3	Virgin Islands	48 U.S.C. §1561
4	Indian Reservations	48 U.S.C. §1302 48 U.S.C. §1451

11 Your public servants don’t want you to know or be able to distinguish between PRIVATE and PUBLIC rights and the  
12 circumstances when you exercise each. They want you to believe that all rights attach to your citizenship status or your



domicile so that you falsely believe that they are “PUBLIC privileges” incident to citizenship rather than PRIVATE rights granted by God and which can’t be taken away. They also want to do this in order to bring you within their legislative jurisdiction and tax and pillage your labor and property, because being a “citizen” under federal law implies a domicile within federal jurisdiction and outside of the state you live in. Below is a deceptive definition of “citizen” from Black’s Law Dictionary to prove our point:

*“**citizen**. One who, under the [Constitution](#) and laws of the [United States](#), or of a particular state, is a member of the political community, **owing allegiance and being entitled to the enjoyment of full civil rights**. All persons born or naturalized in the United States, and subject to the jurisdiction thereof, are citizens of the United States and of the state wherein they reside. [U.S. Const., 14th Amend.](#) See [Citizenship](#).*

*“Citizens” are members of a political community who, in their associated capacity, have established or submitted themselves to the dominion of a government for the promotion of their general welfare and the protection of their individual as well as collective rights. Herriott v. City of Seattle, 81 Wash.2d. 48, 500 P.2d. 101, 109.*

[ . . . ]

*Under diversity statute [28 U.S.C. §1332], which mirrors [U.S. Const, Article III](#)’s diversity clause, a person is a “citizen of a state” if he or she is a citizen of the United States and a domiciliary of a state of the United States. [Gibbons v. Udaras na Gaeltachta, D.C.N.Y., 549 F.Supp. 1094, 1116.](#)  
[Black’s Law Dictionary, Sixth Edition, p. 244]*

Notice in the above:

1. Phrase “..and laws of the United States”. This means the thing described is a STATUTORY citizen. A Constitutional citizen would not be subject to the “laws of the United States” but would be subject to the common law and protected by the Constitution.
2. The phrase “are members of a political community who, in their associated capacity, have established or submitted themselves to the dominion of a government”. The only way you can do that is to choose a domicile in that place because domicile is a prerequisite to either voting or serving as a jurist. Nonresidents aren’t allowed to do either.

The term “civil rights” as used above is therefore NOT equivalent to “civil liberties” as used earlier, even though Black’s Law Dictionary tries to confuse the two. Civil rights are PUBLIC PRIVILEGES granted by statute. Civil liberties are NOT and are PRIVATE. Notice that they didn’t mention who *else*, other than “citizens”, enjoys “full civil rights”, because they want to create a false presumption that all rights derive from citizenship as “entitlements” or “privileges”. We show above, however, that civil liberties originate exclusively from the Bill of Rights in the Federal Constitution.

Notice that none of the Amendments that form the Bill of Rights mention anything about a requirement for “citizenship”. The cites below help drive home our point to show that EVERYONE, whether “citizen” or “alien” (called “resident” in law) is entitled to “civil liberties” under the law”.

*“The very essence of civil liberty certainly consists in the right of every individual [not **citizen**, but individual] to claim the protection of the laws, whenever he receives an injury. One of the first duties of government is to afford that protection.”  
[[Marbury v. Madison](#), 5 U.S. 137, 1 Cranch 137, 2 L.Ed. 60 (1803)]*

*“Is any one of the rights secured to the individual by the Fifth or by the Sixth Amendment any more a privilege or immunity of a citizen of the United States than are those secured by the Seventh? **In none are they privileges or immunities granted and belonging to the individual as a citizen of the United States, but they are secured to all persons as against the Federal government, entirely irrespective of such citizenship.** As the individual does not enjoy them as a privilege of citizenship of the United States, therefore, when the Fourteenth Amendment prohibits the abridgment by the states of those privileges or immunities which he enjoys as such citizen, it is not correct or reasonable to say that it covers and extends to [176 U.S. 581, 596] certain rights which he does not enjoy by reason of his citizenship, but simply because those rights exist in favor of all individuals as against Federal governmental powers.”  
[[Maxwell v. Dow](#), 176 U.S. 581 (1900)]*

*“In [Truax v. Raich](#), *supra*, the people of the state of Arizona adopted an act, entitled ‘An act to protect the [\[271 U.S. 500, 528\]](#) citizens of the United States in their employment against noncitizens of the United States,’ and*

provided that an employer of more than five workers at any one time in that state should not employ less than 80 per cent. qualified electors or native-born citizens, and that any employer who did so should be subject upon conviction to the payment of a fine and imprisonment. **It was held that such a law denied aliens an opportunity of earning a livelihood and deprived them of their liberty without due process of law, and denied them the equal protection of the laws. As against the Chinese merchants of the Philippines, we think the present law which deprives them of something indispensable to the carrying on of their business, and is obviously intended chiefly to affect them as distinguished from the rest of the community, is a denial to them of the equal protection of the laws."**

[Yu Cong Eng v. Trinidad, 271 U.S. 500 (1926)]

The alien retains immunities from burdens which the citizen must shoulder. By withholding his allegiance from the United States, he leaves outstanding a foreign [342 U.S. 586] call on his loyalties which international law not only permits our Government to recognize, but commands it to respect. In deference to it, certain dispensations from conscription for any military service have been granted foreign nationals. **They cannot, consistently with our international commitments, be compelled "to take part in the operations of war directed against their own country."** In addition to such general immunities they may enjoy particular treaty privileges.

**Under our law, the alien in several respects stands on an equal footing with citizens, but, in others, has never been conceded legal parity with the citizen. Most importantly, to protract this ambiguous status within the country is not his right, but is a matter of permission and [342 U.S. 587] tolerance. The Government's power to terminate its hospitality has been asserted and sustained by this Court since the question first arose.** [Harisiades v. Shaughnessy, 342 U.S. 580 (1952)]

"Civil rights", on the other hand, are only available to domiciled statutory citizens and residents. The term "inhabitant" is a person domiciled in a particular place. This is confirmed by the content of Federal Rule of Civil Procedure 17, which says that the capacity to sue or be sued is determined by the law of the domicile of the party.

**"RIGHT: ...Civil rights are such as belong to every citizen of the state or country, or, in a wider sense, to all its inhabitants, and are not connected with the organization or administration of the government."** [Black's Law Dictionary, Fourth Edition, 1968, pp. 1486-1488]

IV. PARTIES > Rule 17.

Rule 17. Parties Plaintiff and Defendant; Capacity

(b) Capacity to Sue or be Sued.

**Capacity to sue or be sued is determined as follows:**

**(1) for an individual who is not acting in a representative capacity, by the law of the individual's domicile;**  
**(2) for a corporation [the "United States", in this case, or its officers on official duty representing the corporation], by the law under which it was organized [laws of the District of Columbia]; and**

**(3) for all other parties, by the law of the state where the court is located, except that:**

(A) a partnership or other unincorporated association with no such capacity under that state's law may sue or be sued in its common name to enforce a substantive right existing under the United States Constitution or laws; and

(B) 28 U.S.C. §§754 and 959(a) govern the capacity of a receiver appointed by a United States court to sue or be sued in a United States court.

[SOURCE: <http://www.law.cornell.edu/rules/frcp/Rule17.htm>]

The reason that EVERYONE is entitled to civil liberties, including "aliens", is because our Constitution is based on the concept of "equal protection of the laws". Equal protection is mandated in states of the Union by Section 1 of the Fourteenth Amendment. Here is what the Supreme Court says on the requirement for "equal protection":

"The equal protection demanded by the fourteenth amendment forbids this. No language is more worthy of frequent and thoughtful consideration than these words of Mr. Justice Matthews, speaking for this court, in Yick Wo v. Hopkins, 118 U.S. 356, 369, 6 S.Sup.Ct. 1064, 1071: 'When we consider the nature and the theory of our institutions of government, the principles upon which they are supposed to rest, and review the history of their development, we are constrained to conclude that they do not mean to leave room for the play and action of purely personal and arbitrary power.' The first official action of this nation declared the foundation of government in these words: 'We hold these truths to be self-evident, [165 U.S. 150, 160] that all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness.' While such declaration of principles may not have the force of organic law, or be made the basis of judicial decision as to the limits of right and duty, and while in all cases reference must be had to the organic law of the nation for such limits, yet the latter is but the body and the letter of which the former is the thought and the spirit, and it is always safe to read the letter of the constitution in the spirit of the Declaration of

1 *Independence. No duty rests more imperatively upon the courts than the enforcement of those constitutional*  
2 *provisions intended to secure that equality of rights which is the foundation of free government.*  
3 *[Gulf, C. & S.F.R. Co. v. Ellis, 165 U.S. 150 (1897) ]*

4 Equal protection means that EVERYONE, whether they are a “citizen” or an “alien” (which is called a “resident” in the tax  
5 code) or “non-resident non-person”, is entitled to the SAME civil liberties but NOT necessarily the same “civil PUBLIC  
6 rights”.

7 On the other hand, not all People have the same “political rights”. Only “citizens” can vote and serve on jury duty while  
8 aliens are excluded from these functions in most states. The reason is that only citizens claim “allegiance” to the political  
9 body and therefore only they are likely to exercise their political rights in such a way that will preserve, defend, and protect  
10 the existing governmental system and the rights of their fellow men. Chaos would result if aliens could come into a country  
11 who are intent on destroying the country and then exercise sovereign powers of voting and jury service in such a way as to  
12 disrespect the law and destroy the existing civil order.

#### 13 **4.9 Why we MUST know and assert our rights and can’t depend on anyone to help us**

14 All rights come not from the government, from a judge, or any law, but from God, our Creator alone, just as the Declaration  
15 of Independence says. Since rights don’t come from any man, but from God, then it’s vain and foolish to ask any earthly  
16 man what your rights are. To remain free, we must know what rights are instinctively and be willing to literally fight for  
17 them at all times. It’s not only impossible, but illegal for an attorney who practices law to fight for your rights within the  
18 context of a court proceeding. Your attorney cannot claim or exercise any of the rights God gave you while he is representing  
19 you in any court proceeding. For further details on this, read our article below:

*Why You Don’t Want an Attorney*, Family Guardian Fellowship  
<http://famguardian.org/Subjects/LawAndGovt/Articles/WhyYouDontWantAnAttv/WhyYouDon'tWantAnAttorney.htm>

20 An attorney cannot assert any of your rights on your behalf. Only YOU, the sovereign, can. Below is a very good explanation  
21 of why we can’t be free and at the same time allow an attorney to represent us in court. The quote below is extracted from a  
22 federal court decision:

23 *“The privilege against self-incrimination [Fifth Amendment] is neither accorded to the passive resistant, nor the*  
24 *person who is ignorant of their rights, nor to one who is indifferent thereto. It is a fighting clause. Its benefits*  
25 *can be retained only by sustained combat. It cannot be claimed by an attorney or solicitor. It is only valid*  
26 *when insisted upon by a belligerent claimant in person.”*  
27 *[U.S. v. Johnson, 76 F.Supp. 538 (1947), Emphasis added]*

28 Please notice the boldfaced and underlined words the court used in the above quote! What human endeavor are these words  
29 normally used in connection with? WAR! Freedom is not for the timid, but for the brave. That is why they call America  
30 “Land of the Free and Home of the Brave!”. If you want to stay free, then you must be willing to fight with anyone and  
31 everyone who tries to take away that freedom, and especially with tyrannical public servants.

32 *Rights [read Liberties] are always demanded!*

33 Also note in the quote above that what the court above called a “privilege” is really structured in the Bill of Rights as a  
34 “Liberty” or restraint on government! Who is afforded “civil rights”? One who knows them and demands them! Our pledge  
35 of allegiance says “with liberty and justice for ALL”. If you are going to stay free, then you must help everyone to stay free.  
36 A chain is only as strong as its weakest link. The weakest link is the most helpless, ignorant, and defenseless members of  
37 society. We can only remain free so long as we are willing to donate our effort and money to defending the weakest members  
38 of society from government abuse. If we only protect our rights and don’t help our neighbor defend his, then the tyrants in  
39 government will isolate, divide, and eventually conquer and enslave everyone.

#### 40 **4.10 Why you shouldn’t cite federal statutes (PUBLIC RIGHTS) as authority for protecting** 41 **your PRIVATE rights**

42 Nearly all federal civil law is a civil franchise that you must volunteer for. This is covered in:

As such:

1. One must be domiciled or resident on federal territory to invoke federal civil statutory law. State citizens domiciled in constitutional states of the Union do NOT satisfy this criteria.
2. One must consent to the statutory “citizen” or “resident” franchise by describing themselves as such on government forms.
3. If you are a state citizen domiciled in a constitutional state of the Union and you cite federal statutory law as authority for an injury, then indirectly you are:
  - 3.1. Misrepresenting your status as a statutory “citizen of the United States” under federal law.
  - 3.2. Conferring civil jurisdiction to a federal court that they would not otherwise lawfully have.
  - 3.3. Waiving sovereign immunity under 28 U.S.C. Chapter 97, section 28 U.S.C. §1603(b)(3).

There are exceptions to the above, but they are rare. Any enactment of Congress that implements a constitutional provision, for instance, would be an exception. For instance, the civil rights found mainly in Title 42, Chapter 21 entitled “Civil Rights” implement the Fourteenth Amendment. They do not CREATE “privileges” or “rights”, but rather enforce them as authorized by the Fourteenth Amendment, Section 5. This is revealed in the following document:

The most often cited statute within Chapter 21 is 42 U.S.C. §1983. To wit:

TITLE 42 > CHAPTER 21 > SUBCHAPTER I > Sec. 1983.  
Sec. 1983. - Civil action for deprivation of rights

**Every person** [not “man” or “woman”, but “person”] who, under color of any statute, ordinance, regulation, custom, or usage, **of any State or Territory or the District of Columbia**, subjects, or causes to be subjected, any citizen of the United States or other person within the jurisdiction thereof to the deprivation of any rights, privileges, or immunities secured by the Constitution and laws, shall be liable to the party injured in an action at law, suit in equity, or other proper proceeding for redress, except that in any action brought against a judicial officer for an act or omission taken in such officer's judicial capacity, injunctive relief shall not be granted unless a declaratory decree was violated or declaratory relief was unavailable. For the purposes of this section, any Act of Congress applicable exclusively to the District of Columbia shall be considered to be a statute of the District of Columbia

The first thing to notice about the above, is that they use the word “person” instead of “man or woman”. This “person” is a CONSTITUTIONAL person described in the Fourteenth Amendment, not a STATUTORY “person” domiciled or resident on federal territory and subject to the GENERAL jurisdiction of the national government. The phrase “within the jurisdiction” above means the SUBJECT MATTER jurisdiction and not the GENERAL jurisdiction. How do we know this? Because:

1. They mention the laws of a State or territory or the District of Columbia RATHER than those of the national government.
2. The statute may ONLY be enforced against officers of constitutional states depriving those under their protection of their constitutionally guaranteed rights. It may NOT be enforced against ANY private person.

*"Title 42, § 1983 of the U.S. Code provides a mechanism for seeking redress for an alleged deprivation of a litigant's federal constitutional and federal statutory rights by persons acting under color of state law."*  
[Section 1983 Litigation, Litigation Tool #08.008, p. 1;  
FORMS PAGE: <http://sedm.org/Litigation/LitIndex.htm>]

On the opposite end of the spectrum, we have civil franchises such as Social Security, Medicare, marriage licenses, driver licenses, all of which require you to volunteer by filling out an application and using government property before you are treated as a statutory “person”, “taxpayer”, “spouse”, “citizen”, or “resident”. This is covered in:

1 You will find out later that the status of being either a STATUTORY “citizen” or STATUTORY “resident” within a franchise  
2 is not a status you want to have under federal law, because that is how you become a “taxpayer”! They also use the word  
3 “State”, which we know from 4 U.S.C. § 110(d) means a federal State, which is a territory or possession of the United States.  
4 States of the Union do NOT fit this category, folks!

5 A very important aspect of PRIVATE, natural rights is the following fact:

6 “You don’t need stinking federal statutes to protect them!”  
7 [Family Guardian Fellowship]

8 Below is an example of a sovereign Indian tribe that sued a state official under the provisions of 42 U.S.C. § 1983 and yet  
9 tried to assert that it was “sovereign”. The U.S. Supreme Court admitted that it could NOT cite this statute as authority:

10 “The issue pivotal here is whether a tribe [which enjoys “sovereign immunity” from suit] qualifies as a  
11 claimant -- a “person within the jurisdiction” of the United States -- under § 1983.” [5] The United States  
12 maintains it does not, invoking the Court’s “longstanding interpretive presumption that ‘person’ does not include  
13 the sovereign,” a presumption that “may be disregarded only upon some affirmative showing of statutory intent  
14 to the contrary.” Brief for United States as Amicus Curiae 7-8 (quoting Vermont Agency of Natural Resources v.  
15 United States ex rel. Stevens, 529 U.S. 765, 780-781 (2000)); see Will, 491 U.S. at 64. Nothing in the text,  
16 purpose, or history of § 1983, the Government contends, overcomes the interpretive presumption [538 U.S. 710]  
17 that “‘person’ does not include the sovereign.” Brief for United States as Amicus Curiae 7-8 (some internal  
18 quotation marks omitted). Furthermore, the Government urges, given the Court’s decision that “person” excludes  
19 sovereigns as defendants under § 1983, it would be anomalous for the Court to give the same word a different  
20 meaning when it appears later in the same sentence. Id. at 8; see Brown v. Gardner, 513 U.S. 115, 118 (1994)  
21 (the “presumption that a given term is used to mean the same thing throughout a statute” is “surely at its most  
22 vigorous when a term is repeated within a given sentence”); cf. Lafayette v. Louisiana Power & Light Co., 435  
23 U.S. 389, 397 (1978) (because municipalities are “persons” entitled to sue under the antitrust laws, they are also,  
24 in principle, “persons” capable of being sued under those laws).

25 The Tribe responds that Congress intended § 1983 “to provide a powerful civil remedy against all forms of  
26 official violation of federally protected rights.” Brief for Respondents 45 (quoting Monell v. New York City Dept.  
27 of Social Servs., 436 U.S. 658, 700-701 (1978)). To achieve that remedial purpose, the Tribe maintains, § 1983  
28 should be “broadly construed.” Brief for Respondents 45 (citing Monell, 436 U.S. at 684-685) (internal quotation  
29 marks omitted). Indian tribes, the Tribe here asserts, “have been especially vulnerable to infringement of their  
30 federally protected rights by states.” Brief for Respondents 42 (citing, inter alia, The Kansas Indians, 5 Wall.  
31 737 (1867) (state taxation of tribal lands); Minnesota v. Mille Lacs Band of Chippewa Indians, 526 U.S. 172  
32 (1999) (state infringement on tribal rights to hunt, fish, and gather on ceded lands); Mississippi Band of Choctaw  
33 Indians v. Holyfield, 490 U.S. 30 (1989) (tribal jurisdiction over Indian child custody proceedings); California v.  
34 Cabazon Band of Mission Indians, 480 U.S. 202 (1987) (state attempt to regulate gambling on tribal land)). To  
35 guard against such infringements, the Tribe contends, the [538 U.S. 711] Court should read § 1983 to encompass  
36 suits brought by Indian tribes.

37 As we have recognized in other contexts, qualification of a sovereign as a “person” who may maintain a particular  
38 claim for relief depends not “upon a bare analysis of the word ‘person,’” Pfizer Inc. v. Government of India, 434  
39 U.S. 308, 317 (1978), but on the “legislative environment” in which the word appears. Georgia v. Evans, 316  
40 U.S. 159, 161 (1942). Thus, in Georgia, the Court held that a State, as purchaser of asphalt shipped in interstate  
41 commerce, qualified as a “person” entitled to seek redress under the Sherman Act for restraint of trade. Id. at  
42 160-163. Similarly, in Pfizer, the Court held that a foreign nation, as purchaser of antibiotics, ranked as a  
43 “person” qualified to sue pharmaceuticals manufacturers under our antitrust laws. Pfizer, 434 U.S. at 309-320;  
44 cf. Stevens, 529 U.S. at 787, and n. 18 (deciding States are not “person[s]” subject to qui tam liability under the  
45 False Claims Act, but leaving open the question whether they “can be ‘persons’ for purposes of commencing an  
46 FCA qui tam action” (emphasis deleted)); United States v. Cleveland Indians Baseball Co., 532 U.S. 200, 213  
47 (2001) (“Although we generally presume that identical words used in different parts of the same act are intended  
48 to have the same meaning, the presumption is not rigid, and the meaning of the same words well may vary to meet  
49 the purposes of the law.” (internal quotation marks, brackets, and citations omitted)).

50 There is in this case no allegation that the County lacked probable cause or that the warrant was otherwise  
51 defective. It is only by virtue of the Tribe’s asserted “sovereign” status that it claims immunity from the County’s  
52 processes. See App. 97-105, ¶¶ 1-25, 108-110, ¶¶ 33-39; 291 F.3d. at 554 (Court of Appeals “find[s] that the  
53 County and its agents violated the Tribe’s sovereign immunity when they obtained and executed a search warrant  
54 against the Tribe and tribal [538 U.S. 712] property.” (emphasis added)). Section 1983 was designed to secure  
55 private rights against government encroachment, see Will, 491 U.S. at 66, not to advance a sovereign’s  
56 prerogative to withhold evidence relevant to a criminal investigation. For example, as the County acknowledges,  
57 a tribal member complaining of a Fourth Amendment violation would be a “person” qualified to sue under §  
58 1983. See Brief for Petitioners 20, n. 7. But like other private persons, that member would have no right to  
59 immunity from an appropriately executed search warrant based on probable cause. Accordingly, we hold that  
60 the [sovereign] Tribe may not sue under § 1983 to vindicate the sovereign right it here claims. {6}  
61 [Inyo County, California v. Paiute Shoshone Indians, 538 U.S. 701 (2003)]



State courts are the only appropriate forum in which to litigate to protect your rights if you live in a state of the Union and not on federal property. The Supreme Court confirmed this when it said:

*"It would be the vainest show of learning to attempt to prove by citations of authority, that up to the adoption of the recent Amendments [the Thirteenth and Fourteenth Amendment], no claim or pretense was set up that those rights depended on the Federal government for their existence or protection, beyond the very few express limitations which the Federal Constitution imposed upon the states—such as the prohibition against ex post facto laws, bill of attainder, and laws impairing the obligation of contracts. **But with the exception of these and a few other restrictions, the entire domain of the privileges and immunities of citizens of the states, as above defined, lay within the constitutional and legislative power of the states, and without that of the Federal government. Was it the purpose of the 14<sup>th</sup> Amendment, by the simple declaration that no state should make or enforce any law which shall abridge the privileges and immunities of citizens of the United States, to transfer the security and protection of all the civil rights which we have mentioned, from the states to the Federal government?** And where it is declared that Congress shall have the power to enforce that article, was it intended to bring within the power of Congress the entire domain of civil rights heretofore belonging exclusively to the states?"*

**We are convinced that no such result was intended by the Congress which proposed these amendments, nor by the legislatures of the states, which ratified them.**

**Having shown that the privileges and immunities relied on in the argument are those which belong to citizens of the states as such, and that they are left to the state governments for security and protection, and not by this article placed under the special care of the Federal government, we may hold ourselves excused from defining the privileges and immunities of citizens of the United States which no state can abridge, until some case involving those privileges may make it necessary to do so."**  
[Slaughter-House Cases, 83 U.S. (16 Wall.) 36, 21 L.Ed. 394 (1873) , emphasis added]

When properly litigated in a state court, the only authority necessary for the defense of rights is the Constitution itself and proof of your domicile in a state of the Union and not on federal property. The Supreme Court alluded to this fact when it stated:

*"The government of the United States has been emphatically termed a government of laws, and not of men. **It will certainly cease to deserve that high appellation, if the laws furnish no remedy for the violation of a vested legal right.**"*  
[Marbury v. Madison, 5 U.S. 137, 1 Cranch 137, 2 L.Ed. 60 (1803)]

Those citing EXCLUSIVELY the constitution do not NEED federal statutes, as held by the U.S. Supreme Court:

*The design of the Fourteenth Amendment has proved significant also in maintaining the traditional separation of powers 524\*524 between Congress and the Judiciary. **The first eight Amendments to the Constitution set forth self-executing prohibitions on governmental action, and this Court has had primary authority to interpret those prohibitions.** The Bingham draft, some thought, departed from that tradition by vesting in Congress primary power to interpret and elaborate on the meaning of the new Amendment through legislation. Under it, "Congress, and not the courts, was to judge whether or not any of the privileges or immunities were not secured to citizens in the several States." Flack, *supra*, at 64. While this separation-of-powers aspect did not occasion the widespread resistance which was caused by the proposal's threat to the federal balance, it nonetheless attracted the attention of various Members. See Cong. Globe, 39th Cong., 1st Sess., at 1064 (statement of Rep. Hale) (noting that Bill of Rights, unlike the Bingham proposal, **"provide[s] safeguards to be enforced by the courts, and not to be exercised by the Legislature"**); *id.*, at App. 133 (statement of Rep. Rogers) (prior to Bingham proposal it "was left entirely for the courts . . . to enforce the privileges and immunities of the citizens"). As enacted, the Fourteenth Amendment confers substantive rights against the States which, like the provisions of the Bill of Rights, are self-executing. Cf. South Carolina v. Katzenbach, 383 U. S., at 325 (discussing Fifteenth Amendment). The power to interpret the Constitution in a case or controversy remains in the Judiciary.  
[City of Boerne v. Flores, 521 U.S. 507 (1997)]*

Nearly all federal statutes dealing with the protection of so-called "rights" exist for the following reasons. And by "rights" we really mean franchise privileges:

1. They only apply within federal jurisdiction and on federal land, where the Bill of Rights do not apply and where federal jurisdiction is exclusive and plenary. See *Downes v. Bidwell*, 182 U.S. 244 (1901). These statutes are therefore meant as a substitute for the Bill of Rights that only applies in federal areas.
2. They are intended to be used by "persons" domiciled on federal territory wherever situated and may only be invoked by nonresident parties where a specific extraterritorial subject matter issue enumerated in the Constitution is involved, such as interstate commerce.
3. The result of persons citing federal statutes who are domiciled in Constitutional states of the Union is that these people basically are volunteering or "electing" to become "resident" parties and/or "taxpayers" for the purposes of the dispute.

Keep in mind that if you are a Constitutional and not statutory "citizen", then making such an election is a CRIME pursuant to [18 U.S.C. §911](#)!

Per Fourteenth Amendment, Section 5, [42 U.S.C. §1981](#), implements the equal protection provisions of said amendment as follows:

[TITLE 42 > CHAPTER 21 > SUBCHAPTER I > Sec. 1981.](#)  
[Sec. 1981. - Equal rights under the law](#)

(a) Statement of equal rights

All persons within the jurisdiction of the United States shall have the same right in every State and Territory to make and enforce contracts, to sue, be parties, give evidence, and to the full and equal benefit of all laws and proceedings for the security of persons and property as is enjoyed by white citizens, shall be subject to like punishment, pains, penalties, taxes, licenses, and exactions of every kind, and to no other.

The whole chapter 21 only applies to people "within the jurisdiction of the United States", which we already said are CONSTITUTIONAL and NOT federal STATUTORY "persons". If you are domiciled within a state of the Union and don't maintain a domicile on federal territory, then that doesn't include you, amigo! By "like", they mean the same "taxes" as "U.S. citizens" pay who were born in federal territories or possessions or the District of Columbia. Notice they put "punishment, pains, penalties, and taxes" in the same sentence because they are all equivalent!

*"A fine is a tax for doing something wrong. A tax is a fine for doing something right."*

Here is some more evidence:

[TITLE 42 > CHAPTER 21 > SUBCHAPTER IX > §2000h-4](#)  
[§2000h-4. Construction of provisions not to exclude operation of State laws and not to invalidate consistent State laws](#)

*Nothing contained in any title of this Act shall be construed as indicating an intent on the part of Congress to occupy the field in which any such title operates to the exclusion of State laws on the same subject matter, nor shall any provision of this Act be construed as invalidating any provision of State law unless such provision is inconsistent with any of the purposes of this Act, or any provision thereof.*

It's silly to go to such great lengths to free yourself of federal taxes by spending countless hours reading and studying and applying this book if you are going to turn right around and call on Uncle [Big Brother] to protect you from people in your own state! If you want to be sovereign, you can't depend on Big Brother for anything, because the minute you start doing so, they [the IRS goons in this case] are going to come knocking on your door and ask you to "pay up"! People who are sovereign look out for themselves and don't take handouts or help from anyone, folks!

Lastly, when filling out government forms, it is VERY important to do so in such a way as to PRECLUDE citing or enforcing any federal statute against you. Below is the language we use to do that extracted from one of our forms:

**SECTION 4: DEFINITION OF KEY "WORDS OF ART" ON ALL ATTACHED GOVERNMENT FORMS**

[. . .]

*As a general rule, NONE of the terms used on any government form I submit, have submitted, or will submit imply or may be interpreted as any word or "term" used in any federal or state statute. All such submissions, in fact, are compelled and may be interpreted as prima facie evidence of DURESS. The Submitter is, always has been, and always will be EXCLUSIVELY PRIVATE and therefore beyond the reach of any federal or state statute. He/she does not intend, by submitting any government form, to waive his/her/its sovereignty or sovereign immunity or apply for or accept any government "benefit". Instead, he/she seeks ONLY to recover monies STOLEN from him/her or prevent them from being STOLEN to begin with:*

*"As independent sovereignty, it is State's province and duty to forbid interference by another state or foreign power with status of its own citizens. Roberts v Roberts (1947) 81 C.A.2d. 871, 185 P.2d. 381.*

*"*  
*[Black's Law Dictionary, 4th Ed., p 1300]*

*"Under basic rules of construction, statutory laws enacted by legislative bodies cannot impair rights given under a constitution. 194 B.R. at 925. "*  
*[In re Young, 235 B.R. 666 (Bankr.M.D.Fla., 1999)]*

Below are the definitions I provide of all key “words of art” commonly found on government forms as a SUBSTITUTE for statutory definitions:

[ . . . ]

“All CIVIL statutory terms TO WHICH OBLIGATIONS AND PRIVILEGES attach are limited to territory over which Congress has EXCLUSIVE GENERAL jurisdiction. All of the statutes TO WHICH CIVIL OBLIGATIONS AND PRIVILEGES ATTACH indicated in the statutes (including those in 8 U.S.C. §§1401 and 1408) STOP at the border to federal territory and do not apply within states of the Union. I cannot have a status in a place that I am not civilly domiciled, and especially a status that I do NOT consent to and to which rights and obligations attach. Otherwise, the Declaration of Independence is violated because I am subjected to obligations that I didn't consent to and am a slave. This is proven in:

*Your Exclusive Right to Declare or Establish Your Civil Status, Form #13.008*

DIRECT LINK: <http://sedm.org/Forms/13-SelfFamilyChurchGovnce/RightToDeclStatus.pdf>

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

As the U.S. Supreme Court held, all law is prima facie territorial and confined to the territory of the specific state. The states of the Union are NOT “territory” as defined, and therefore, all of the CIVIL STATUTES found in Title 8 of the U.S. code CONNECTED WITH UNITED STATES TERRITORY AND DOMICILIARIES do not extend into or relate to anyone civilly domiciled in a constitutional state, regardless of what the definition of “United States” is and whether it is GEOGRAPHICAL or GOVERNMENT sense. As held by the U.S. Supreme Court in the License Tax Cases, Congress cannot lawfully offer or extend any federal franchise or the statutes that enforce it into a foreign jurisdiction such as a state of the Union. If it does, it is engaging in a “commercial invasion” in violation of Article 4, Section 4 of the United States Constitution. That is why public offices, which are a franchise, are limited by 4 U.S.C. §72 to being exercised ONLY in the District of Columbia and NOT ELSEWHERE. Furthermore, it is a violation of the legislative intent of the constitution and criminal activity to: 1. Make an ordinary CONSTITUTIONAL and PRIVATE citizen into a PUBLIC officer in the government; 2. Pay PUBLIC monies or “benefits” to ordinary PRIVATE CITIZENS.; 3. Bribe or entice and PRIVATE human to become a PUBLIC OFFICER in exchange for “benefits”. This would eliminate all PRIVATE property and replace a CONSTITUTIONAL government with a gigantic, corporate, SOCIALIST monopoly and employer of EVERYONE in violation of the Sherman Anti-Trust Act.

Any and every attempt by the Recipient or any government actor to associate the Submitter of this form with any statutory civil status found in federal or state statutes is hereby declared to be an act of criminal identity theft as described in the document below. This attachment hereby formally requests any and every government employee who becomes aware of such identity theft to prosecute and report it by every available means or be guilty of misprision of felony and become an accessory after the fact if they don't (18 U.S.C. §§3 and 4):

*Government Identity Theft, Form #05.046*

DIRECT LINK: <http://sedm.org/Forms/05-MemLaw/GovernmentIdentityTheft.pdf>

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

[Tax Form Attachment, Form #04.201, Section 4; SOURCE: <http://sedm.org/Forms/FormIndex.htm>]

Those who are inclined to question the need or propriety for the above type of language are directed to read the following excerpt from a U.S. Attorneys Bulletin used to PROSECUTE tax crimes of so-called “sovereign citizens”, of which we are NOT:

“What evidence refutes a good faith defense will depend on the facts and circumstances of each case. It is often helpful to focus on evidence that shows the defendant knew the law but disregarded it or was simply defying it. For instance, evidence that the defendant received proper advice from a CPA or tax preparer, or that the defendant failed to consult legitimate sources about his or her understanding of the tax laws can be helpful. To refute claims that wages are not income, that the defendant did not understand the meaning of “wages,” or that the defendant is a state citizen but not a citizen of the United States, look for loan applications during the prosecution period. Tax defiers and sovereign citizens never seem to have a problem understanding the definition of income on a loan application. They also do not hesitate to check the “yes” box to the question “are you a U.S. citizen.” Any evidence that the defendant accepted Government benefits, such as unemployment, Medicare, social security, or the Alaska Permanent Fund Dividend will also be helpful to refute the defendant's claims that he or she is not a citizen subject to federal laws.”

[Prosecuting Tax Defier and Sovereign Citizen Cases—Frequently Asked Questions, U.S. Attorneys Bulletin, Volume 61, No. 2, March 2013, p. 48;

SOURCE: <http://famguardian.org/Publications/USAttyBulletins/usab6102.pdf>]

#### **4.11 Enumeration of inalienable PRIVATE rights**

As we said in the previous sections, you must know your rights before you have any! A sovereign who is not subject to federal statutory law cannot cite that law in his defense, and can only defend himself by litigating in defense of his

1 Constitutional and natural rights. He must do so in equity and not law, and proceed against the perpetrator as a private  
2 individual.

3 There is no single place we have found which even attempts to enumerate all of these rights or “protected liberty interests”.  
4 You won’t find them listed in any statute or legislative act or legal reference book. The only source we have found which  
5 identifies them is mainly rulings of the U.S. Supreme Court and state Supreme Courts. The following subsections constitute  
6 a summary of these rights, provided for ready reference in order to save you the MUCHO research time we had to devote in  
7 producing it:

1 **Table 14: Enumeration of Rights**

#	Description	Law(s)	Case or other authorities
<b>1</b>	<b>ASSOCIATION AND RELIGION</b>		
1.1	Right to associate	<a href="#">First Amendment</a>	
1.2	Right to be left alone		Olmstead v. United States, <a href="#">277 U.S. 438, 478</a> (1928) (Brandeis, J., dissenting) Washington v. Harper, <a href="#">494 U.S. 210</a> (1990)
1.3	Freedom from compelled association	<a href="#">First Amendment</a>	American Jurisprudence 2d., Constitutional law, §546: Forced and Prohibited Associations (1999) Rutan v. Republican Party of Illinois, 497 U.S. 62, 110 S.Ct. 2729, 111 L.Ed.2d. 52, 5 I.E.R. Cas. (BNA) 673 (1990)
1.4	Right to practice religion	<a href="#">First Amendment</a>	O'Lone v. Estate of Shabazz, <a href="#">482 U.S. 342</a> (1987) (for prisoners)
1.5	Collective activity to obtain meaningful access to the courts is a fundamental right within the protections of the First Amendment	<a href="#">First Amendment</a>	Roberts v. United States Jaycees, <a href="#">468 U.S. 609</a> (1984) In re Primus, <a href="#">436 U.S. 412</a> , 426 (1978) NAACP v. Button, <a href="#">371 U.S. 415</a> , at 429-430 (1963)
1.6	Right to be free from compulsion by state to join a labor union involved in ideological activities		Aboud v. Detroit Board of Education, <a href="#">431 U.S. 209</a> , 236 (1977) Roberts v. United States Jaycees, <a href="#">468 U.S. 609</a> (1984)
<b>2</b>	<b>SPEECH</b>		
2.1	Right to speak	<a href="#">First Amendment</a>	Thornburgh v. Abbott, <a href="#">490 U.S. 401</a> , 407 (1989) (for prisoners)
2.2	Right to not speak or remain silent	<a href="#">First Amendment</a>	Wooley v. Maynard, <a href="#">430 U.S. 705</a> , 97 S.Ct. 1428, 51 L.Ed.2d. 752 (1977) Miranda v. Arizona, <a href="#">384 U.S. 436</a> (1966) Aboud v. Detroit Bd. of Ed., <a href="#">431 U.S. 209</a> , 97 S.Ct. 1782, 52 L.Ed.2d. 261 (1977) Malloy v. Hogan, <a href="#">378 U.S. 1</a> (1964) (direct compulsion to testify) Griffin v. California, <a href="#">380 U.S. 609</a> , 613-614 (1965) (indirect compulsion to testify prohibited) McCune v. Lile, <a href="#">536 U.S. 24</a> (2002) ("we have construed the text to prohibit not only direct orders to testify, but also indirect compulsion effected by comments on a defendant's refusal to take the stand")
2.3	Right of freedom from prior restraints on speech		Southeastern Promotions, Ltd. V. Conrad, <a href="#">420 U.S. 546</a> , 558-559 (1975)
2.4	Right to remain anonymous when speaking		Macintyre v. Ohio Elections Commission, <a href="#">514 U.S. 334</a> (1995) Talley v. California, <a href="#">362 U.S. 60</a> (1960)
2.5	Right to not be penalized based on failure to testify		Uniformed Sanitation Men Assn., Inc. v. Commissioner of Sanitation of City of New York, <a href="#">392 U.S. 280</a> , 284-285 (1968) Lefkowitz v. Turley, <a href="#">414 U.S. 70</a> , 77-79 (1973) Lefkowitz v. Cunningham, <a href="#">431 U.S. 801</a> , 804-806 (1977) McKune v. Lile, <a href="#">536 U.S. 24</a> , 35 (2002)
2.6	Right to not be compelled to give testimony in a civil proceeding		McCarthy v. Armdstein, 266 U.S. 34, 40 (1924)
2.7	Right to demand grant of witness immunity prior to any testimony		Kastigar v. United States, <a href="#">406 U.S. 441</a> , 446-447 (1972)
<b>3</b>	<b>DEFENSE AND SELF-DEFENSE</b>		
3.1	Right to bear arms	<a href="#">Second Amendment</a>	See also: <a href="http://famguardian.org/Subjects/GunControl/Research/CourtDecisions/court.htm">http://famguardian.org/Subjects/GunControl/Research/CourtDecisions/court.htm</a>
3.2	Right to not quarter soldiers in your house	<a href="#">Third Amendment</a>	
3.3	Right to self-defense (when life threatened)		Beard v. U.S., <a href="#">158 U.S. 550</a> (1895)
<b>4</b>	<b>FAMILY, SELF, AND HOME</b>		
4.1	Right to marry and divorce		Loving v. Virginia, <a href="#">388 U.S. 1</a> (1967) (for everyone) Turner v. Safley, <a href="#">482 U.S. 78</a> (1987) (for prisoners)
4.2	Right to procreate		Skinner v. Oklahoma ex rel. Williamson, <a href="#">316 U.S. 535</a> (1942)



4.3	Right to establish a home and bring up children		Troxel v. Granville, <a href="#">530 U.S. 57</a> (2000) ("we held that the "liberty" protected by the Due Process Clause includes the right of parents to "establish a home and bring up children" and "to control the education of their own." ) Meyer v. Nebraska, <a href="#">262 U.S. 390</a> , 399, 401 (1923) (establish a home and bring up children) Pierce v. Society of Sisters, <a href="#">268 U.S. 510</a> , 534-535 (1925) (held that the "liberty of parents and guardians" includes the right "to direct the upbringing and education of children under their control.")
4.4	Right to make decisions about the care, custody, and upbringing of one's children		Stanley v. Illinois, <a href="#">405 U.S. 645</a> , 651 (1972) ("It is plain that the interest of a parent in the companionship, care, custody, and management of his or her children `come[s] to this Court with a momentum for respect lacking when appeal is made to liberties which derive merely from shifting economic arrangements'" (citation omitted)); Wisconsin v. Yoder, <a href="#">406 U.S. 205</a> , 232 (1972) ("The history and culture of Western civilization reflect a strong tradition of parental concern for the nurture and upbringing of their children. This primary role of the parents in the upbringing of their children is now established beyond debate as an enduring American tradition"); Quilloin v. Walcott, <a href="#">434 U.S. 246</a> , 255 (1978) ("We have recognized on numerous occasions that the relationship between parent and child is constitutionally protected"); Parham v. J. R., <a href="#">442 U.S. 584</a> , 602 (1979) ("Our jurisprudence historically has reflected Western civilization concepts of the family as a unit with broad parental authority over minor children. Our cases have consistently followed that course"); Santosky v. Kramer, <a href="#">455 U.S. 745</a> , 753 (1982) (discussing "[t]he fundamental liberty interest of natural parents in the care, custody, and management of their child"); Washington v. Glucksberg, <a href="#">521 U.S. 702</a> , at 720 (1997) ("In a long line of cases, we have held that, in addition to the specific freedoms protected by the Bill of Rights, the `liberty' specially protected by the Due Process Clause includes the righ[t] . . . to direct the education and upbringing of one's children" (citing Meyer and Pierce)) Troxel v. Granville, <a href="#">530 U.S. 57</a> (2000)
4.5	Right to use contraceptives		Griswold v. Connecticut, <a href="#">381 U.S. 479</a> (1965) Eisenstadt v. Baird, <a href="#">405 U.S. 438</a> (1972)
4.6	Right to contract	<a href="#">Constitution, Art. 1, Section 10</a> (in relation to states) <a href="#">42 U.S.C. §1981(b)</a>	Sinking Fund Cases, <a href="#">99 U.S. 700</a> (1878) (in relation to federal government) Standard Oil v. U.S., <a href="#">221 U.S. 1</a> (1910). (noting "the freedom of the individual right to contract when not unduly or improperly exercised [is] the most efficient means for the prevention of monopoly")
4.7	Right to send children to private school		Pierce v. Society of Sisters, <a href="#">268 U.S. 510</a> (1925)
4.8	Right to privacy	<a href="#">Fourth Amendment</a>	
4.9	Freedom from unreasonable searches and seizures	<a href="#">Fourth Amendment</a>	
4.10	Spousal privilege against incrimination of spouse		What to Do When the IRS Comes Knocking, Section 5; <a href="http://famguardian.org/TaxFreedom/Forms/Discovery/WhatToDoWhenTheIRSComesKnocking.pdf">http://famguardian.org/TaxFreedom/Forms/Discovery/WhatToDoWhenTheIRSComesKnocking.pdf</a> Trammel v. United States, <a href="#">445 U.S. 40</a> at 51, 100 S.Ct. at 913 (1980)
4.11	Right to enjoy property		Lynch v. Household Finance Corp., <a href="#">405 U.S. 538</a> (1972)
4.12	Right of equal protection	<a href="#">42 U.S.C. §1981(a)</a> <a href="#">Fourteenth Amendment</a> <a href="#">U.S. Constitution, Article IV, Section 2</a>	Gulf, C. & S.F.R. Co. v. Ellis, <a href="#">165 U.S. 150</a> (1897)
4.13	Right to not be subjected to involuntary servitude or slavery	<a href="#">Thirteenth Amendment</a> <a href="#">42 U.S.C. §1994</a> <a href="#">18 U.S.C. §1589</a> (abuse of legal process)	Plessy v. Ferguson, <a href="#">163 U.S. 537</a> (1896) Clyatt v. United States, <a href="#">197 U.S. 207</a> ; 25 S.Ct. 429; 49 L.Ed. 726 (1905)
4.14	Right to not take anti-psychotic drugs except in presence of compelling state interest		Washington v. Harper, <a href="#">494 U.S. 210</a> (1990) Riggins v. Nevada, <a href="#">504 U.S. 127</a> (1992) Sell v. United States, <a href="#">539 U.S. 166</a> (2003)

4.15	Right to refusal of artificial provision of life-sustaining food and water to hastening one's own death.		Cruzan v. Director, MDH, <a href="#">497 U.S. 261</a> (1990)
4.16	Right to make decisions that will affect one's own or one's family's destiny		Fitzgerald v. Porter Memorial Hospital, 523 F.2d. 716, 719-720 (CA7 1975) (footnotes omitted), cert. denied, <a href="#">425 U.S. 916</a> (1976)
4.17	Right to not be sterilized as a felon		Skinner v. Oklahoma ex rel. Williamson, <a href="#">316 U.S. 535</a> , 541 (1942) (invalidating a statute authorizing sterilization of certain felons).
4.18	Right of inviolability of the person		Union Pacific R. Co. v. Botsford, <a href="#">141 U.S. 250</a> , 251-252 (1891) ("The inviolability of the person" has been held as "sacred" and "carefully guarded" as any common law right.) Downer v. Veilleux, 322 A.2d. 82, 91 (Me.1974) ("The rationale of this rule lies in the fact that every competent adult has the right to forego treatment, or even cure, if it entails what for him are intolerable consequences or risks, however unwise his sense of values may be to others") Cruzan v. Director, MDH, <a href="#">497 U.S. 261</a> (1990)
<b>5</b>	<b>TRAVEL</b>		
5.1	Right to travel		Saenz v. Roe, <a href="#">526 U.S. 489</a> (1999) (thoroughly explains the right) United States v. Guest, <a href="#">383 U.S. 745</a> , 757 (1966) Shapiro v. Thompson, <a href="#">394 U.S. 618</a> (1969)
5.2	Right of freedom from physical restraint		Kansas v. Hendricks, <a href="#">521 U.S. 346</a> (1997) Foucha v. Louisiana, <a href="#">504 U.S. 71</a> , 80 (1992) Ingraham v. Wright, <a href="#">430 U.S. 651</a> , 673-674 (1977) Board of Regents v. Roth, <a href="#">408 U.S. 564</a> , 572 (1972) Jacobson v. Massachusetts, <a href="#">197 U.S. 11</a> , 26 (1905) ("[T]he liberty secured by the Constitution of the United States to every person within its jurisdiction does not [521 U.S. 357] import an absolute right in each person to be at all times and in all circumstances, wholly free from restraint. There are manifold restraints to which every person is necessarily subject for the common good. On any other basis, organized society could not exist with safety to its members.")
5.3	Right to travel to another state to get an abortion		Doe v. Bolton, <a href="#">410 U.S. 179</a> , 200 (1973)
5.4	Right of nonresidents to enter or leave a state		Shapiro v. Thompson, <a href="#">394 U.S. 618</a> , 631 (1969)
5.5	There is <i>no fundamental right</i> to have or to register a car		Williams v. Vermont, <a href="#">472 U.S. 14</a> (1985)
<b>6</b>	<b>DUE PROCESS</b>		
6.1	Right to indictment by Grand Jury, not government	<a href="#">Fifth Amendment</a>	
6.2	Right of freedom from double-jeopardy	<a href="#">Fifth Amendment</a>	
6.3	Right to no incriminate self	<a href="#">Fifth Amendment</a>	
6.4	Right to life, liberty, and property. Cannot be deprived of without due process of law	<a href="#">Fifth Amendment</a>	
6.5	Property may not be taken by state without just compensation	<a href="#">Fifth Amendment</a>	
6.6	Right to not be victimized by warrantless seizures	<a href="#">Fourth Amendment</a>	
6.7	Right to speedy trial in criminal case	<a href="#">Sixth Amendment</a>	
6.8	Right to impartial jury in the district where crime committed	<a href="#">Sixth Amendment</a>	
6.9	Right to be informed of the nature and cause of accusations	<a href="#">Sixth Amendment</a>	
6.10	Right to confront witnesses	<a href="#">Sixth Amendment</a>	
6.11	Right to compel witnesses to testify in your defense	<a href="#">Sixth Amendment</a>	Washington v. Texas, <a href="#">388 U.S. 14</a> (1967)

6.12	Right to assistance of Counsel in Criminal prosecutions	<a href="#">Sixth Amendment</a>	Grosjean v. American Press Co., <a href="#">297 U.S. 233</a> , 243-244 (1936) ("the fundamental right of the accused to the aid of counsel in a criminal prosecution" is "safeguarded against state action by the due process of law clause of the Fourteenth Amendment"). United States v. Cronin, <a href="#">466 U.S. 648</a> , 653 (1984) ("Without counsel, the right to a trial itself would be of little avail") McMann v. Richardson, <a href="#">397 U.S. 759</a> , 771, n. 14 (1970) ("the right to counsel is the right to the effective assistance of counsel.")
6.13	Right of trial by jury	<a href="#">Sixth Amendment</a>	
6.14	Right to be free of cruel or unusual punishment	<a href="#">Eighth Amendment</a>	
6.15	Rights not enumerated in the Constitution are retained by the people	<a href="#">Ninth Amendment</a>	
6.16	Rights not enumerated in the Constitution are retained by the States or the People	<a href="#">Tenth Amendment</a>	
6.17	Right of prisoners of access to court		Lassiter v. Department of Social Servs. Of Durham City, <a href="#">452 U.S. 18</a> (1981) (parental rights) Boddie v. Connecticut, <a href="#">401 U.S. 371</a> (1971) (divorce) Wong Yang Sung v. McGrath, <a href="#">339 U.S. 33</a> , 49-50 (1950) (deportation)
6.18	Right to "reasonable notice" or "due notice" of the laws which one is bound to obey	26 C.F.R. §601.702(a)(2)(ii) (publication in federal register before enforceable) <a href="#">5 U.S.C. §553(b)</a> <a href="#">44 U.S.C. §1505(a), (c) (2)</a>	Holden v. Hardy, <a href="#">169 U.S. 366</a> (1898) ("It is sufficient to say that there are certain immutable principles of justice which inhere in the very idea of free government which no member of the Union may disregard, as that no man shall be condemned in his person or property without due notice and an opportunity of being heard in his own defense.") Powell v. Alabama, <a href="#">287 U.S. 45</a> (1932) ("It never has been doubted by this court, or any other, so far as we know, that notice and hearing are preliminary steps essential to the passing of an enforceable judgment, and that they, together with a legally <i>competent</i> tribunal having jurisdiction of the case, constitute basic elements of the constitutional requirement of due process of law.")
6.19	Right of an indigent defendant to a free transcript in aid of appealing his conviction for violating city ordinances		Griffin v. Illinois, <a href="#">351 U.S. 12</a> (1956)
6.20	Right of freedom from institutional confinement		Schall v. Martin, <a href="#">467 U.S. 253</a> (1984) (children have a protected liberty interest in "freedom from institutional restraints") Reno v. Flores, <a href="#">507 U.S. 292</a> (1993)
6.21	Right to meaningful opportunity to present a defense		Crane v. Kentucky, 476 U.S. 683, 690 (1986) (quoting California v. Trombletta, 467 U.S. 479, 485 (1984)) ("the Constitution guarantees criminal defendants `a meaningful opportunity to present a complete defense.'")
6.22	Right to a fair trial of impartial jurors		Sheppard v. Maxwell, <a href="#">384 U.S. 333</a> at 350-351 (1966) Gentile v. State Bar of Nevada, <a href="#">501 U.S. 1030</a> (1991) Turner v. Louisiana, <a href="#">379 U.S. 466</a> , 473 (1965) (evidence in criminal trial must come solely from witness stand in public courtroom with full evidentiary protections).
6.23	Lawyers enjoy a "broad monopoly" or right to do things that other citizens may not lawfully do		Supreme Court of NH v. Piper, <a href="#">470 U.S. 274</a> (1985) ("Lawyers do enjoy a "broad monopoly . . . to do things other citizens may not lawfully do." In re Griffiths, 413 U.S. 717, GO>731 (1973))
<b>7</b>	<b>POLITICAL RIGHTS</b>		
7.1	Right to vote, regardless of gender	<a href="#">Nineteenth Amendment</a>	
7.2	Right to vote without paying a poll tax	<a href="#">24<sup>th</sup> Amendment</a>	
7.3	Right to vote if 18 or older	<a href="#">26<sup>th</sup> Amendment</a>	
<b>8</b>	<b>EDUCATION</b>		
8.1	Right to teach foreign language in a parochial school		Meyer v. Nebraska, <a href="#">262 U.S. 390</a> (1923)
8.2	Right of free speech in educational settings		Board of education of Westside Community Schools v. Mergens by and Through Mergens, <a href="#">496 U.S. 226</a> (1990) Shelton v. Tucker, <a href="#">364 U.S. 479</a> (1960)

9	STATES RIGHTS		
9.1	Right to NOT spend money on “nontherapeutic abortions for minor adults”		Maher v. Roe, <a href="#">432 U.S. 464</a> (1977) Webster v. Reproductive Health Services, <a href="#">492 U.S. 490</a> , 508-511 (1989)
9.2	Right to <i>not</i> be civilly sued in a federal court by a resident of the state		Alden v. Maine, <a href="#">527 U.S. 706</a> (1999)
9.3	Right of sovereignty in courts of a foreign sovereign when not conducting “commerce” within the legislative jurisdiction of a foreign sovereign	<a href="#">Foreign Sovereign Immunities Act (F.S.I.A.), 28 U.S.C. §§1602-1611</a>	World-Wide Volkswagen v. Woodson, <a href="#">444 U.S. 286</a> (1980)
9.4	Governments or states may violate the Constitutional rights of persons in the context of their employment role as “public officers” (Patronage exception)		Rutan v. Republican Party of Illinois, <a href="#">497 U.S. 62</a> (1990)
9.5	Right to not subsidize the exercise of a fundamental right		Regan v. Taxation with Representation of Wash, <a href="#">461 U.S. 540</a> , at 549 (1983) (“[A] legislature’s decision not to subsidize the exercise of a fundamental right does not infringe the right.”) Buckley v. Valeo, <a href="#">424 U.S. 1</a> (1976) Cammarano v. United States, <a href="#">358 U.S. 498</a> (1959) Harris v. McRae, <a href="#">448 U.S. 297</a> at 317 (1980), n.19. (“A refusal to fund protected activity, without more, cannot be equated with the imposition of a ‘penalty’ on that activity.”)
9.6	Right to search an automobile without a search warrant		California v. Carney, <a href="#">471 U.S. 386</a> (1985) Carroll v. United States, <a href="#">267 U.S. 132</a> (1925)

1

## 5 Hierarchy of Sovereignty: The Power to Create is the Power to Tax and/or Regulate<sup>58</sup>

*"Having thus avowed my disapprobation of the purposes, for which the terms, State and sovereign, are frequently used, and of the object, to which the application of the last of them is almost universally made; it is now proper that I should disclose the meaning, which I assign to both, and the application, [2 U.S. 419, 455] which I make of the latter. **In doing this, I shall have occasion incidentally to evince, how true it is, that States and Governments were made for man; and, at the same time, how true it is, that his creatures and servants have first deceived, next vilified, and, at last, oppressed their master and maker.**"*

*[Justice Wilson, Chisholm v. Georgia, 2 Dall. (2 U.S.) 419, 1 L.Ed. 440, 455 (1793)]*

An important concept for readers to grasp are the following concepts underlying the entire legal field:

1. The creator of a thing is always the owner of the thing.
2. Governments can only tax or regulate that which they create.
3. Government didn't create human beings and therefore can't regulate or tax them UNTIL they volunteer to occupy an office in the government that WAS created by that government. Otherwise, slavery and involuntary servitude in violation of the Thirteenth Amendment will be the result.
4. The regulated or taxed office within the government that a person occupies can only be exercised on federal territory or in all places EXPRESSLY authorized per 4 U.S.C. §72.
5. If the office is exercised OUTSIDE of places not expressly authorized, it is a de facto and unlawful office. This is covered in:

De Facto Government Scam, Form #05.043  
<http://sedm.org/Forms/FormIndex.htm>

6. To prevent people who know the above from avoiding the scam of being taxed or regulated, corrupt governments will try to make their CREATION, which is PUBLIC OFFICE, look similar or identical to things that it didn't create and are PRIVATE. For instance, they will try to make a PRIVATE human and one using a Social Security Number BOTH APPEAR PUBLIC when in fact they are not. This is how they unlawfully convert the PRIVATE property of innocent Americans into PUBLIC property that they can STEAL, tax, and regulate.

Hiding the above mechanisms is obviously a scam, but the only way you will ever escape them is to understand how this mechanism works. That is what we will teach you in this section.

Within American Jurisprudence, the hierarchy of sovereignty requires that **the sequence that things were created and who they were created by establishes the sovereign relations among all things**, including both human beings and artificial creations such as corporations and governments. A summary of the hierarchy is below:

1. God created the people (as individuals).
2. The people (as individual sovereigns) created the state Constitution and the states. The state constitutions divided the state government into three branches: executive, judicial, and legislative.
3. The states created the federal constitution and the federal government. The federal constitution divided the federal government into three branches: executive, judicial, legislative. The states also instituted their own internal franchises, including state corporations and state citizens.
4. The federal government created federal States, corporations, and privileged "U.S. citizen" status through legislation.

The above hierarchy recognizes nine distinct sovereignties which are completely independent of each other in law. These are:

1. God
2. The people (as individuals).
3. The "states" (of the Union). These states create special franchises underneath them, including:
  - 3.1. State citizenship
  - 3.2. State corporations

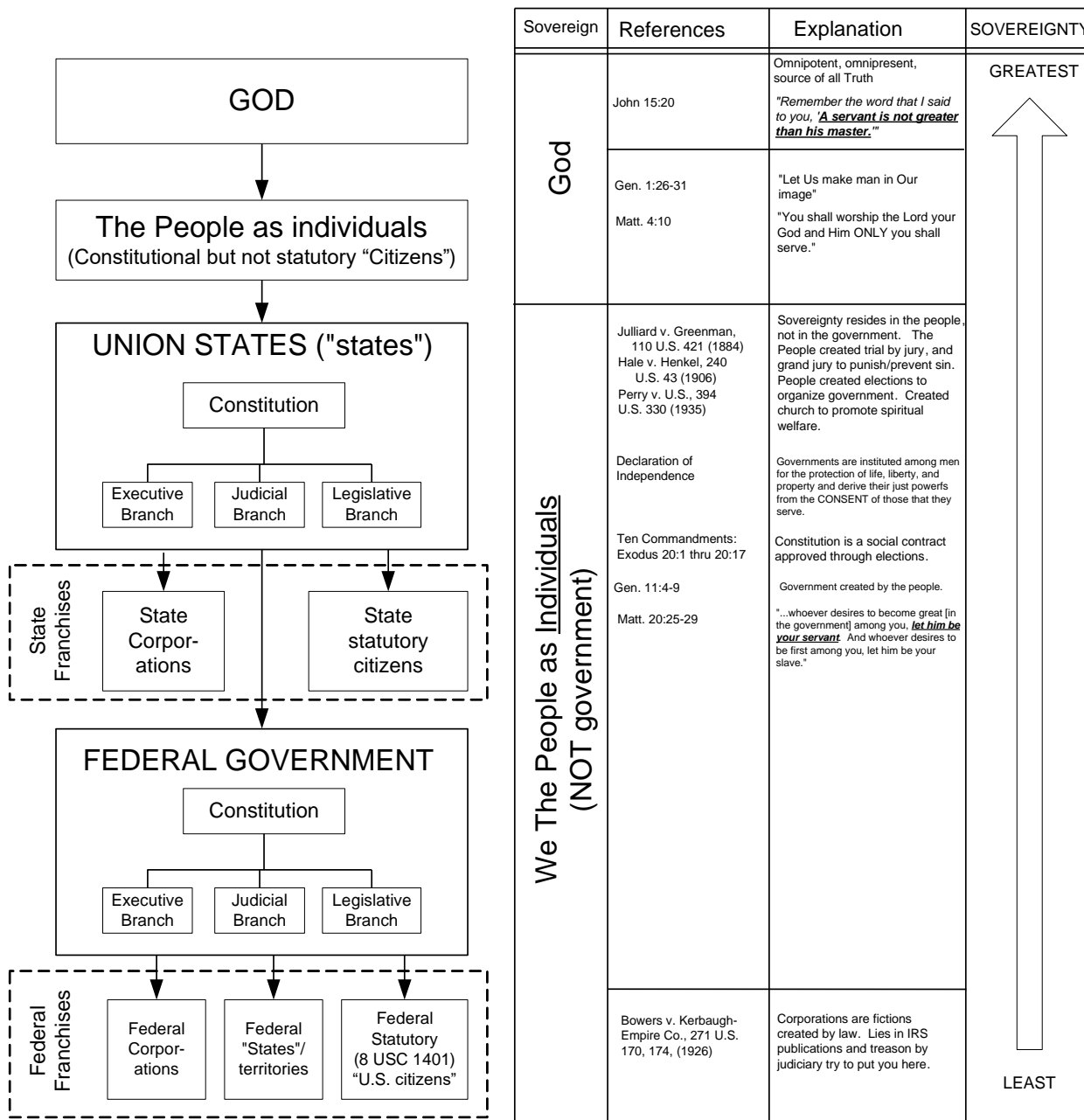
<sup>58</sup> Adapted from Great IRS Hoax, Form #11.032, Section 5.1.1; <http://sedm.org/Forms/FormIndex.htm>.



- 1 4. The federal (not national) government. Remember from section 4.6 earlier that the “United States” is not a nation under  
2 the law of nations, but a federation, and there is a world of difference. The federal government then creates special  
3 franchises underneath them, including:  
4 4.1. Federal Corporations.  
5 4.2. Federal “States”.  
6 4.3. U.S. citizens/idolaters. These are people who have surrendered their sovereignty to the government and choose to  
7 be government slaves/serfs/subjects.

8 The courts have historically recognized the separation of these sovereignties, and all exist by virtue of natural law. Below is  
9 a diagram of this hierarchy in graphical form:

10 **Figure 2: Sovereignties within our system of government**



11 The rules for how these sovereignties must relate to each other within our system of jurisprudence are as follows, extracted  
12 from the rulings of the Supreme Court, federal statutes, the Bible, and historical documents:  
13

1. The people are sovereign over all government:

"The ultimate authority...resides in the people alone..."  
[James Madison, Federalist Paper No. 46]

"Sovereignty itself is, of course, not subject to law, for it is the author and source of law...While sovereign powers are delegated to...the government, sovereignty itself remains with the people."  
[Yick Wo v. Hopkins, 118 U.S. 356 (1886)]

**"Sovereign state" are cabalistic words, not understood by the disciple of liberty, who has been instructed in our constitutional schools. It is an appropriate phrase when applied to an absolute despotism. I firmly believe, that the idea of sovereign power in the government of a republic, is incompatible with the existence and permanent foundation of civil liberty, and the rights of property. The history of man, in all ages, has shown the necessity of the strongest checks upon power, whether it be exercised by one man, a few or many. Our revolution broke up the foundations of sovereignty in government; and our written constitutions have carefully guarded against the baneful influence of such an idea henceforth and forever. I can not, therefore, recognize the appeal to the sovereignty of the state, as a justification of the act in question.**  
[Gaines v. Buford, 31 Ky. (1 Dana) 481, 501]

2. The people came before the states and created the states. Therefore, they are the Masters and the states are their servants:

"It is again to antagonize Chief Justice Marshall, when he said: 'The government of the Union, then (whatever may be the influence of this fact on the case), is emphatically and truly a government of the people. In form and in substance it emanates from them. Its powers are granted by them, and are to be exercised directly on them and for their benefit. This government is acknowledged by all to be one of enumerated powers.' 4 Wheat. 404, 4 L.Ed. 601."  
[Downes v. Bidwell, 182 U.S. 244 (1901)]

"The words 'people of the United States' and 'citizens,' are synonymous terms, and mean the same thing. They both describe the political body who, according to our republican institutions, form the sovereignty, and who hold the power and conduct the government through their representatives. They are what we familiarly call the 'sovereign people,' and every citizen is one of this people, and a constituent member of this sovereignty. ..."  
[Boyd v. State of Nebraska, 143 U.S. 135 (1892)]

3. The states created the federal government and are superior to it. The federal government is the servant to and fiduciary of the states and the states are their Master. This is confirmed by the U.S. Supreme Court in *Carter v. Carter Coal Co.*, 298 U.S. 238 (1936):

The general rule with regard to the respective powers of the national and the state governments under the Constitution is not in doubt. **The states were before the Constitution; and, consequently, their legislative powers antedated [and are superior to] the Constitution.** Those who framed and those who adopted that instrument meant to carve from the general mass of legislative powers, then possessed by the states, only such portions as it was thought wise to confer upon the federal government; and in order that there should be no uncertainty in respect of what was taken and what was left, the national powers of legislation were not aggregated but enumerated-with the result that **what was not embraced by the enumeration remained vested in the states without change or impairment.** Thus, 'when it was found necessary to establish a national government for national purposes,' this court said in *Munn v. Illinois*, 94 U.S. 113, 124, 'a part of the powers of the States and of the people of the States was granted to the United States and the people of the United States. This grant operated as a further limitation upon the powers of the States, so that now the governments of the States possess all the powers of the Parliament of England, except such as have been delegated to the United States or reserved by the people.' While the states are not sovereign in the true sense of that term, but only quasi sovereign, yet in respect of all powers reserved to them they are supreme-'as independent of the general government as that government within its sphere is independent of the States.' *The Collector v. Day*, 11 Wall. 113, 124. And since every addition to the national legislative power to some extent detracts from or invades the power of the states, it is of vital moment that, in order to preserve the fixed balance intended by the Constitution, the powers of the general government [298 U.S. 238, 295] be not so extended as to embrace any not within the express terms of the several grants or the implications necessarily to be drawn therefrom. **It is no longer open to question that the general government, unlike the states, Hammer v. Dagenhart, 247 U.S. 251, 275, 38 S.Ct. 529, 3 A.L.R. 649, Ann.Cas.1918E 724, possesses no inherent power in respect of the internal affairs of the states; and emphatically not with regard to legislation.** The question in respect of the inherent power of that government as to the external affairs of the Nation and in the field of international law is a wholly different matter which it is not necessary now to consider. See, however, *Jones v. United States*, 137 U.S. 202, 212, 11 S.Ct. 80; *Nishimur Ekiu v. United States*, 142 U.S. 651, 659, 12 S.Ct. 336; *Fong Yue Ting v. United States*, 149 U.S. 698, 705 et seq., 13 S.Ct. 1016; *Burnet v. Brooks*, 288 U.S. 378, 396, 53 S.Ct. 457, 86 A.L.R. 747.

**The determination of the Framers Convention and the ratifying conventions to preserve complete and unimpaired state self-government in all matters not committed to the general government is one of the plainest facts which emerges from the history of their deliberations.** And adherence to that determination is incumbent

equally upon the federal government and the states. State powers can neither be appropriated on the one hand nor abdicated on the other. As this court said in Texas v. White, 7 Wall. 700, 725, 'The preservation of the States, and the maintenance of their governments, are as much within the design and care of the Constitution as the preservation of the Union and the maintenance of the National government. The Constitution, in all its provisions, looks to an indestructible Union, composed of indestructible States.' Every journey to a forbidden end begins with the first step; and the danger of such a step by the federal government in the direction of taking over the powers of the states is that the end of the journey may find the states so despoiled of their powers, or what may amount to the same thing-so [298 U.S. 238, 296] relieved of the responsibilities which possession of the powers necessarily enjoins, as to reduce them to little more than geographical subdivisions of the national domain. It is safe to say that if, when the Constitution was under consideration, it had been thought that any such danger lurked behind its plain words, it would never have been ratified.

And the Constitution itself is in every real sense a law-the lawmakers being the people themselves, in whom under our system all political power and sovereignty primarily resides, and through whom such power and sovereignty primarily speaks. It is by that law, and not otherwise, that the legislative, executive, and judicial agencies which it created exercise such political authority as they have been permitted to possess. The Constitution speaks for itself in terms so plain that to misunderstand their import is not rationally possible. 'We the People of the United States,' it says, 'do ordain and establish this Constitution.' Ordain and establish! These are definite words of enactment, and without more would stamp what follows with the dignity and character of law. The framers of the Constitution, however, were not content to let the matter rest here, but provided explicitly-'This Constitution, and the Laws of the United States which shall be made in Pursuance thereof; ... shall be the supreme Law of the Land.' (Const. art. 6, cl. 2.) The supremacy of the Constitution as law is thus declared without qualification. That supremacy is absolute; the supremacy of a statute enacted by Congress is not absolute but conditioned upon its being made in pursuance of the Constitution. And a judicial tribunal, clothed by that instrument with complete judicial power, and, therefore, by the very nature of the power, required to ascertain and apply the law to the facts in every case or proceeding properly brought for adjudication, must apply the supreme law and reject the inferior stat- [298 U.S. 238, 297] ute whenever the two conflict. In the discharge of that duty, the opinion of the lawmakers that a statute passed by them is valid must be given great weight, Adkins v. Children's Hospital, 261 U.S. 525, 544, 43 S.Ct. 394, 24 A.L.R. 1238; but their opinion, or the court's opinion, that the statute will prove greatly or generally beneficial is wholly irrelevant to the inquiry. Schechter Poultry Corp. v. United States, 295 U.S. 495, 549, 550 S., 55 S.Ct. 837, 97 A.L.R. 947. [Carter v. Carter Coal Co., 298 U.S. 238 (1936)]

"If the time shall ever arrive when, for an object appealing, however strongly, to our sympathies, the dignity of the States shall bow to the dictation of Congress by conforming their legislation thereto, when the power and majesty and honor of those who created shall become subordinate to the thing of their creation, I but feebly utter my apprehensions when I express my firm conviction that we shall see 'the beginning of the end.'" [Steward Machine Co. v. Davis, 301 U.S. 548 (1937)]

4. Each sovereign is on an equal footing with every other sovereign: the People, the States, and the Federal Government. Each of these are legal "persons" and each are equal under the law. The rights of one man are equal to the combined rights of ALL men working in either a state or the federal government. This is the essence of equal protection of the laws which is the foundation of our constitution and our republican system of government. We covered this subject in depth earlier in section 4.3.2 if you would like to review.

"No State shall...deny to any person within its jurisdiction the equal protection of the laws. " [Fourteenth Amendment, Section 1]

"The rights of individuals and the justice due to them, are as dear and precious as those of states. Indeed the latter are founded upon the former; and the great end and object of them must be to secure and support the rights of individuals, or else vain is government." [Chisholm v. Georgia, 2 U.S. (2 Dall.) 419, 1 L.Ed. 440 (1793)]

"Arise, O Lord,  
Do not let man prevail;  
Let the nations be judged in Your sight.  
Put them in fear, O Lord,  
That the nations may know themselves to be but men." [Psalm 9:19-20, Bible, NKJV]

"United States government is as sovereign within its sphere as states are within theirs." [Kohl v. United States, 91 U.S. 367, 23 L.Ed. 597 (1876)]

5. No sovereign can serve more than one master above it. To do otherwise would be a conflict of interest and allegiance. By implication, this means that no sovereign can have more than one Creator or one Master:

1           *"No servant can serve two masters; for either he will hate the one and love the other, or else he will be loyal to*  
2 *the one and despise the other. You cannot serve God and mammon."*  
3 *[Jesus [God] speaking in the Bible, Luke 16:13]*

4  
5           [TITLE 18](#) > [PART 1](#) > [CHAPTER 11](#) > §208  
6           §208. Acts affecting a personal financial interest

7           (a) Except as permitted by subsection (b) hereof, whoever, being an officer or employee of the executive branch  
8 of the United States Government, or of any independent agency of the United States, a Federal Reserve bank  
9 director, officer, or employee, or an officer or employee of the District of Columbia, including a special  
10 Government employee, participates personally and substantially as a Government officer or employee, through  
11 decision, approval, disapproval, recommendation, the rendering of advice, investigation, or otherwise, in a  
12 judicial or other proceeding, application, request for a ruling or other determination, contract, claim,  
13 controversy, charge, accusation, arrest, or other particular matter in which, to his knowledge, he, his spouse,  
14 minor child, general partner, organization in which he is serving as officer, director, trustee, general partner or  
15 employee, or any person or organization with whom he is negotiating or has any arrangement concerning  
16 prospective employment, has a financial interest—

17           *Shall be subject to the penalties set forth in section [216](#) of this title.*

- 18       6. The main and only purpose of the separation of sovereignties and powers within sovereignties in the above diagram is  
19 to protect the individual liberties of the ultimate sovereigns, the people (as individuals) themselves. See *U.S. v. Lopez*,  
20 514 U.S. 549 (1995):

21           *We start with first principles. The Constitution creates a Federal Government of enumerated powers. See U.S.*  
22 *Const., Art. I, § 8. As James Madison wrote, "[t]he powers delegated by the proposed Constitution to the federal*  
23 *government are few and defined. Those which are to remain in the State governments are numerous and*  
24 *indefinite." The Federalist No. 45, pp. 292-293 (C. Rossiter ed. 1961). This constitutionally mandated division*  
25 *of authority "was adopted by the Framers to ensure protection of our fundamental liberties." Gregory v.*  
26 *Ashcroft, 501 U.S. 452, 458 (1991) (internal quotation marks omitted). "Just as the separation and*  
27 *independence of the coordinate branches of the Federal Government serves to prevent the accumulation of*  
28 *excessive power in any one branch, a healthy balance of power between the States and the Federal Government*  
29 *will reduce the risk of tyranny and abuse from either front.*  
30 *[U.S. v. Lopez, 514 U.S. 549 (1995)]*

- 31       7. A sovereignty is a servant or fiduciary of all sovereignties above it and a master over all those below it. For instance,  
32 the states created the federal government so they are sovereign over it and may change it at any time by amending the  
33 constitution that created it, or by abolishing it entirely, subject only to their will and voluntary consent.

34           *"A State does not owe its origin to the Government of the United States, in the highest or in any of its branches.*  
35 *It was in existence before it. It derives its authority from the same pure and sacred source as itself: The*  
36 *voluntary and deliberate choice of the people...A State is altogether exempt from the jurisdiction of the Courts*  
37 *of the United States, or from any other exterior authority, unless in the special instances when the general*  
38 *Government has power derived from the Constitution itself."*  
39 *[Chisholm v. Georgia, 2 Dall. (U.S.) 419 (Dall.) (1794)]*

40       8. Delegated authority:

- 41       8.1. A sovereign can only exercise those powers specifically delegated to it by its Master or Creator in a written  
42 voluntary contract called the Constitution. Any other action is specifically forbidden or reserved by implication to  
43 the Master and Creator it serves. For instance, the Tenth Amendment reserves police powers to the states. All  
44 powers not specifically given to the federal government in the federal constitution are therefore reserved to the  
45 states or to the people under the Tenth Amendment:

46           *"The Government of the United States is one of delegated powers alone. Its authority is defined and limited by*  
47 *the Constitution. All powers not granted to it by that instrument are reserved to the States or the people."*  
48 *[United States v. Cruikshank, 92 U.S. 542 (1875)]*

49           *"Sovereignty is the right to govern; a nation or State-sovereign is the person or persons in whom that resides.*  
50 *In Europe the sovereignty is generally ascribed to the Prince; here it rests with the people; there, the sovereign*  
51 *actually administers the Government; here, never in a single instance; our Governors are the agents*  
52 *[fiduciaries] of the people, and at most stand in the same relation to their sovereign, in which regents in Europe*  
53 *stand to their sovereigns. Their Princes have personal powers, dignities, and pre-eminences, our rulers have*

none but official; nor do they partake in the sovereignty otherwise, or in any other capacity, than as private citizens." at 472."

[Justice Wilson, Chisholm, Ex'r. v. Georgia, [2 Dall. \(U.S.\) 419](#), 1 L.Ed. 454, 457, 471, 472) (1794)]

"By the tenth amendment, 'the powers not delegated to the United States by the constitution, nor prohibited by it to the states, are reserved to the states, respectively, or to the people.' Among the powers thus reserved to the several states is what is commonly called the 'police power,' -that inherent and necessary power, essential to the very existence of civil society, and the safeguard of the inhabitants of the state against disorder, disease, poverty, and crime. 'The police power belonging to the states in virtue of their general sovereignty,' said Mr. Justice STORY, delivering the judgment of this court, 'extends over all subjects within the territorial limits of the states, and has never been conceded to the United States.' Prigg v. Pennsylvania, 16 Pet. 539, 625. This is well illustrated by the recent adjudications that a statute prohibiting the sale of illuminating oils below a certain fire test is beyond the constitutional power of congress to enact, except so far as it has effect within the United States (as, for instance, in the District of Columbia) and without the limits of any state; but that it is within the constitutional power of a state to pass such a statute, even as to oils manufactured under letters patent from the United States. U.S. v. Dewitt, 9 Wall. 41; Patterson v. Kentucky, [97 U.S. 501](#). [[135 U.S. 100](#), [128](#)] The police power includes all measures for the protection of the life, the health, the property, and the welfare of the inhabitants, and for the promotion of good order and the public morals. It covers the suppression of nuisances, whether injurious to the public health, like unwholesome trades, or to the public morals, like gambling-houses and lottery tickets. Slaughter-House Cases, 16 Wall. 36, 62, 87; Fertilizing Co. v. Hyde Park, [97 U.S. 659](#); Phalen v. Virginia, 8 How. 163, 168; Stone v. Mississippi, [101 U.S. 814](#). This power, being essential to the maintenance of the authority of local government, and to the safety and welfare of the people, is inalienable. As was said by Chief Justice WAITE, referring to earlier decisions to the same effect: 'No legislature can bargain away the public health or the public morals. The people themselves cannot do it, much less their servants. The supervision of both these subjects of governmental power is continuing in its nature, and they are to be dealt with as the special exigencies of the moment may require. Government is organized with a view to their preservation, and cannot divest itself of the power to provide for them. For this purpose the largest legislative discretion is allowed, and the discretion cannot be parted with any more than the power itself.' Stone v. Mississippi, [101 U.S. 814](#), 819. See, also, Butchers' Union, etc., Co. v. Crescent City, etc., Co., [111 U.S. 746](#), [753](#), 4 S.Sup.Ct.Rep. 652; New Orleans Gas Co. v. Louisiana Light Co., [115 U.S. 650](#), [672](#), 6 S.Sup.Ct.Rep. 252; New Orleans v. Houston, [119 U.S. 265](#), [275](#), 7 S.Sup.Ct.Rep. 198."

[Leisy v. Hardin, [135 U.S. 100](#) (1890)]

- 8.2. Agents or fiduciaries within a sovereign must be willing and able at all times to identify the specific laws that give them the authority to act and be constantly aware of the limits of their delegated authority. If they are not, they run the risk of exceeding their delegated authority and injuring the rights of the master(s) they serve. All actions not specifically authorized by law are illegal by implication. All illegal actions by government officials that are outside their written delegated authority and positive law that result in an injury to the master(s) cause the actor to be personally liable for a tort and monetary damages because they are acting outside the authority of law.

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

[Black's Law Dictionary, Sixth Edition, p. 1536]

- 8.3. A sovereignty or human being cannot delegate an authority to a subordinate that they themselves do not ALSO possess.

*"Quod meum est sine me auferri non potest.*  
What is mine [sovereignty in this case] cannot be taken away without my consent"  
[Bouvier's Law Dictionary Unabridged, 8th Edition, p. 2159]

*"Derivativa potestas non potest esse major primitive.*  
The power [sovereign immunity in this case] which is derived cannot be greater than that from which it is derived."  
[Bouvier's Law Dictionary Unabridged, 8th Edition, p. 2131]

*"Nemo potest facere per obliquum quod non potest facere per directum.*  
No one can do that indirectly which cannot be done directly."  
[Bouvier's Law Dictionary Unabridged, 8th Edition, p. 2147]

*"Quod per me non possum, nec per alium.*  
What I cannot do in person, I cannot do through the agency of another."  
[Bouvier's Law Dictionary Unabridged, 8th Edition, p. 2159]

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



8.4. No sovereign can delegate to its fiduciaries the authority to do something that is a crime. For instance, if the people cannot murder, rob, or steal from their fellow man, then they certainly cannot delegate that authority to government, which means they cannot delegate to the government the authority to collect direct taxes upon individuals unless the persons paying the tax voluntarily consent to it individually, otherwise it is theft.

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

9. The Constitution is a trust document and creates a public trust. Public officers are the "trustees" within that trust and when they abuse their authority, they are executing a "sham trust" for their own personal gain. It is a violation of fiduciary duty for a sovereign or any agent within a sovereign to put a higher priority over its own needs than over any of the masters it serves above it. This is called a conflict of interest and it is against the law. See for instance [18 U.S.C. §208](#).

"Whatever these Constitutions and laws validly determine to be property, it is the duty of the Federal Government, through the domain of jurisdiction merely Federal, to recognize to be property.

"And this principle follows from the structure of the respective Governments, State and Federal, and their reciprocal relations. **They are different agents and trustees of the people of the several States, appointed with different powers and with distinct purposes, but whose acts, within the scope of their respective jurisdictions, are mutually obligatory.**" [Dred Scott v. Sandford, 60 U.S. 393 (1856)]

10. **Sovereign Immunity**: A government sovereign is exempt from the jurisdiction of the courts of any other government sovereign unless it consents to the jurisdiction of the other sovereign or unless the Constitution that established it makes it subject to the jurisdiction in question. This is called *sovereign immunity* and it is the embodiment of the separation of powers doctrine. The rules for surrendering sovereign immunity through consent are documented in [28 U.S.C. §1605](#). Here is an example of sovereign immunity of states from the U.S. Supreme Court:

"A State does not owe its origin to the Government of the United States, in the highest or in any of its branches. It was in existence before it. **It derives its authority from the same pure and sacred source as itself: The voluntary and deliberate choice of the people**...A State is altogether exempt from the jurisdiction of the Courts of the United States, or from any other exterior authority, unless in the special instances when the general Government has power derived from the Constitution itself." [Chisholm v. Georgia, 2 Dall. (U.S.) 419 (Dall.) (1793)]

11. Sovereign immunity also extends to all entities or corporations created by a government sovereign. For instance, the case of *Providence Bank v. Billings*, 29 U.S. 514 (1830) revealed that the states could not tax a bank corporation created by an act or law of the United States government. The reasoning in that case was that the states could not destroy the federal government because the power to tax necessarily involved the power to destroy.

"**The great principle is this: because the constitution will not permit a state to destroy, it will not permit a law involving the power to destroy.** In order to show that the case turned entirely on that point, let us suppose that the court had arrived to the conclusion that the bank [The Bank of the United States located in the state of Maryland] was an authorised instrument of government; but that it was not the intention of the constitution to prohibit the states from interfering with those instruments: would it not have been necessary to have decided that the Maryland act was constitutional? Of what importance was it that the bank was an authorized means of power, other than this, that it afforded a key to the meaning of the constitution? If the bank was a legitimate and proper instrument of power, then the constitution intended to protect it. If not, then no protection was intended. The question, whether it was a necessary and proper means, was auxiliary to the great question, whether the constitution intended to shelter it; and when the court arrived to the conclusion that such protection was intended, they interfered not in behalf of the bank, but in behalf of the sanctuary to which it had fled. **They decided against the tax; because the subject had been placed beyond the power of the states, by the constitution. They decided,**

not on account of the subject, but on account of the power that protected it; they decided that a prohibition against destruction was a prohibition against a law involving the power of destruction.”  
[Providence Bank v. Billings, [29 U.S. 514](#) (1830)]

12. A sovereignty may not tax or regulate or control its Creator or grantor, or any sovereignty or agent of that sovereignty above it or at the same level as it, without the explicit and individual and written consent of that sovereign.

12.1. For instance, because churches are agents and creations of God and not the state, then government may not tax churches, and this applies whether or not such churches have a 501(c) designation or not. See Isaiah 45:9-10:

“Woe to him who strives with his Maker! Let the potsherd strive with the potsherds of the earth! Shall the clay say to him who forms it, ‘What are you making?’ Or shall your handiwork say, ‘He has no hands?’ Woe to him who says to his father, ‘What are you begetting?’ Or to the woman, ‘What have you brought forth?’”  
[Isaiah 45:9-10, Bible, NKJV]

12.2. Below is a U.S. Supreme Court cite which admits that in many cases, even the U.S. Supreme Court may not compel states:

“This court has declined to take jurisdiction of suits between states to compel the performance of obligations which, if the states had been independent nations, could not have been enforced judicially, but only through the political departments of their governments. Thus, in *Kentucky v. Dennison*, 24 How. 66, where the state of Kentucky, by her governor [127 U.S. 265, 289] applied to this court, in the exercise of its original jurisdiction, for a writ of mandamus to the governor of Ohio to compel him to surrender a fugitive from justice, this court, while holding that the case was a controversy between two states, decided that it had no authority to grant the writ.”  
[*State of Wisconsin v. Pelican Insurance Company*, [127 U.S. 265](#) (1888)]

12.3. Here is an example from the Supreme Court where it is admitted that a state may not be taxed by the federal government:

“In *Morcantile Bank v. City of New York*, [121 U.S. 138, 162](#), 7 S. Sup. Ct. 826, this court said: ‘Bonds issued by the state of New York, or under its authority, by its public municipal bodies, are means for carrying on the work of the government, and are not taxable, even by the United States, and it is not a part of the policy of the government which issues them to subject them to taxation for its own purposes.’”  
[*Pollock v. Farmers’ Loan & Trust Co.*, 157 U.S. 429 (1895)]

12.4. The Supreme Court also said that states may not tax the federal government:

“While the power of taxation is one of vital importance, retained by the states, not abridged by the grant of a similar power to the government of the Union, but to be concurrently exercised by the two governments, yet even this power of a state is subordinate to, and may be controlled by, the constitution of the United States. That constitution and the laws made in pursuance thereof are supreme. They control the constitutions and laws of the respective states, and cannot be controlled by them. The people of a state give to their government a right of taxing themselves and their property at its discretion. But the means employed by the government of the Union are not given by the people of a particular state, but by the people of all the states; and being given by all, for the benefit of all, should be subjected to that government only which belongs to all. All subjects over which the sovereign power of a state extends are objects of taxation; but those over which it does not extend are, upon the soundest principles, exempt from taxation. The sovereignty of a state extends to everything which exists by its own authority, or is introduced by its permission; but does not extend to those means which are employed by congress to carry into execution powers conferred on that body by the people of the United States. The attempt to use the taxing power of a state on the means employed by the government of the Union, in pursuance of the constitution, is itself an abuse, because it is the usurpation of a power which the people of a single state cannot give. The power to tax involves the power to destroy; the power to destroy may defeat and render useless the power to create; and there is a plain repugnance in conferring on one government a power to control the constitutional measures of another, which other, with respect to those very measures, is declared to be supreme over that which exerts the control. The states have no power, by taxation [117 U.S. 151, 156] or otherwise, to retard, impede, burden, or in any manner control, the operations of the constitutional laws enacted by congress to carry into execution the powers vested in the general government. Such are the outlines, mostly in his own words, of the grounds of the judgment delivered by Chief Justice MARSHALL in the great case of *McCulloch v. Maryland*, in which it was decided that a statute of the state of Maryland, imposing a tax upon the issue of bills by banks, could not constitutionally be applied to a branch of the Bank of the United States within that state. 4 Wheat. 316, 425-431, 436.

“In *Osborn v. Bank of U. S.*, 9 Wheat. 738, 859-868, that conclusion was reviewed in a very able argument of counsel, and reaffirmed by the court, and a tax laid by the state of Ohio upon a branch of the Bank of the United States was held to be unconstitutional. See, also, *Providence Bank v. Billings*, 4 Pet. 514, 564. Upon the same grounds, the states have been adjudged to have no power to lay a tax upon stock issued for money borrowed by the United States, or upon property of state banks invested in United States stock. *Weston v. City Council of*

Charleston, 2 Pet. 449, 467; Bank of Commerce v. New York, 2 Black, 620; Bank Tax Case, 2 Wall. 200; Banks v. Mayor, 7 Wall. 16.”  
[Van Brocklin v. State of Tennessee, [117 U.S. 151](#) (1886)]

12.5. Here is an example where the Supreme Court said that states may not tax each other’s bonds:

“The question in *Bonaparte v. Tax Court*, [104 U.S. 592](#), was whether the registered public debt of one state, exempt from taxation by that state, or actually taxed there, was taxable by another state, when owned by a citizen of the latter, and it was held that there was no provision of the constitution of the United States which prohibited such taxation. The states had not covenanted that this could not be done, whereas, under the fundamental law, as to the power to borrow money, neither the United States, on the one hand, nor the states on the other, can interfere with that power as possessed by each, and an essential element of the sovereignty of each.”  
[*Pollock v. Farmers’ Loan & Trust Co.*, 157 U.S. 429 (1895)]

12.6. Finally, the federal government may not tax the employees of states of the union:

“As stated by Judge [157 U.S. 429, 602] Cooley in his work on the Principles of Constitutional Law: ‘The power to tax, whether by the United States or by the states, is to be construed in the light of and limited by the fact that the states and the Union are inseparable, and that the constitution contemplates the perpetual maintenance of each with all its constitutional powers, unembarrassed and unimpaired by any action of the other. The taxing power of the federal government does not therefore extend to the means or agencies through or by the employment of which the states perform their essential functions; since, if these were within its reach, they might be embarrassed, and perhaps wholly paralyzed, by the burdens it should impose. That the power to tax involves the power to destroy; that the power to destroy may defeat and render useless the power to create; that there is a plain repugnance in conferring on one government a power to control the constitutional measures of another, which other, in respect to those very measures, is declared to be supreme over that which exerts the control, are propositions not to be denied.’ It is true that taxation does not necessarily and unavoidably destroy, and that to carry it to the excess of destruction would be an abuse not to be anticipated; but the very power would take from the states a portion of their intended liberty of independent action within the sphere of their powers, and would constitute to the state a perpetual danger of embarrassment and possible annihilation. The constitution contemplates no such shackles upon state powers, and by implication forbids them.”  
[*Pollock v. Farmers’ Loan & Trust Co.*, [157 U.S. 429](#) (1895)]

13. A sovereignty may tax or regulate any of the entities or sovereignties *below* it, because it created those subordinate sovereignties. The power to create carries with it the power to destroy as well. See *M’Culloch v. Maryland*, 4 Wheat. 316, 431 (1819). Specific examples of sovereignties taxing their fiduciaries or creations below them include:

13.1. Federal State (but NOT Union state) taxation within federal enclaves under the Buck Act, found in 4 U.S.C. §§105-111

13.2. State and federal taxation of corporations. See 26 U.S.C. Subtitles D and E and *Flint v. Stone Tracy*, 220 U.S. 107 (1911).

13.3. A sovereign may only tax the entities that it creates. The U.S. Supreme Court case of *U.S. v. Perkins*, 163 U.S. 625 (1896) reveals, for instance, that states can only tax corporations that they create.

“Whether the United States are a corporation ‘exempt by law from taxation,’ within the meaning of the New York statutes, is the remaining question in the case. The court of appeals has held that this exemption was applicable only to domestic corporations declared by the laws of New York to be exempt from taxation. Thus, in *Re Prime’s Estate*, 136 N.Y. 347, 32 N.E. 1091, it was held that foreign religious and charitable corporations were not exempt from the payment of a legacy tax, Chief Judge Andrews observing (page 360, 136 N. Y., and page 1091, 32 N. E.): ‘We are of opinion that a statute of a state granting powers and privileges to corporations must, in the absence of plain indications to the contrary, be held to apply only to corporations created by the state, and over which it has power of visitation and control.’ ... The legislature in such cases is dealing with its own creations, whose rights and obligations it may limit, define, and control.’ To the same effect are *Catlin v. Trustees*, 113 N.Y. 133, 20 N.E. 864; *White v. Howard*, 46 N.Y. 144; *In re Balleis’ Estate*, 144 N.Y. 132, 38 N.E. 1007; *Minot v. Winthrop*, 162 Mass. 113, 38 N.E. 512; *Dos P. Inh. Tax Law*, c. 3, § 34. If the ruling of the court of appeals of New York in this particular case be not absolutely binding upon us, we think that, having regard to the purpose of the law to impose a tax generally upon inheritances, the legislature intended to allow an exemption only in favor of such corporations as it had itself created, and which might reasonably be supposed to be the special objects of its solicitude and bounty.”

“In addition to this, however, the United States are not one of the class of corporations intended by law to be exempt [163 U.S. 625, 631] from taxation. What the corporations are to which the exemption was intended to apply are indicated by the tax laws of New York, and are confined to those of a religious, educational, charitable, or reformatory purpose. We think it was not intended to apply it to a purely political or governmental corporation, like the United States. *Catlin v. Trustees*, 113 N.Y. 133, 20 N.E. 864; *In re Van Kleeck*, 121 N.Y. 701, 75 N.E. 50; *Dos P. Inh. Tax Law*, c. 3, § 34. *In re Hamilton*, 148 N.Y. 310, 42 N.E. 717, it was held that the execution did not apply to a municipality, even though created by the state itself.”  
[*U.S. v. Perkins*, [163 U.S. 625](#) (1896)]

14. The jurisdiction of each government sovereignty is divided into territorial and subject matter jurisdiction:

14.1. Government sovereigns have exclusive and absolute jurisdiction, sometimes called “plenary power” or “general jurisdiction”, over their own territory and property, and no other sovereignty can exercise jurisdiction over this territory or property without the consent of the sovereign manifested in some form, and usually by an act of the legislature:

*“The jurisdiction of the nation within its own territory is [169 U.S. 649, 684] necessarily exclusive and absolute. It is susceptible of no limitation not imposed by itself. Any restriction upon it, deriving validity from an external source, would imply a diminution of its sovereignty to the extent of the restriction, and an investment of that sovereignty to the same extent in that power which could impose such restriction. **All exceptions, therefore, to the full and complete power of a nation within its own territories, must be traced up to the consent of the nation itself. They can flow from no other legitimate source.** This consent may be either express or implied. In the latter case, it is less determinate, exposed more to the uncertainties of construction; but, if understood, not less obligatory.”*  
[The Exchange, 7 Cranch 116 (1812)]

*“Territory: A part of a country separated from the rest, and subject to a particular jurisdiction. Geographical area under the jurisdiction of another country or sovereign power.*

*“A portion of the United States not within the limits of any state, which has not yet been admitted as a state of the Union, but is organized with a separate legislature, and with executive and judicial powers appointed by the President.”*  
[Black’s Law Dictionary, Sixth Edition, p. 1473]

The requirement for explicit consent is called “comity” in the legal field:

*“comity. Courtesy; complaisance; respect; a willingness to grant a privilege, not as a matter of right, but out of deference and good will. Recognition that one sovereignty allows within its territory to the legislative, executive, or judicial act of another sovereignty, having due regard to rights of its own citizens. Nowell v. Nowell, Tex.Civ.App., 408 S.W.2d. 550, 553. In general, principle of “comity” is that courts of one state or jurisdiction will give effect to laws and judicial decisions of another state or jurisdiction, not as a matter of obligation, but out of deference and mutual respect. Brown v. Babbitt Ford, Inc., 117 Ariz. 192, 571 P.2d. 689, 695. See also Full faith and credit clause.”*  
[Black’s Law Dictionary, Sixth Edition, p. 267]

14.2. States of the union have exclusive territorial jurisdiction within their respective borders over all land and state property not ceded by an act of the legislature of the state to the federal government. They have no jurisdiction outside of their borders except for service of process and discovery, such as subpoenas and summons.

14.3. The federal government has legislative territorial jurisdiction only over: 1. The federal zone; 2. All areas or enclaves within the union states that have been ceded to it by an act of the state legislature under Article 1, Section 8, Clause 17 of the Constitution; 3. Its own territories, possessions, and property, wherever situated; 4. Its own domiciliaries, which includes citizens and residents. Under most circumstances, the federal government has no legislative jurisdiction within states of the Union because the federal constitution reserves “police powers” to the states under the Tenth Amendment.

*“It is no longer open to question that **the general government, unlike the states, Hammer v. Dagenhart, 247 U.S. 251, 275, 38 S.Ct. 529, 3 A.L.R. 649, Ann.Cas.1918E 724, possesses no inherent power in respect of the internal affairs of the states; and emphatically not with regard to legislation.**”*  
[Carter v. Carter Coal Co., 298 U.S. 238, 56 S.Ct. 855 (1936)]

14.4. Within states of the union, the only type of jurisdiction the federal government can have over areas that are not its territory is *subject matter jurisdiction* and that jurisdiction must be explicitly identified in the federal Constitution in order to exist at all. There are very few issues over which the federal government has subject matter jurisdiction within FOREIGN states of the Union and income taxes under Subtitles A through C of the Internal Revenue Code is an example of an area where such jurisdiction does not exist. Covetous public dis-servants have systematically tried to hide this fact over the years by obfuscating the Internal Revenue Code and by using illegal IRS extortion to coerce federal judges into violating the Constitutional rights of Americans in the states. Subject matter jurisdiction within states of the Union is limited to the following subjects and no others:

14.4.1. Foreign and interstate commerce. See Constitution, Article 1, Section 8, Clause 3. This includes the following subjects:



- 14.4.1.1. Taxes on importation, but not exportation. See 26 U.S.C. §7001 and U.S. Constitution, Article 1, Section 9, Clause 3.
- 14.4.1.2. Claims arising out of bankruptcy proceedings. See [28 U.S.C. §1334](#); Pauletto v. Reliance Ins. Co., 64 CA.4th 597 (1998), 602, 75 C.R.2d. 334, 337--state courts lack jurisdiction in action for malicious prosecution based on defendant's having filed adversary proceeding in bankruptcy court: "it is for Congress and the federal courts, not state courts, to decide what incentives and penalties shall be utilized in the bankruptcy process".
- 14.4.1.3. Claims under Sherman Antitrust Act. See [15 U.S.C. §4](#).
- 14.4.1.4. Claims under Securities Exchange Act of 1934 (including Rule 10b-5 actions). See [15 U.S.C. §78aa](#)
- 14.4.1.5. Claims involving activities regulated by federal labor laws. E.g., the Labor Management Reporting and Disclosure Act ([19 U.S.C. §401](#) et seq.) preempts state power to adjudicate claims based on union contracts or union activities, unless of "merely peripheral concern" to the Act. See San Diego Bldg. Trades Council, etc. v. Garmon, 359 U.S. 236 (1959), 247-248, 79 S.Ct. 773, 781-782; Bassett v. Attebery, 180 CA.3d. 288 (1986), 294-295, 224 C.R. 399, 402—NLRB (rather than federal court) has exclusive jurisdiction over wrongful discharge claim alleging violation of federal labor laws]
- 14.4.1.6. Certain ERISA actions: Suits for injunctive or other equitable relief against an employer or insurer under the Employee Retirement Income Security Act (ERISA) (But federal and state courts have *concurrent* jurisdiction of claims for *benefits* due.). See [29 U.S.C. §1132](#)(e)(1)
- 14.4.2. Federal property and "employees". See Constitution Article 4, Section 3, Clause 2.
- 14.4.3. Frauds involving the mail. See Constitution, Article 1, Section 8, Clause 7.
- 14.4.4. Treason. See Constitution, Article 4, Section 2, Clause 2.
- 14.4.5. Patent and copyright claims. See [28 U.S.C. §1338](#)(a) and Constitution, Article 1, Section 8, Clause 8.
- 14.4.6. Admiralty and maritime claims. See [28 U.S.C. §1333](#) and Constitution Article 1, Section 8, Clause 10.
- 14.4.7. Jurisdiction over aliens everywhere in the Union, including in states of the Union. See [Chae Chan Ping v. U.S., 130 U.S. 581 \(1889\)](#), [Kleindienst v. Mandel, 408 U.S. 753 \(1972\)](#). This source of jurisdiction is the reason that all "taxpayers" are aliens and not "citizens". See 26 C.F.R. §1.1441-1(c)(3) .
- 14.5. The formation of a state within territory under the exclusive control of the federal government does not affect the legal status of property not within the territory of the new state:

"This provision authorizes the United States to be and become a land-owner, and prescribes the mode in which the lands may be disposed of, and the title conveyed to the purchaser. Congress is to make the needful rules and regulations upon this subject. The title of the United States can be divested by no other power, by no other means, in no other mode, than that which congress shall sanction and prescribe. It cannot be done by the action of the people or legislature of a territory or state.' And he supported this conclusion by a review of all the acts of congress under which states had theretofore been admitted. Mr. Webster said that those precedents demonstrated that 'the general idea has been, in the creation of a state, that its admission as a state has no effect at all on the property of the United States lying within its limits;' and that it was settled by the judgment of this court in Pollard v. Hagan, 3 How. 212, 224, 'that the authority of the United States does so far extend as, by force of itself, Proprio vigore, to exempt the public lands from taxation when new states are created in the territory in which the lands lie.' 21 Cong. Globe, 31st Cong. 1st Sess. p. 1314; 22 Cong. Globe, pp. 848 et seq., 960, 986, 1004; 5 Webst. Works, 395, 396, 405."

[Van Brocklin v. State of Tennessee, [117 U.S. 151 \(1886\)](#)]

15. Jurisdiction of each government sovereignty over subjects or sovereignties underneath it is created by oath of allegiance.
- 15.1. In order to preserve their sovereignty, the people at the top of this hierarchy should not swear an oath of allegiance to any government, because by doing so, they come under the jurisdiction of the laws that control mainly government employees and thereby to surrender their sovereignty. See also see Matt. 5:33-37, which says that Christians should not swear an oath to anything.
- 15.2. Each officer of both the state and federal governments takes an oath of allegiance to support and defend the Constitution of the United States against all enemies, foreign and domestic. Failure to live up to that oath amounts to perjury of one's oath, which can result in removal from office.
- 15.3. If is a violation of the separation of powers doctrine and a conflict of interest to take oaths to TWO masters or to occupy a public office that requires an oath to two different masters or sovereignties. Hence, it is a violation of the Constitutions of most states to simultaneously serve in a public office in the state government as well as the federal government.

CALIFORNIA CONSTITUTION  
ARTICLE 7 PUBLIC OFFICERS AND EMPLOYEES



SEC. 7. A person holding a lucrative office under the United States or other power may not hold a civil office of profit [within the state government]. A local officer or postmaster whose compensation does not exceed 500 dollars per year or an officer in the militia or a member of a reserve component of the armed forces of the United States except where on active federal duty for more than 30 days in any year is not a holder of a lucrative office, nor is the holding of a civil office of profit affected by this military service.

16. Any legislation or ruling by the judicial branch of either a state government or the federal government that breaks down the distinct separation of the powers above is unconstitutional and violates Article 4, Section 4 of the federal constitution, which requires that:

*"The United States shall guarantee to every State in this Union a Republican Form of Government, and shall protect each of them against Invasion; and on Application of the Legislature, or of the Executive (when the Legislature cannot be convened) against domestic Violence."*  
[U.S. Constitution, Article 4, Section 4]

A republican form of government is based on *individual*, not collective rights, and those rights cannot be defended or protected from federal "invasion" or encroachment without separation of powers to the maximum extent possible. This concept is called the "Separation of Powers Doctrine". The implications of this requirement include:

- 16.1. Federal government may not offer franchises to states of the Union. Only federal "States" defined in 4 U.S.C. §110(d) can be party to federal franchises.
- 16.2. Federal government may not offer franchises, licenses, or privileges to anyone domiciled in a sovereign state of the Union and protected by the Constitution. Another way of saying this is that those who took an oath to support and defend your rights cannot make a business out of enticing you into surrendering them in exchange for anything, whether real or perceived.
- 16.3. State governments may not offer franchises, licenses, or privileges to domiciled within the state whose domicile is not on federal territory. Another way of saying this is that those who took an oath to support and defend your rights cannot make a business out of enticing you into surrendering them in exchange for anything, whether real or perceived.

If you would like to know more about the abuse of franchises by malicious public servants to destroy the separation of powers and enslave the people, read:

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

17. A sovereignty that wants to influence or control a subordinate sovereignty that is not immediately underneath it must do so by using the sovereignty below it as its conduit or agent.
18. In the realm of commerce, both state and federal sovereignties are treated just like any human being and recovery of debts is accomplished within courts of equity.

*"...when the United States enters into commercial business it abandons its sovereign capacity and is treated like any other corporation..."*  
[91 Corpus Juris Secundum (C.J.S.), United States, §4 (2003)]

19. Human beings domiciled inside the federal zone above do not fall into the category of "The People" because the federal zone is not a constitutional republic, but a totalitarian socialist democracy. They ARE NOT parties to the Constitution and therefore are not protected by it. "The People" referred to in the diagram instead are those natural persons residing in and born within the 50 union states who claim their correct status as either "state nationals" or "nationals" as described in 8 U.S.C. §1101(a)(21). Persons who claim to be statutory "U.S. citizens" or who are in receipt of government privileges as elected or appointed officers of the government have also forfeited their sovereignty and their position in the above diagram to fall at the same level as corporations and federal "States".

*"Indeed, the practical interpretation put by Congress upon the Constitution has been long continued and uniform to the effect [182 U.S. 244, 279] that the Constitution is applicable to territories acquired by purchase or conquest, only when and so far as Congress shall so direct. Notwithstanding its duty to 'guarantee to every state in this Union a republican form of government' (art. 4, 4), by which we understand, according to the definition of Webster, 'a government in which the supreme power resides in the whole body of the people, and is exercised by representatives elected by them,' Congress did not hesitate, in the original organization of the territories of Louisiana, Florida, the Northwest Territory, and its subdivisions of Ohio, Indiana, Michigan, Illinois, and Wisconsin and still more recently in the case of Alaska, to establish a form of government bearing a much greater analogy to a British Crown colony than a republican state of America, and to vest the legislative power either in a governor and council, or a governor and judges, to be appointed by the President. It was not until they had attained a certain population that power was given them to organize a legislature by vote of the people. In all these cases, as well as in territories subsequently organized west of the Mississippi, Congress thought it necessary either to extend to Constitution and laws of the United States over them, or to declare that the*

inhabitants should be entitled to enjoy the right of trial by jury, of bail, and of the privilege of the writ of habeas corpus, as well as other privileges of the bill of rights.”  
[Downes v. Bidwell, [182 U.S. 244](#) (1901)]

20. A “national” or a “state national” or a “foreign national” may not sue any state government in a federal court. He can only do so in a court of the state that he is suing or in the Court of Claims. This is because the servant, which is the Federal Government, cannot be greater than its master and creator, the states of the Union. See the [Eleventh Amendment](#), which says:

“The Judicial power of the United States shall not be construed to extend to any suit in law or equity, commenced or prosecuted against one of the United States by Citizens of another State, or by Citizens or Subjects of any Foreign State.”

21. A state sovereignty cannot lawfully consent to the enlargement of the powers of Congress or of any other subordinate sovereignty beyond those clearly enumerated in the Constitution.

“State officials thus cannot consent to the enlargement of the powers of Congress beyond those enumerated in the Constitution.”  
[New York v. United States, [505 U.S. 142](#); 112 S.Ct. 2408; 120 L.Ed.2d. 120 (1992)]

By implication, officials of states of the Union mentioned in the Constitution, either through the Buck Act or through an Agreement on Coordination of Tax Administration (ACTA), cannot lawfully extend or consent to extend federal taxing powers into the states upon individuals and bypass the constitutional limits on federal taxing powers found in Article 1, Section 9, Clause 4 and Article, 1, Section 2, Clause 3. Only officials of federal “States” described in [4 U.S.C. §110\(d\)](#) may do it, and these “States” are not sovereign, but simply subdivisions of the national domain who are called “territories and possessions of the United States”. States of the Union are neither territories nor possessions of the United States.

22. A sovereignty may, under the rules of comity, voluntarily relinquish a portion of its sovereignty to a sovereignty *below* it but not *above* it. For example, under the Buck Act, [4 U.S.C. §§105-111](#), the U.S. government gave jurisdiction to federal “States”, which in fact are only territories of the federal United States (within the U.S. Code), to enforce [federal] State tax statutes within federal areas or enclaves located within their exterior boundaries. Many people mistakenly believe that this act gave the same type of authority to states of the Union, but the definition of “State” found in [4 U.S.C. §110\(d\)](#) confirms that such a “State” is either a territory or possession of the United States, as defined in Title 48 of the U.S. Code. The reason that the federal government cannot consent to the enlargement of powers of states of the Union within its borders is that this would violate the separation of powers doctrine and undermine the obligation of Article 4, Section 4 of the Constitution, which requires Congress to guarantee a “Republican form of government”. Below is the statute that authorizes territories and possessions of the United States to enforce their tax statutes within federal enclaves:

[TITLE 4 > CHAPTER 4 > Sec. 106.](#)  
[Sec. 106. - Same; income tax](#)

(a) No person shall be relieved from liability for any income tax levied by any State, or by any duly constituted taxing authority therein, having jurisdiction to levy such a tax, by reason of his residing within a Federal area or receiving income from transactions occurring or services performed in such area; and such State or taxing authority shall have full jurisdiction and power to levy and collect such tax in any Federal area within such State to the same extent and with the same effect as though such area was not a Federal area.

(b) The provisions of subsection (a) shall be applicable only with respect to income or receipts received after December 31, 1940

23. A sovereignty or human being cannot delegate an authority to a subordinate that they themselves do not ALSO possess.

“Quod meum est sine me auferri non potest.  
What is mine [sovereignty in this case] cannot be taken away without my consent”  
[Bouvier’s Law Dictionary Unabridged, 8th Edition, p. 2159]

“Derivativa potestas non potest esse major primitive.  
The power [sovereign immunity in this case] which is derived cannot be greater than that from which it is derived.”  
[Bouvier’s Law Dictionary Unabridged, 8th Edition, p. 2131]

“Nemo potest facere per obliquum quod non potest facere per directum.  
No one can do that indirectly which cannot be done directly.”

[Bouvier's Law Dictionary Unabridged, 8th Edition, p. 2147]

"Quod per me non possum, nec per alium.  
What I cannot do in person, I cannot do through the agency of another."  
[Bouvier's Law Dictionary Unabridged, 8th Edition, p. 2159]

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

24. The CREATOR of a thing is the ONLY one who has the power to DEFINE exactly what it means. You should NEVER give the power to define ANYTHING you put on a government form in the hands of a government worker, because they will ALWAYS define it to place you under their jurisdiction and benefit themselves personally. That means you should NEVER submit any government form without defining ANY and EVERY possible "word of art" on the form so that you will not waive any rights or benefit them.

*"But when Congress creates a statutory right [a "privilege" in this case, such as a "trade or business"], it clearly has the discretion, in defining that right, to create presumptions, or assign burdens of proof, or prescribe remedies; it may also provide that persons seeking to vindicate that right must do so before particularized tribunals created to perform the specialized adjudicative tasks related to that right."*  
[Northern Pipeline Const. Co. v. Marathon Pipe Line Co., 458 U.S. 50, 102 S.Ct. 2858 (1983)]

This is VERY important to know, because although Congress CREATES franchises and OFFERS you opportunities to sign up and thereby waive your Constitutional rights, YOU and ONLY YOU have the right to DEFINE all terms on the application to join the franchise. Most such applications are signed under penalty of perjury and constitute testimony of a witness, and therefore it is a criminal offense to threaten or tamper with or advise the submitter to fill out the form in a certain way or else criminal witness tampering has occurred. That means that if you are compelled to sign up for the franchise against your will, you can define all terms on the form so as to:

24.1. Withhold consent.

24.2. Reserve all your constitutional rights and waive none.

24.3. Document the duress and the source of the duress that caused you to apply. Contracts or consent procured under duress are unenforceable.

24.4. Change your status to foreign and alien in relation to the offeror and therefore beyond their civil jurisdiction.

24.5. Turn the application from an acceptance into a COUNTER-OFFER of YOUR OWN franchise. This causes THEIR response to constitute an acceptance of what we call an ANTI-FRANCHISE FRANCHISE. That way, THEY and not YOU become the party waiving rights. The following videos show how this works:

24.5.1. *This Form is Your Form (UCC Battle of the Forms)*, Mark DeAngelis, Youtube

<http://www.youtube.com/watch?v=b6-PRwhU7cg>

24.5.2. *Mirror Image Rule*, Mark DeAngelis, Youtube

<http://www.youtube.com/watch?v=j8pgbZV757w>

If you would like to learn more about these rules for sovereignty, many of them are described in the wonderful free book on government available on our website below:

*Treatise on Government*, Joel Tiffany, 1867

<http://famguardian.org/Publications/TreatiseOnGovernment/TreatOnGovt.pdf>

Corporations were created by state and federal governments as a matter of public and social policy in order to encourage commerce and prosper everyone in society economically. Any Creator may place any demand on his creation that he wants to, including the requirement to pay a tax. He may even destroy his creation should he choose to do so by excessive taxation or other means. The supreme Court said of this subject the following:

*"The power to tax is the power to destroy."*  
[John Marshal, U.S. Supreme Court Justice, *M'Culloch v. Maryland*, 4 Wheat. 316, 431]

Since "the power to tax is the power to destroy," then it follows that "**the power to create is the power to tax**". This is a logical consequence of the fact that the power to create and the power to destroy must proceed from the same hand. Here is how the U.S. Supreme Court described it:

*"What is a Constitution? It is the form of government, delineated by the mighty hand of the people, in which certain first principles of fundamental laws are established. The Constitution is certain and fixed; it contains the permanent will of the people, and is the supreme law of the land; it is paramount to the power of the Legislature,*

and can be revoked or altered only by the authority that made it. **The life-giving principle and the death-doing stroke must proceed from the same hand.**  
[[VanHorne's Lessee v. Dorrance, 2 U.S. 304 \(1795\)](#)]

The power to create and the power to destroy can therefore only be allowed to proceed from the same source. This means that the creation cannot and should not be allowed to destroy or burden its Creator. Therefore, the federal government cannot be allowed to directly tax or embarrass or burden the states of the Union without their consent and through apportionment. Likewise, the states of the Union cannot be allowed to directly tax or embarrass or burden the sovereign People who created them. Government may therefore tax only what government has created, and the only thing it created were corporations and paper fiat currency. A legal fiction called a government can only destroy those other legal fictions that it creates, but it cannot destroy a flesh and blood man that it did not create:

*"Mr. Baily (Texas)...Or suppose I had concurred with him, and had levied a tax on the individual and exempted all corporations and to lay the burden of the government upon the man of flesh and blood, made in the image of his God."*  
[44 Cong.Rec. 2447 (1909)]

The definition of the term "person" found throughout the Internal Revenue Code, such as in I.R.C. Sections 6671(b) and 7343 confirms that the only type of "persons" included as the target of most types of enforcement actions are federal corporations incorporated in the District of Columbia, and "public officials" of the United States government who are in receipt of excise taxable privileges of public office. Here are a few examples demonstrating this amazing fact from the I.R.C.:

1. Definition of "person" for the purposes of "assessable penalties" within the Internal Revenue Code means an officer or employee of a corporation:

[TITLE 26](#) > [Subtitle F](#) > [CHAPTER 68](#) > [Subchapter B](#) > [PART I](#) > Sec. 6671.  
Sec. 6671. - Rules for application of assessable penalties

(b) Person defined

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

2. Definition of "person" for the purposes of "miscellaneous forfeiture and penalty provisions" of the Internal Revenue Code means an officer or employer of a corporation or partnership within the federal United States:

[TITLE 26](#) > [Subtitle F](#) > [CHAPTER 75](#) > [Subchapter D](#) > Sec. 7343.  
[Sec. 7343](#). - Definition of term "person"

*The term "person" as used in this chapter [[Chapter 75](#)] includes an officer or employee of a corporation, or a member or employee of a partnership, who as such officer, employee, or member is under a duty to perform the act in respect of which the violation occurs*

3. Definition of "person" or "individual" for the purposes of levy within the Internal Revenue Code means an elected or appointed officer of the United States government or a federal instrumentality:

26 U.S.C., Subchapter D - Seizure of Property for Collection of Taxes  
[Sec. 6331](#). Levy and distraint

(a) Authority of Secretary

*If any person liable to pay any tax neglects or refuses to pay the same within 10 days after notice and demand, it shall be lawful for the Secretary to collect such tax (and such further sum as shall be sufficient to cover the expenses of the levy) by levy upon all property and rights to property (except such property as is exempt under section [6334](#)) belonging to such person or on which there is a lien provided in this chapter for the payment of such tax. **Levy may be made upon the accrued salary or wages of any officer, employee, or elected official, of the United States, the District of Columbia, or any agency or instrumentality of the United States or the District of Columbia, by serving a notice of levy on the employer (as defined in section 3401(d)) of such officer, employee, or elected official.** If the Secretary makes a finding that the collection of such tax is in jeopardy, notice and demand for immediate payment of such tax may be made by the Secretary and, upon failure or refusal to pay such tax, collection thereof by levy shall be lawful without regard to the 10-day period provided in this section.*

Government didn't create people so it can't tax people, unless they explicitly and individually consent *voluntarily* to it by undertaking employment with the federal government as privileged public officers of that government who are voluntarily engaged in a taxable activity called a "trade or business". In a free country, all just power of government derives from the explicit consent of the people. Any civil action undertaken absent explicit, informed, and voluntary consent is unjust.

*"There is a clear distinction in this particular case between an individual and a corporation, and that the latter has no right to refuse to submit its books and papers for an examination at the suit of the State. The individual may stand upon his constitutional rights as a citizen. He is entitled to carry on his private business in his own way. His power to contract is unlimited. He owes no such duty to the State, since he receives nothing therefrom, beyond the protection of his life and property. His rights are such as existed by the law of the land long antecedent to the organization of the State, and can only be taken from him by due process of law, and in accordance with the constitution. Among his rights are a refusal to incriminate himself, and the immunity of himself and his property from arrest or seizure except under a warrant of the law. He owes nothing to the public so long as he does not trespass upon their rights."*  
[Hale v. Henkel, 201 U.S. 43, 74 (1906)]

Only God in His sovereignty can create people. That is why the Constitution recognizes in two different places, including Article 1, Section 9, Clause 4 (1:9:4) and Article 1, Clause 2, Section 3 (1:2:3) that direct taxes *must* be apportioned to the states of the Union and may not be directly levied on the people within states of the Union by the federal government. The federal government servant simply cannot be greater than the sovereign People that it serves in the states of the Union. Violating this requirement is the equivalent of instituting slavery in states of the Union in violation of the Thirteenth Amendment. This is also why:

1. There is no liability statute anywhere in Subtitle A making anyone responsible to pay income taxes.
2. The IRS is not an enforcement agency and does not fall under the Undersecretary for Enforcement within the Dept. of Treasury. See: <http://famguardian.org/Subjects/Taxes/Research/TreasOrgHist/Torg1999.pdf>
3. I.R.C., Subtitles A and C can *only* be voluntary and can never be enforced against "nontaxpayers". Every person who participates must individually consent or the code becomes unenforceable. Note that AFTER they consent, it is no longer voluntary, but BEFORE they do, it is.
4. All payroll tax withholding is entirely consensual and voluntary and cannot be coerced. See 26 U.S.C. §3402(p) and 26 C.F.R. §31.3402(p)-1.
5. The Supreme Court said that the definition for "income" has always meant corporate profit. This means that natural persons cannot earn "income" as defined by the Constitution unless they are privileged officers of the United States government who voluntarily consent to it by pursuing employment with that government:

*"In order, therefore, that the [apportionment] clauses cited from article I [§2, cl. 3 and §9, cl. 4] of the Constitution may have proper force and effect ...[I]t becomes essential to distinguish between what is an what is not 'income,' ...according to truth and substance, without regard to form. Congress cannot by any definition it may adopt conclude the matter, since it cannot by legislation alter the Constitution, from which alone, it derives its power to legislate, and within those limitations alone that power can be lawfully exercised." [pg. 207] ...After examining dictionaries in common use we find little to add to the succinct definition adopted in two cases arising under the Corporation Tax Act of 1909, Stratton's Independence v. Howbert, 231 U.S. 399, 415, 34 S.Sup.Ct. 136, 140 [58 L.Ed. 285] and Doyle v. Mitchell Bros. Co., 247 U.S. 179, 185, 38 S.Sup.Ct. 467, 469, 62 L.Ed. 1054..."*  
[Eisner v. Macomber, 252 U.S. 189, 207, 40 S.Ct. 189, 9 A.L.R. 1570 (1920)]

*"...Whatever difficulty there may be about a precise scientific definition of 'income,' it imports, as used here, something entirely distinct from principal or capital either as a subject of taxation or as a measure of the tax; conveying rather the idea of gain or increase arising from corporate activities."*  
[Doyle v. Mitchell Brothers Co., 247 U.S. 179, 185, 38 S.Ct. 467 (1918)]

*"Income has been taken to mean the same thing as used in the Corporation Excise Tax Act of 1909 (36 Stat. 112) in the 16<sup>th</sup> Amendment, and in the various revenue acts subsequently passed."*  
[Bowers v. Kerbaugh-Empire Co., 271 U.S. 170, 174, (1926)]

6. The Supreme Court said in the case of Flora v. United States, 362 U.S. 145 (1960):

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



1 The debates held in Congress in 1909 over the ratification of the [Sixteenth Amendment](#) abundantly confirm the above  
2 conclusions. They also abundantly confirm the fact that the legislative intent of the [Sixteenth Amendment](#) revealed during  
3 Congressional debates *never* included the intent to tax “wages” (in the common understanding, not in the legal sense defined  
4 in the Internal Revenue Code) on the labor of human beings. Below is just one cite out the hundreds of pages of Congressional  
5 Debates on the Sixteenth Amendment posted on our website at:

6 [Congressional Debates on the Sixteenth Amendment](http://famguardian.org/TaxFreedom/History/Congress/1909-16thAmendCongrRecord.pdf), Family Guardian Fellowship  
7 <http://famguardian.org/TaxFreedom/History/Congress/1909-16thAmendCongrRecord.pdf>

8 Senator Daniel of Virginia is debating the Sixteenth Amendment and he offers an excellent analysis of the legal criteria of  
9 taxing a corporation:

10 *“There are many things—settled personal views—about this excise tax which we ought to remember, and I*  
11 *propose to state, just as I have stated the difference between corporations and partnerships, what are some of the*  
12 *marked and settled opinions which have had judicial exposition and indorsement as to the power to tax*  
13 *corporations. I will state some of them. I think it will be found settled in the judicial reports of this country, and*  
14 *so well settled that no lawyer familiar with the decisions could hope to disturb the decisions, as follows:*

15 *“(1) That a corporate franchise is a distinct subject of taxation, and not as property, but as the exercise of a*  
16 *privilege.*

17 *“(2) That it may be taxed by a State or Country which creates it.*

18 *“(3) It may be taxed by a State or Territory in which it is exercised, although created by a foreign country.*

19 *“(4) It may be taxed by the United States, whether created by the United States or a foreign country or by a State,*  
20 *Territory, or district of the United States.*

21 *“(5) The franchise of the corporation may also be taxed by a State, although created by the United States, unless*  
22 *created as part of the governmental machinery of the United States.*

23 *“The same or rather the like limitation applies upon corporations created by the States. You may tax any private*  
24 *corporation of a State, but a corporation of the State, that is chartered by the State to perform some function of*  
25 *its government, partakes of a governmental nature, just as one so formed by the United States; and as the one*  
26 *cannot be taxed by the Federal Government, so the other cannot be taxed by the State.”*  
27 *[44 Cong.Rec. 4237-4238 (1909)]*

28 Below is another Congressional interchange on the legislative intent of the Sixteenth Amendment that clearly shows it was  
29 never intended to apply to the earnings (not statutory “wages”) derived from labor of a flesh and blood human being:

30 *“Mr. Brandegee. **Mr. President, what I said was that the amendment exempts absolutely everything that a man***  
31 ***makes for himself.** Of course it would not exempt a legacy which somebody else made for him and gave to him.*  
32 *If a man’s occupation or vocation—for vocation means nothing but a calling—if his calling or occupation were*  
33 *that of a financier it would exempt everything he made by underwriting and by financial operations in the course*  
34 *of a year that would be the product of his effort. **Nothing can be imagined that a man can busy himself about***  
35 ***with a view of profit which the amendment as drawn would not utterly exempt.**”*  
36 *[50 Cong.Rec. p. 3839, 1913]*

37 Even the U.S. Supreme Court agrees with this conclusion that earnings from labor are not taxable to the person who did the  
38 work:

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

## 6 Franchise agreements generally

### 6.1 Introduction

The equivalent of a municipal grant or franchise may result from the acceptance of an offer contained in a state statute<sup>59</sup> or in the constitution of the state.<sup>60</sup>

A franchise is acquired, ordinarily, only when the grant is actually accepted.<sup>61</sup> Acceptance may be implied by the acts or conduct of the grantee,<sup>62</sup> and this is especially true when the franchise makes no provision for a formal acceptance thereof.<sup>63</sup> Those who do not wish to participate in the franchise simply withdraw their consent to participate.

The grant of a franchise, when accepted by the grantee, constitutes a binding contract between the parties thereto by which their rights and obligations are to be determined in accordance with its terms and conditions.<sup>64</sup> The character and extent of the rights granted in the use of a franchise depend upon the terms of the grant, the nature of the franchise, and the purpose designed to be accomplished.<sup>65</sup> Moreover, the jurisdiction of the granting authority is a limitation upon the extent of the franchise which is granted.<sup>66</sup>

The franchise contract as currently construed by the court often although not necessarily always has the practical effect of producing agency of the franchisee on behalf of the government grantor. In most cases, that agency is falsely presumed or imputed to imply a public office in the government and the status of "public official" to the franchisee. When courts such as the U.S. Supreme Court refer to franchisees, they say that the person occupying such an office "is clothed with" some governmental authority and therefore exercising agency on behalf of another. Such language usually is used in connection with rights deprivations by officers of the government under the "color of law" which constitute torts under 42 U.S.C. §1983. Here are some examples:

*"State officials acting in their official capacities, even if in abuse of their lawful authority, generally are held to act "under color" of law. E.g., Monroe v. Pape, 365 U.S. at 171-172; Ex parte Virginia, 100 U.S. 339, 346-347 (1880). **This is because such officials are "clothed with the authority" of state law, which gives them power to perpetrate the very wrongs that Congress intended § 1983 to prevent.** United States v. Classic, 313 U.S. 299, 326 (1941); Ex parte Virginia, supra, at 346-347. Cf. Polk County v. Dodson, 454 U.S. 312 (1981) (a public defender, representing an indigent client in a criminal proceeding, performs a function for which the authority of his state office is not needed, and therefore does not act under color of state law when engaged in a defense attorney's traditionally private roles)."*  
[Lugar v. Edmondson Oil Co., Inc., 457 U.S. 922 (1982), Footnote 5]

*Actionable deprivations must be based on "**misuse of power, possessed by virtue of state law and made possible only because the wrongdoer is clothed with the authority of state law.**" Ibid. (quoting United States v. Classic, 313 U.S. 299, 326 (1941)). See also Screws, supra, at 134 (Rutledge, J., concurring in result) (the Constitution protects the "right not to be deprived of life or liberty by a **state officer** who takes it by abuse of his*

<sup>59</sup> The grant resulting from the acceptance, by the establishment of a plant devoted to the prescribed public use, of the state's offer to permit persons or corporations duly incorporated for the purpose "in any city where there are no public works owned and controlled by the municipality for supplying the same with water or artificial light," to lay pipes in the city streets for the purpose specified, constitutes a contract and vests in the accepting individual or corporation a property right protected by the Federal Constitution against impairment. Russell v. Sebastian, 233 U.S. 195, 58 L.Ed. 912, 34 S.Ct. 517.

<sup>60</sup> Madera Waterworks v. Madera, 228 U.S. 454, 57 L.Ed. 915, 33 S.Ct. 571.

<sup>61</sup> Stockton Gas & E. Co. v. San Joaquin County, 148 Cal. 313, 83 P. 54.

<sup>62</sup> City R. Co. v. Citizens' Street R. Co., 166 U.S. 557, 41 L.Ed. 1114, 17 S.Ct. 653.

<sup>63</sup> State ex rel. Martin v. Ohio Electric Power Co., 35 Ohio.App. 481, 172 N.E. 615, affd 121 Ohio.St. 235, 167 N.E. 877.

<sup>64</sup> Arkansas-Missouri Power Co. v. Brown, 176 Ark. 774, 4 S.W.2d. 15, 58 A.L.R. 534; Interurban R. & Terminal Co. v. Public Utilities Com., 98 Ohio.St. 287, 120 N.E. 831, 3 A.L.R. 696.

The rights of the parties are to be determined by the terms of a franchise contract which is included in the provisions of a valid franchise ordinance accepted by the grantee. Columbus R. Power & L. Co. v. Columbus, 249 U.S. 399, 63 L.Ed. 669, 39 S.Ct. 349, 6 A.L.R. 1648; Cleveland v. Cleveland City R. Co., 194 U.S. 517, 48 L.Ed. 1102, 24 S.Ct. 756; State ex rel. Weatherly v. Birmingham Waterworks Co., 185 Ala. 388, 64 So 23; People ex rel. Jackson v. Suburban R. Co., 178 Ill. 594, 53 N.E. 349; Interurban R. & Terminal Co. v. Public Utilities Com., 98 Ohio.St. 287, 120 N.E. 831, 3 A.L.R. 696.

<sup>65</sup> Leonard v. Baylen Street Wharf Co., 59 Fla. 547, 52 So. 718.

<sup>66</sup> Citizens Tel. Co. v. Cincinnati, N. O. & T. P. R. Co 192 Ky. 399, 233 S.W. 901, 18 A.L.R. 615.

office and its power") (emphasis added). Where state officials cause injuries in ways that are equally available to private citizens, constitutional issues are not necessarily raised.  
[Parratt v. Taylor, 451 U.S. 527 (1981), Footnote 10]

## 6.2 Government franchise agreements

All franchise agreements created by the government are what the legal profession calls "private law":

*"Private law. That portion of the law which defines, regulates, enforces, and administers relationships among individuals, associations, and corporations. As used in contradistinction to public law, the term means all that part of the law which is administered between citizen and citizen, or which is concerned with the definition, regulation, and enforcement of rights in cases where both the person in whom the right inheres and the person upon whom the obligation is incident are private individuals. See also Private bill; Special law. Compare Public Law."*  
[Black's Law Dictionary, Sixth Edition, p. 1196]

Franchise agreements are private law because they only affect those who consent explicitly (in writing) or implicitly/implicitly/constructively (by their conduct) to participate in the franchise. What all government franchise agreements have in common is that they:

1. Convey rights to each of the parties.
2. Regulate the use of "public property" by the franchisee.
3. Operate as contracts.
4. Involve mutual consideration of one kind or another to all those who are party to it.
5. Create "agency" of each party on the part of the other.
6. Regulate the "choice of law" rules applying to the relationship between the grantor of the franchise and the franchisees. For instance, most franchise agreements specify the laws under which disputes are regulated and sometimes even the forums or courts that will hear the disputes. Some franchise agreements even cause those who sign up to waive all of their rights to litigate in a government court and to submit the dispute instead to binding private arbitration.
7. Operate as a trust or constructive trust. The person in custody of the public property is a trustee over said property under the terms of the franchise agreement, which is the trust document.
8. Make those who consent into "trustees" or "transferees" (26 U.S.C. §6901) or "fiduciaries" (26 U.S.C. §6903) of one kind or another on behalf of the entity granting the franchise. These trustees exercise agency on behalf of the trust. If the grantor of the franchise is the government, the franchisees in effect become "trustees" of the "public trust" and therefore an officer of the government granting the franchise.
9. Make those who sign up the object of what the courts call "legal disability". This disability includes a surrender of the right to not be subject to administrative "bills of attainder", which would otherwise be unconstitutional:

*"The Government urges that the Power Company is estopped to question the validity of the Act creating the Tennessee Valley Authority, and hence that the stockholders, suing in the right of the corporation, cannot [297 U.S. 323] maintain this suit. .... The principle is invoked that one who accepts the benefit of a statute cannot be heard to question its constitutionality. Great Falls Manufacturing Co. v. Attorney General, 124 U.S. 581; Wall v. Parrot Silver & Copper Co., 244 U.S. 407; St. Louis Casting Co. v. Prendergast Construction Co., 260 U.S. 469."*  
[Ashwander v. Tennessee Valley Auth., 297 U.S. 288 (1936)]

*"...when a State willingly accepts a substantial benefit from the Federal Government, it waives its immunity under the Eleventh Amendment and consents to suit by the intended beneficiaries of that federal assistance."*  
[Papasan v. Allain, 478 U.S. 265 (1986)]

CALIFORNIA CIVIL CODE  
DIVISION 3. OBLIGATIONS  
PART 2. CONTRACTS  
CHAPTER 3. CONSENT  
[Section 1589](#)

*1589. A voluntary acceptance of the benefit of a transaction is equivalent to a consent to all the obligations arising from it, so far as the facts are known, or ought to be known, to the person accepting.*

10. May not lawfully be offered outside of federal territory by a legitimate de jure government. The government cannot be established exclusively to protect your private rights and on the other hand lawfully make a business out of taxing,

destroying, and regulating your rights and make every “citizen” it is supposed to serve into an employee with no rights. The only place they can lawfully entice you out of your rights is where rights don’t exist, which is on federal territory.

“Unalienable. Inalienable; incapable of being aliened, that is, sold and transferred [to the government].”  
[Black’s Law Dictionary, Fourth Edition, p. 1693]

“Indeed, the practical interpretation put by Congress upon the Constitution has been long continued and uniform to the effect [182 U.S. 244, 279] that the Constitution is applicable to territories acquired by purchase or conquest, only when and so far as Congress shall so direct. Notwithstanding its duty to ‘guarantee to every state in this Union a republican form of government’ (art. 4, 4), by which we understand, according to the definition of Webster, ‘a government in which the supreme power resides in the whole body of the people, and is exercised by representatives elected by them,’ Congress did not hesitate, in the original organization of the territories of Louisiana, Florida, the Northwest Territory, and its subdivisions of Ohio, Indiana, Michigan, Illinois, and Wisconsin and still more recently in the case of Alaska, to establish a form of government bearing a much greater analogy to a British Crown colony than a republican state of America, and to vest the legislative power either in a governor and council, or a governor and judges, to be appointed by the President. It was not until they had attained a certain population that power was given them to organize a legislature by vote of the people. In all these cases, as well as in territories subsequently organized west of the Mississippi, Congress thought it necessary either to extend to Constitution and laws of the United States over them, or to declare that the inhabitants should be entitled to enjoy the right of trial by jury, of bail, and of the privilege of the writ of habeas corpus, as well as other privileges of the bill of rights.”  
[Downes v. Bidwell, [182 U.S. 244](#) (1901)]

“The restrictions that the Constitution places upon the government in its capacity as lawmaker, i.e., as the regulator of private conduct, are not the same as the restrictions that it places upon the government in its capacity as employer. We have recognized this in many contexts, with respect to many different constitutional guarantees. Private citizens perhaps cannot be prevented from wearing long hair, but policemen can. *Kelley v. Johnson*, [425 U.S. 238, 247](#) (1976). Private citizens cannot have their property searched without probable cause, but in many circumstances government employees can. *O’Connor v. Ortega*, [480 U.S. 709, 723](#) (1987) (plurality opinion); *id.*, at 732 (SCALIA, J., concurring in judgment). Private citizens cannot be punished for refusing to provide the government information that may incriminate them, but government employees can be dismissed when the incriminating information that they refuse to provide relates to the performance of their job. *Gardner v. Broderick*, [497 U.S. 62, 95] [392 U.S. 273, 277](#)–278 (1968). With regard to freedom of speech in particular: Private citizens cannot be punished for speech of merely private concern, but government employees can be fired for that reason. *Connick v. Myers*, [461 U.S. 138, 147](#) (1983). Private citizens cannot be punished for partisan political activity, but federal and state employees can be dismissed and otherwise punished for that reason. *Public Workers v. Mitchell*, [330 U.S. 75, 101](#) (1947); *Civil Service Comm’n v. Letter Carriers*, [413 U.S. 548, 556](#) (1973); *Broadrick v. Oklahoma*, [413 U.S. 601, 616](#)–617 (1973).”  
[*Rutan v. Republican Party of Illinois*, [497 U.S. 62](#) (1990)]

11. Constitute “property”. In law, all “rights” are property and any instrument which conveys rights to either party of the franchise agreement therefore becomes “property”.

**Property.** That which is peculiar or proper to any person; that which belongs exclusively to one. In the strict legal sense, an aggregate of rights which are guaranteed and protected by the government. *Fulton Light, Heat & Power Co. v. State*, 65 Misc.Rep. 263, 121 N.Y.S. 536. The term is said to extend to every species of valuable right and interest. More specifically, ownership; the unrestricted and exclusive right to a thing; the right to dispose of a thing in every legal way, to possess it, to use it, and to exclude every one else from interfering with it. That dominion or indefinite right of use or disposition which one may lawfully exercise over particular things or subjects. The exclusive right of possessing, enjoying, and disposing of a thing. The highest right a man can have to anything; being used to refer to that right which one has to lands or tenements, goods or chattels, which no way depends on another man’s courtesy.

The word is also commonly used to denote everything which is the subject of ownership, corporeal or incorporeal, tangible or intangible, visible or invisible, real or personal, everything that has an exchangeable value or which goes to make up wealth or estate. It extends to every species of valuable right and interest, and includes real and personal property, easements, franchises, and incorporeal hereditaments, and includes every invasion of one’s property rights by actionable wrong. *Labberton v. General Cas. Co. of America*, 53 Wash.2d. 180, 332 P.2d. 250, 252, 254.

Property embraces everything which is or may be the subject of ownership, whether a legal ownership, or whether beneficial, or a private ownership. *Davis v. Davis*, TexCiv-App., 495 S.W.2d. 607. 611. Term includes not only ownership and possession but also the right of use and enjoyment for lawful purposes. *Hoffmann v. Kinealy, Mo.*, 389 S.W.2d. 745, 752.

Property, within constitutional protection, denotes group of rights inhering in citizen’s relation to physical thing, as right to possess, use and dispose of it. *Cereghino v. State By and Through State Highway Commission*, 230 Or. 439, 370 P.2d. 694, 697.

Goodwill is property, *Howell v. Bowden*, TexCiv. App., 368 S.W.2d. 842, &18; as is an insurance policy and rights incident thereto, including a right to the proceeds, *Harris v. Harris*, 83 N.M. 441,493 P.2d. 407, 408.

Criminal code. "Property" means anything of value. including real estate, tangible and intangible personal property, contract rights, choses-in-action and other interests in or claims to wealth, admission or transportation tickets, captured or domestic animals, food and drink, electric or other power. Model Penal Code. Q 223.0. See also Property of another, *infra*. Dests. Under definition in Restatement, Second, Trusts, Q 2(c), it denotes interest in things and not the things themselves.  
[Black's Law Dictionary, Fifth Edition, p. 1095]

The authority under the constitution for federal jurisdiction over franchises originates from Article 4, Section 3, Clause 2 of the United States Constitution, which states in pertinent part:

United States Constitution  
Article 4, Section 3, Clause 2

*The Congress shall have Power to dispose of and **make all needful Rules and Regulations respecting the Territory or other Property** belonging to the United States; and nothing in this Constitution shall be so construed as to Prejudice any Claims of the United States, or of any particular State.*

The "other property" they are talking about can include federal franchises such as corporations. The U.S. Supreme Court has recognized corporate franchises, for instance, as coming under the above provision when it held the following:

***"The power of making all needful rules and regulations respecting the territory of the United States, is one of the specified powers of congress. Under this power, it has never been doubted, that congress had authority to establish corporations [franchises] in the territorial governments. But this power is derived entirely from implication. It is assumed, as an incident to the principal power."***  
[*M'Culloch v. State*, 17 U.S. 316, 1819 WL 2135 (U.S.,1819)]

Of such property and the jurisdiction of the United States over said property, the U.S. Supreme Court has held the following:

***"The Constitution permits Congress to dispose of and to make all needful rules and regulations respecting the territory or other property belonging to the United States. This power applies as well to territory belonging to the United States within the States, as beyond them. It comprehends all the public domain, wherever it may be. The argument is, that the power to make 'ALL needful rules and regulations' 'is a power of legislation,' 'a full legislative power;' 'that it includes all subjects of legislation in the territory,' and is without any limitations, except the positive prohibitions which affect all the powers of Congress. Congress may then regulate or prohibit slavery upon the public domain within the new States, and such a prohibition would permanently affect the capacity of a slave, whose master might carry him to it. And why not? Because no power has been conferred on Congress. This is a conclusion universally admitted. But the power to 'make rules and regulations respecting the territory' is not restrained by State lines, nor are there any constitutional prohibitions upon its exercise in the domain of the United States within the States; and whatever rules and regulations respecting territory Congress may constitutionally make are supreme, and are not dependent on the situs of 'the territory.'"***  
[*Dred Scott v. Sandford*, 60 U.S. 393, 509-510 (1856)]

Based on Constitution Article 4, Section 3, Clause 2, whenever we therefore find the phrase:

*"...make all needful Rules and Regulations respecting the Territory and other Property. . ."*

...appears in federal statutes, undoubtedly we are dealing with either federal territory, federal property, or a federal franchise that also is property. Below are a few examples right out of the U.S. Code of statutes dealing with the management of federal property or territory. Note, for instance, that the Secretary of the Treasury is empowered to "make all needful rules and regulations for the enforcement of this title", which deals exclusively with government franchises and privileges:

1. 26 U.S.C. §7805(a): Application of Internal Revenue Laws. Franchise: "trade or business"

*"Except where such authority is expressly given by this title to any person other than an officer or employee of the Treasury Department, the Secretary shall prescribe **all needful rules and regulations** for the enforcement of this title, including all rules and regulations as may be necessary by reason of any alteration of law in relation to internal revenue."*

2. 16 U.S.C. §363: Hot Springs National Park. Subject: Federal territory or possession.



1 "Full power is vested in the Secretary of the Interior to provide, in all leases to be executed against any  
2 combination among lessees or their assigns, as to ownership, prices, or accommodations at any bathhouse; as  
3 well as to make all needful rules and regulations as to the use of the hot water, and to prevent its waste, including  
4 full power to authorize the superintendent of said park to make examination and inspection at any time of the  
5 manner of using the hot water at any bathtub, that it may be used in proper quantity only, and to prevent its  
6 waste;"

- 7 3. 16 U.S.C. §430r: National military parks, rules and regulations. Subject: Federal territory or possession.

8 *The Secretary of the Interior shall have the power to make all needful rules and regulations for the care of the*  
9 *park, and for the establishment and marking of lines of battle and other historical features of the park.*

- 10 4. 16 U.S.C. §425h: National military parks, rules and regulations. Subject: Federal territory or possession.

11 *The Secretary of the Interior, subject to the approval of the President, shall have the power to make and shall*  
12 *make all needful rules and regulations for the care of the park, and for the establishment and marking of lines*  
13 *of battle and other historical features of the park.*

- 14 5. 16 U.S.C. §423g: National military parks, rules and regulations. Subject: Federal territory or possession.

15 *The Secretary of the Interior, subject to the approval of the President, shall have the power to make and shall*  
16 *make all needful rules and regulations for the care of the battlefield, and for the establishment and marking of*  
17 *lines of battle and other historical features of the battlefield.*

- 18 6. 16 U.S.C. §694b: Rules and regulations for the administration of sanctuaries in national forests; jurisdiction of States.  
19 Subject: Federal territory or possession.

20 *The Secretaries of Agriculture and Commerce shall execute the provisions of sections 694 to 694b of this title,*  
21 *and they are jointly authorized to make all needful rules and regulations for the administration of such fish and*  
22 *game sanctuaries or refuges in accordance with the purpose of sections 694 to 694b of this title, including*  
23 *regulations not in contravention of State laws for hunting, capturing, or killing predatory animals, such as wolves,*  
24 *coyotes, foxes, pumas, and other species destructive to livestock or wildlife or agriculture within the limits of said*  
25 *fish and game sanctuaries or refuges: Provided, That the present jurisdiction of the States shall not be altered or*  
26 *changed without the legislative approval of such States.*

- 27 7. 16 U.S.C. §689c: Rules and regulations for administration of the Tahquitz Preserve; predatory animals. Subject: Federal  
28 territory or possession.

29 *The Secretary of Agriculture shall execute the provisions of sections 689 to 689d of this title, and he is authorized*  
30 *to make all needful rules and regulations for the administration of such game preserves in accordance with the*  
31 *purposes of said sections, including regulations for hunting, capturing, or killing predatory animals, such as*  
32 *wolves, coyotes, cougar, and other species destructive to livestock or wildlife within the limits of said game*  
33 *preserve.*

- 34 8. 16 U.S.C. §701: Protection of migratory game and insectivorous birds, generally. Subject: Federal territory or  
35 possession.

36 *And the Secretary of the Interior shall make and publish all needful rules and regulations for carrying out the*  
37 *purposes of this Act, and shall expend for said purposes such sums as Congress may appropriate therefor.*

- 38 9. 19 U.S.C. §1336(i): Equalization of costs of production. Subject: Privileged foreign commerce under Article, 1, Section  
39 8, Clause 3.

40 (i) Rules and regulations of President

41 *The President is authorized to make all needful rules and regulations for carrying out his functions under*  
42 *the provisions of this section.*

- 43 10. 23 U.S.C. §315: Highways, Rules, regulations, and recommendations. Subject: Federal territory or possession. All  
44 federal highways are federal possessions.

45 *Except as provided in sections 204(f) and 205(a) of this title, the Secretary is authorized to prescribe and*  
46 *promulgate all needful rules and regulations for the carrying out of the provisions of this title.*

11. 25 U.S.C. §302: Indian Reform School; rules and regulations; consent of parents to placing youth in reform school.  
Subject: Federal territory or possession. All Indian reservations are a federal territory or possession.

*The Commissioner of Indian Affairs, under the direction of the Secretary of the Interior, is authorized and directed to select and designate some one of the schools or other institution herein specifically provided for as an "Indian Reform School", and to make all needful rules and regulations for its conduct, and the placing of Indian youth therein: Provided, That the appropriation for collection and transportation, and so forth, of pupils, and the specific appropriation for such school so selected shall be available for its support and maintenance: Provided further, That the consent of parents, guardians, or next of kin shall not be required to place Indian youth in said school.*

12. 25 U.S.C. §317: Right of Way through Indian lands: Regulations. Subject: Federal territory or possession. All Indian reservations are a federal territory or possession.

*The Secretary of the Interior shall make all needful rules and regulations, not inconsistent with sections 312 to 318 of this title, for the proper execution and carrying into effect of all the provisions of said sections.*

13. 30 U.S.C. §75: Coal Land Entries in General, Conflicting claims upon coal lands; rules and regulations. Subject: Federal territory or possession. Bureau of Land Management only handles federal territory or possessions.

*Director of the Bureau of Land Management is authorized to issue all needful rules and regulations for carrying into effect the provisions of this section and sections 71 to 74 of this title.*

14. 31 U.S.C. §783: Property Management, Rules and regulations. Subject: Federal territory or possession.

*The Comptroller General is authorized to make all needful rules and regulations for the Government of the General Accounting Office Building, and to annex to such rules and regulations such reasonable penalties, within the limits prescribed in subsection (b), as will ensure their enforcement. Such rules and regulations shall be posted and kept posted in a conspicuous place on such Federal property.*

Of participation in franchises, both the founding fathers and the Bible say we should avoid them at all costs:

*"It is our true policy to steer clear of permanent alliances [contracts/covenants] with any portion of the foreign world."*  
[George Washington, Farewell Address]

*"Peace, commerce, and honest friendship with all nations – entangling alliances [contracts, covenants, treaties] with none."*  
[Thomas Jefferson, First Inaugural Address, March 4, 1801]

*"You shall make no covenant with them [foreigners], nor with their [pagan government] gods [or judges]. They shall not dwell in your land [and you shall not dwell in theirs] by becoming a "resident" in the process of contracting with them], lest they make you sin against Me. For if you serve their gods [under contract or agreement], it will surely be a snare to you."*  
[Exodus 23:32-33, Bible, NKJV]

If you would like to investigate further what constitutes "constructive consent "in terms of the various services provided by government, please read the following very enlightening book:

*Invisible Contracts*, George Mercier

<http://famguardian.org/PublishedAuthors/Indiv/MercierGeorge/GeorgeMercier.htm>

### **6.3 Government franchises are unenforceable without mutual consideration and mutual obligation**

*"It is generally conceded that a franchise is the subject of a contract between the grantor and the grantee, and that it does in fact constitute a contract when the requisite element of a consideration is present."<sup>67</sup> Conversely, a*

<sup>67</sup> Larson v. South Dakota, 278 U.S. 429, 73 L.Ed. 441, 49 S.Ct. 196; Grand Trunk Western R. Co. v. South Bend, 227 U.S. 544, 57 L.Ed. 633, 33 S.Ct. 303; Blair v. Chicago, 201 U.S. 400, 50 L.Ed. 801, 26 S.Ct. 427; Arkansas-Missouri Power Co. v. Brown, 176 Ark. 774, 4 S.W.2d. 15, 58 A.L.R. 534; Chicago General R. Co. v. Chicago, 176 Ill. 253, 52 N.E. 880; Louisville v. Louisville Home Tel. Co., 149 Ky. 234, 148 S.W. 13; State ex rel. Kansas City v. East Fifth Street R. Co. 140 Mo. 539, 41 S.W. 955; Baker v. Montana Petroleum Co., 99 Mont. 465, 44 P.2d. 735; Re Board of Fire Comrs. 27 N.J. 192, 142 A.2d. 85; Chrysler Light & P. Co. v. Belfield, 58 N.D. 33, 224 N.W. 871, 63 A.L.R. 1337; Franklin County v. Public Utilities Com., 107 Ohio.St. 442, 140 N.E. 87, 30 A.L.R. 429; State ex rel. Daniel v. Broad River Power Co. 157 S.C. 1, 153 S.E. 537; Rutland Electric Light Co. v. Marble City Electric Light Co., 65 Vt. 377, 26 A. 635; Virginia-Western Power Co. v. Commonwealth, 125 Va. 469, 99 S.E. 723, 9 A.L.R. 1148, cert den 251 U.S. 557, 64

franchise granted without consideration is not a contract binding upon the state, franchisee, or pseudo-franchisee.<sup>68</sup>  
[36 American Jurisprudence 2d, Franchises, §6: As a Contract (1999)]

In the case of public benefits and social insurance franchises such as Social Security and government retirement, Congress has NO contractual obligation to provide any benefits.

“...railroad benefits, like social security benefits, are not contractual and may be altered or even eliminated at any time.”  
[United States Railroad Retirement Board v. Fritz, 449 U.S. 166 (1980)]

“We must conclude that a person covered by the Act [Social Security Act] has not such a right in benefit payments...This is not to say, however, that Congress may exercise its power to modify the statutory scheme free of all constitutional restraint.”  
[Flemming v. Nestor, 363 U.S. 603 (1960)]

Consequently:

1. There can be NO consideration given to the recipients of said “benefits”.
2. It is FRAUD to call what the government provides a “benefit”, because it is NOT synonymous with “consideration”.
3. Under the concept of equal protection, the government similarly cannot justly claim or acquire any right or obligation out of the franchisees of any such “programs”. If it does, then it’s operating a Ponzi Scheme, in fact.
4. Joining the program essentially amounts to GAMBLING or a lottery in which one MIGHT receive SOMETHING INDEFINITE.
5. Since the consideration is not mandatory, then OBEDIENCE by the franchisee to the franchise cannot be compelled or forced or enforced and is ALSO at the discretion of the franchisee. This satisfies the “mutual obligation and mutual consideration” requirement at the heart of all contracts.

Hence, payment into any government program of entitlement, social insurance, or retirement CANNOT be said to be mandatory, compelled, or enforceable against the alleged franchisees. This may explain why the U.S. Supreme Court described the nature of the income taxes that subsidize the “trade or business” franchise as “quasi-contractual” rather than “contractual”:

“Even if the judgment is deemed to be colored by the nature of the obligation whose validity it establishes, and we are free to re-examine it, and, if we find it to be based on an obligation penal in character, to refuse to enforce it outside the state where rendered, see Wisconsin v. Pelican Insurance Co., 127 U.S. 265, 292, et seq. 8 S.Ct. 1370, compare Fauntleroy v. Lum, 210 U.S. 230, 28 S.Ct. 641, **still the obligation to pay taxes is not penal. It is a statutory liability, quasi contractual in nature, enforceable, if there is no exclusive statutory remedy, in the civil courts by the common-law action of debt or indebitatus assumpsit.** United States v. Chamberlin, 219 U.S. 250, 31 S.Ct. 155; Price v. United States, 269 U.S. 492, 46 S.Ct. 180; Dollar Savings Bank v. United States, 19 Wall. 227; and see Stockwell v. United States, 13 Wall. 531, 542; Meredith v. United States, 13 Pet. 486, 493. **This was the rule established in the English courts before the Declaration of Independence.** Attorney General v. Weeks, Bunbury's Exch. Rep. 223; Attorney General v. Jewers and Batty, Bunbury's Exch. Rep. 225; Attorney General v. Hatton, Bunbury's Exch. Rep. [296 U.S. 268, 272] 262; Attorney General v. —, 2 Ans.Rep. 558; see Comyn's Digest (Title 'Dett,' A, 9); 1 Chitty on Pleading, 123; cf. Attorney General v. Sewell, 4 M.&W. 77.”  
[Milwaukee v. White, 296 U.S. 268 (1935)]

The fact that there is not any real consideration and therefore no real enforceable contract may also explain why the Supreme Court has held that “taxes” are not “debts” as legally defined.

In his work on the Constitution, the late Mr. Justice Story whose praise as a jurist is in all civilized lands, speaking of the clause in the Constitution giving to Congress the power to lay and collect taxes, says of the theory which would limit the power to the object of paying the debts that, thus limited, it would be only a power to provide for

L.Ed. 413, 40 S.Ct. 179, disapproved on other grounds Victoria v. Victoria Ice, Light & Power Co. 134 Va. 134, 114 S.E. 92, 28 A.L.R. 562, and disapproved on other grounds Richmond v. Virginia Ry. & Power Co. 141 Va. 69, 126 S.E. 353.

<sup>68</sup> Pennsylvania R. Co. v. Bowers, 124 Pa 183, 16 A 836.

the payment of debts then existing.<sup>69</sup> And certainly if a narrow and limited interpretation would thus restrict the word "debts" in the Constitution, the same sort of interpretation would in like manner restrict the same word in the act. Such an interpretation needs only to be mentioned to be rejected. We refer to it only to show that a right construction must be sought through larger and less technical views. We may, then, safely decline either to limit the word "debts" to existing dues, or to extend its meaning so as to embrace all dues of whatever origin and description.

What, then, is its true sense? The most obvious, and, as it seems to us, the most rational answer to this question is that Congress must have had in contemplation debts originating in contract or demands carried into judgment, and only debts of this character. This is the commonest and most natural use of the word. Some strain is felt upon the understanding when an attempt is made to extend it so as to include taxes imposed by legislative authority, and there should be no such strain in the interpretation of a law like this.

We are the more ready to adopt this view because the greatest of English elementary writers upon law, when treating of debts in their various descriptions, gives no hint that taxes come within either,<sup>70</sup> while American state courts of the highest authority have refused to treat liabilities for taxes as debts in the ordinary sense of that word, for which actions of debt may be maintained.

The first of these cases was that of *Pierce v. City of Boston*,<sup>71</sup> 1842, in which the defendant attempted to set off against a demand of the plaintiff certain taxes due to the city. The statute allowed mutual debts to be set off, but the court disallowed the right to set off taxes. This case went, indeed, upon the construction of the statute of Massachusetts, and did not turn on the precise point before us, but the language of the court shows that taxes were not regarded as debts within the common understanding of the word.

The second case was that of *Shaw v. Pickett*,<sup>72</sup> in which the Supreme Court of Vermont said,

"The assessment of taxes does not create a debt that can be enforced by suit, or upon which a promise to pay interest can be implied. It is a proceeding in invitum."

The next case was that of the *City of Camden v. Allen*,<sup>73</sup> 1857. That was an action of debt brought to recover a tax by the municipality to which it was due. The language of the Supreme Court of New Jersey was still more explicit: "A tax, in its essential characteristics," said the court, "is not a debt nor in the nature of a debt. A tax is an impost levied by authority of government upon its citizens or subjects for the support of the state. It is not founded on contract or agreement. It operates in invitum. A debt is a sum of money due by certain and express agreement. It originates in and is founded upon contracts express or implied."

These decisions were all made before the acts of 1862 were passed, and they may have had some influence upon the choice of the words used. Be this as it may, we all think that the interpretation which they sanction is well warranted.

We cannot attribute to the legislature an intent to include taxes under the term debts without something more than appears in the acts to show that intention.

The Supreme Court of California, in 1862, had the construction of these acts under consideration in the case of *Perry v. Washburn*.<sup>74</sup> The decisions which we have cited were referred to by Chief Justice Field, now holding a seat on this bench, and the very question we are now considering, "What did Congress intend by the act?" was answered in these words:

"Upon this question, we are clear that it only intended by the terms debts, public and private, such obligations for the payment of money as are founded upon contract."

In whatever light, therefore, we consider this question, whether in the light of the conflict between the legislation of Congress and the taxing power of the states, to which the interpretation, insisted on in behalf of the County of Lane, would give occasion, or in the light of the language of the acts themselves, or in the light of the decisions to which we have referred, we find ourselves brought to the same conclusion, that the clause making the United States notes a legal tender for debts has no reference to taxes imposed by state authority, but relates only to debts

<sup>69</sup> 1 Story on the Constitution, 639, §921.

<sup>70</sup> 1 Blackstone's Comm. 475, 6.

<sup>71</sup> 3 Metcalf, 520.

<sup>72</sup> 26 Vermont, 486.

<sup>73</sup> 2 Dutcher, 398.

<sup>74</sup> 20 California, 350.

1 in the ordinary sense of the word, arising out of simple contracts or contracts by specialty, which include  
2 judgments and recognizances.<sup>75</sup>

3 Whether the word "debts," as used in the act, includes obligations expressly made payable or adjudged to be paid  
4 in coin has been argued in another case. We express at present, no opinion on that question.<sup>76</sup>  
5 [Lane County v. Oregon, 74 U.S. 7 Wall. 71 (1868)]

6 On the requirement for a "benefit" to be enforceable, American Jurisprudence Legal Encyclopedia 2d says the following:

7 "It is generally considered that the obligation resting upon the grantee to comply with the terms and conditions  
8 of the grant constitutes a sufficient consideration.<sup>77</sup> As expressed by some authorities, the benefit to the  
9 community may constitute the sole consideration for the grant of a franchise by a state.<sup>78</sup>

10 "A contract thus created has the same status as any other contract recognized by the law;<sup>79</sup> it is binding mutually  
11 upon the grantor and the grantee and is enforceable according to its terms and tenor,<sup>80</sup> and is entitled to be  
12 protected from impairment by legislative action under the provision of the state and federal constitutions  
13 prohibiting the passage of any law by which the obligation of existing contracts shall be impaired or lessened.<sup>81</sup>  
14 The well-established rule as to franchises is that where a municipal corporation, acting within its powers, enacts  
15 an ordinance conferring rights and privileges on a person or corporation, and the grantee accepts the ordinance  
16 and expends money in availing itself of the rights and privileges so conferred, a contract is thereby created which,  
17 in the absence of a reserved power to amend or repeal the ordinance, cannot be impaired by a subsequent  
18 municipal enactment.<sup>82</sup> Certain limitations upon this general rule, and particular applications thereof, are  
19 discussed in the following section."  
20 [36 American Jurisprudence 2d, Franchises, §6: As a Contract (1999)]

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<sup>75</sup> 1 Parsons on Contracts, 7.

<sup>76</sup> See infra, pp. 229, 258, Bronson v. Rodes, and Butler v. Horwitz.

<sup>77</sup> Central Transp. Co. v. Pullman's Palace Car Co., 139 U.S. 24, 35 L.Ed. 55, 11 S.Ct. 478; Summerville v. Georgia Power Co., 205 Ga. 843, 55 S.E.2d. 540; Dufour v. Stacey, 90 Ky. 288, 14 S.W. 48; State ex rel. Kansas City v. East Fifth Street R. Co. 140 Mo. 539, 41 S.W. 955; Victory Cab Co. v. Charlotte, 234 N.C. 572, 68 S.E.2d. 433.

Consideration for the grant of a charter need not be based upon benefit to the grantor; it is sufficient if it imports damage or loss, or forbearance of benefit, or any act done, or to be done, on the part of the grantee. Per Story, J., Dartmouth College v. Woodward, 4 Wheat (US) 518, 4 L.Ed. 629.

<sup>78</sup> Dartmouth College v. Woodward, supra; Victory Cab Co. v. Charlotte, 234 N.C. 572, 68 S.E.2d. 433.

<sup>79</sup> Louisville v. Louisville Home Tel. Co., 149 Ky. 234, 148 S.W. 13.

<sup>80</sup> Grand Trunk Western R. Co. v. South Bend, 227 U.S. 544, 57 L.Ed. 633, 33 S.Ct. 303; Louisville v. Cumberland Tel. & Tel. Co., 224 U.S. 649, 56 L.Ed. 934, 32 S.Ct. 572; Summerville v. Georgia Power Co., 205 Ga. 843, 55 S.E.2d. 540; Victory Cab Co. v. Charlotte, 234 N.C. 572, 68 S.E.2d. 433; East Ohio Gas Co. v. Akron, 81 Ohio.St. 33, 90 N.E. 40.

<sup>81</sup> Ohio Pub. Serv. Co. v. Ohio, 274 U.S. 12, 71 L.Ed. 898, 47 S.Ct. 480; Northern Ohio Traction & Light Co. v. Ohio, 245 U.S. 574, 62 L.Ed. 481, 38 S.Ct. 196; Cincinnati v. Cincinnati & H. Traction Co., 245 U.S. 446, 62 L.Ed. 389, 38 S.Ct. 153; Kansas Gas & E. Co. v. Independence (CA10) 79 F.2d. 32, 638, 100 A.L.R. 1479; State ex rel. Weatherly v. Birmingham Waterworks Co., 185 Ala. 388, 64 So 23; Colorado & S. R. Co. v. Ft. Collins, 52 Colo. 281, 121 P. 747; Summerville v. Georgia Power Co., 205 Ga. 843, 55 S.E.2d. 540; Chicago v. Chicago Union Traction Co. 199 Ill. 259, 65 N.E. 243; Rushville v. Rushville Natural Gas Co. 164 Ind. 162, 73 N.E. 87; State ex rel. Shaver v. Iowa Tel. Co. 175 Iowa 607, 154 N.W. 678; Dayton v. South Covington & C. Street R. Co. 177 Ky. 202, 197 S.W. 670; Shreveport Traction Co. v. Shreveport, 122 La. 1, 47 So. 40; Benton Harbor v. Michigan Fuel & Light Co., 250 Mich. 614, 231 N.W. 52, 71 A.L.R. 114; Northwestern Tel. Exch. Co. v. Minneapolis, 81 Minn 140, 83 N.W. 527, 86 N.W. 69; Westport v. Mulholland, 159 Mo. 86, 60 S.W. 77; Quinby v. Public Serv. Com. 223 N.Y. 244, 119 N.E. 433, 3 A.L.R. 685; Northwestern Tel. Exch. Co. v. Anderson, 12 N.D. 585, 98 N.W. 706; Interurban R. & Terminal Co. v. Public Utilities Comm., 98 Ohio.St. 287, 120 N.E. 831, 3 A.L.R. 696; Providence Gas Co. v. Thurber, 2 R.I. 15; Cumberland Tel. & Tel. Co. v. United Electric R. Co., 93 Tenn. 492, 29 S.W. 104; Salt Lake City v. Utah Light & Traction Co. 52 Utah 210, 173 P. 556, 3 A.L.R. 715; State v. Gibbs, 82 Vt. 526, 74 A. 229; Virginia-Western Power Co. v. Commonwealth, 125 Va. 469, 99 S.E. 723, 9 A.L.R. 1148, cert den 251 U.S. 557, 64 L.Ed. 413, 40 S.Ct. 179, disapproved on other grounds Victoria v. Victoria Ice, Light & Power Co., 134 Va. 134, 114 S.E. 92, 28 A.L.R. 562, and disapproved on other grounds Richmond v. Virginia Ry. & Power Co. 141 Va. 69, 126 S.E. 353; Allen v. Forrest, 8 Wash 700, 36 P. 971; Clarksburg Electric Light Co. v. Clarksburg, 47 W.Va. 739, 35 S.E. 994, error dismd (US) 46 L.Ed. 1267, 22 S.Ct. 942; Wright v. Milwaukee Electric R. & Light Co., 95 Wis. 29, 69 N.W. 791.

<sup>82</sup> New York Electric Lines Co. v. Empire City Subway Co., 235 U.S. 179, 59 L.Ed. 184, 35 S.Ct. 72; Boise Artesian Hot & Cold Water Co. v. Boise City, 230 U.S. 84, 57 L.Ed. 1400, 33 S.Ct. 997; Owensboro v. Cumberland Tel. & Tel. Co., 230 U.S. 58, 57 L.Ed. 1389, 33 S.Ct. 988; Omaha Water Co. v. Omaha (CA8) 147 F. 1, app dismd, 207 U.S. 584, 52 L.Ed. 352, 28 S.Ct. 262; Colorado & S. R. Co. v. Ft. Collins, 52 Colo. 281, 121 P. 747; Washington v. Atlantic Coast Line R. Co. 136 Ga. 638, 71 S.E. 1066; Rushville v. Rushville Natural Gas Co. 164 Ind. 162, 73 N.E. 87; Michigan Tel. Co. v. St. Joseph, 121 Mich. 502, 80 N.W. 383; Northwestern Tel. Exch. Co. v. Minneapolis, 81 Minn 140, 83 N.W. 527, 86 N.W. 69; Westport v. Mulholland, 159 Mo. 86, 60 S.W. 77; Backus v. Lebanon, 11 NH 19; Northwestern Tel. Exch. Co. v. Anderson, 12 N.D. 585, 98 N.W. 706; Elliott v. Eugene, 135 Or. 108, 294 P. 358; Milwaukee Electric R. & Light Co. v. Railroad Com. 153 Wis. 592, 142 N.W. 491, affd 238 U.S. 174, 59 L.Ed. 1254, 35 S.Ct. 820.



## 6.4 Merchant or Buyer?

Within the Uniform Commercial Code (U.C.C.), there are only two types of entities that you can be:

1. Merchant (U.C.C. §2-104(1)). Sometimes also called a Creditor.
2. Buyer (U.C.C. §2-103(1)(a)). Sometimes also called a Debtor.

Playing well the game of commerce means being a Merchant, not a Buyer, in relation to any and every government. Governments try to ensure that THEY are always the Merchant, but astute freedom minded people ensure that any and every government form they fill out switches the roles and makes the GOVERNMENT into the Buyer and debtor in relation to them. On this subject, the Bible FORBIDS believers from EVER becoming “Buyers” in relation to any and every government:

“You shall make no covenant [contract or franchise] with them [foreigners, pagans], nor with their [pagan government] gods [laws or judges]. They shall not dwell in your land [and you shall not dwell in theirs by becoming a “resident” or domiciliary in the process of contracting with them], lest they make you sin against Me [God]. For if you serve their [government] gods [under contract or agreement or franchise], it will surely be a snare to you.”  
[Exodus 23:32-33, Bible, NKJV]

“I [God] brought you up from Egypt [slavery] and brought you to the land of which I swore to your fathers; and I said, ‘I will never break My covenant with you. And you shall make no covenant [contract or franchise or agreement of ANY kind] with the inhabitants of this [corrupt pagan] land; you shall tear down their [man/government worshipping socialist] altars.’ But you have not obeyed Me. Why have you done this?”

“Therefore I also said, ‘I will not drive them out before you; but they will become as thorns [terrorists and persecutors] in your side and their gods will be a snare [slavery!] to you.’”

So it was, when the Angel of the LORD spoke these words to all the children of Israel, that the people lifted up their voices and wept.  
[Judges 2:1-4, Bible, NKJV]

The Bible also forbids believers from ever being borrowers or surety, and hence, from ever being a Buyer. It says you can LEND, meaning offer as a Merchant, but that you cannot borrow, meaning be a “Buyer” under the U.C.C., in relation to any and every government:

“For the Lord your God will bless you just as He promised you; you shall lend to many nations, but you shall not borrow; you shall reign over many nations, but they shall not reign over you.”  
[Deut. 15:6, Bible, NKJV]

“The Lord will open to you His good treasure, the heavens, to give the rain to your land in its season, and to bless all the work of your hand. You shall lend to many nations, but you shall not borrow.”  
[Deut. 28:12, Bible, NKJV]

“You shall not charge interest to your brother--interest on money or food or anything that is lent out at interest.”  
[Deut. 23:19, Bible, NKJV]

“To a foreigner you may charge interest, but to your brother you shall not charge interest, that the Lord your God may bless you in all to which you set your hand in the land which you are entering to possess.”  
[Deut. 23:20, Bible, NKJV]

God even warned His followers in the Bible what would happen if they DIDN’T follow the above commandments:

### Curses of Disobedience [to God’s Laws]

“The alien [Washington, D.C. is legislatively “alien” in relation to states of the Union] who is among you shall rise higher and higher above you, and you shall come down lower and lower [malicious destruction of EQUAL PROTECTION and EQUAL TREATMENT by abusing FRANCHISES]. He shall lend to you [Federal Reserve counterfeiting franchise], but you shall not lend to him; he shall be the head, and you shall be the tail.

1 "Moreover **all these curses shall come upon you and pursue and overtake you, until you are destroyed, because**  
2 **you did not obey the voice of the LORD your God, to keep His commandments and His statutes which He**  
3 **commanded you.** And they shall be upon you for a sign and a wonder, and on your descendants forever.

4 "Because you did not serve [ONLY] the LORD your God with joy and gladness of heart, for the abundance of  
5 everything, therefore you shall serve your [covetous thieving lawyer] enemies, whom the LORD will send against  
6 you, in hunger, in thirst, in nakedness, and in need of everything; and He will put a yoke of iron [franchise codes]  
7 on your neck until He has destroyed you. The LORD will bring a nation against you from afar [the District of  
8 CRIMINALS], from the end of the earth, as swift as the eagle flies [the American Eagle], a nation whose language  
9 [LEGALESE] you will not understand, a nation of fierce [coercive and fascist] countenance, which does not  
10 respect the elderly [assassinates them by denying them healthcare through bureaucratic delays on an Obamacare  
11 waiting list] nor show favor to the young [destroying their ability to learn in the public FOOL system]. And they  
12 shall eat the increase of your livestock and the produce of your land [with "trade or business" franchise taxes],  
13 until you [and all your property] are destroyed [or STOLEN/CONFISCATED]; they shall not leave you grain or  
14 new wine or oil, or the increase of your cattle or the offspring of your flocks, until they have destroyed you.  
15 [Deut. 28:43-51, Bible, NKJV]

16 Buyers take positions, defend what they know and make statements about it; they ignore, argue and/or contest. Extreme  
17 buyer-minded people presume victimhood and seek to limit their liability. Buyers operate unwittingly from and within the  
18 public venue. They are satisfied with mere equitable title - they can own and operate, but not totally control their property.  
19 Buyer possibilities are limited and confining, as debtors are slaves.

20 Merchants are present to whatever opportunity arises; they ask questions to bring remedy if called for; they accept, either  
21 fully or conditionally. Accomplished Merchants take full responsibility for their life, their finances and their world.  
22 Merchants understand and make use of their unlimited ability to contract privately with anyone they want at any time. They  
23 maintain legal title and control of their property. Merchant possibilities are infinite. Merchants are sovereign and free.

24 Governments always at least TRY to take the Merchant role by the following tactics, none of which you should permit or  
25 tolerate:

- 26 1. Unconstitutionally presuming or assuming that everyone they deal with are statutory "taxpayers" and therefore Buyers.  
27 See Form #05.017.
- 28 2. Trying illegally to force you to prove a NEGATIVE, which is that you are NOT a Buyer called a statutory "taxpayer".

29 "...the taxpayer can not be left in the unpardonable position of having to prove a negative"  
30 [Elkins v. United States, 364 U.S. 206, 218, 80 S.Ct. 1437, 1444, 4 L.Ed.2d. 1669 (1960) ; Flores v. U.S., 551  
31 F.2d. 1169, 1175 (9th Cir. 1977); Portillo v Comm'r, 932 F.2d. 938, Affirming, reversing and remanding 58 TCM  
32 1386, Dec 46, 373 (M), TC Memo, 1990-68 [91-2 USTC P50, 304]; Weimerschirch [79-1 USTC P9359], 596  
33 F.2d. at 361]

- 34 3. Refusing to proceed from the entire bases of American Jurisprudence, which is that we are all innocent until proven  
35 guilty. That means we presumed to be "nontaxpayers" until the IRS proves HOW and WHEN you consented to  
36 become a Buyer called a statutory "taxpayer".

37 "Revenue Laws relate to taxpayers [instrumentalities, officers, employees, and elected officials of  
38 the national Government] and not to non-taxpayers [non-resident non-persons domiciled in states of the  
39 Union without the exclusive jurisdiction of the national Government]. The latter are without their  
40 scope. No procedures are prescribed for non-taxpayers and no attempt is made to annul any of their  
41 Rights or Remedies in due course of law. With them [non-taxpayers] Congress does not assume to deal  
42 and they are neither of the subject nor of the object of federal revenue laws."  
43 [Economy Plumbing & Heating v. U.S., 470 F.2d. 585 (1972)]

- 44 4. Falsely calling what you pay them a STATUTORY "tax", when in fact what it really is in substance is a compelled  
45 criminal bribe for them to treat you illegally as a public officer in violation of 18 U.S.C. §§210 and 211. Once you pay  
46 them the criminal bribe, you in effect procure the "privilege" to be left alone from their lawless extortion and  
47 anonymous paper terrorism. The "right to be let alone" is the definition of "justice itself" and can NEVER become a  
48 "privilege" as they have made it. They can't charge you for rights because they didn't create them and they don't own  
49 them. See Form #05.050 for the definition of "justice". See Form #02.005 for court admissible proof that they really  
50 are LYING to call it a "tax" and that what they really are doing is in fact criminal extortion, racketeering, and identity  
51 theft.

5. Ensuring that every “tax” paid to them is legally defined as and treated as a “gift” that creates no obligation on their part:

31 U.S.C. § 321 - General authority of the Secretary

(d)

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

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

The key to defeating the above is to shift the burden of proof to them instead of you. They in fact are ALWAYS the moving party asserting an alleged but usually not ACTUAL “obligation” as proven in the following documents, not you. The moving party ALWAYS has the burden of proof according to 5 U.S.C. §556(d):

1. Lawfully Avoiding Government Obligations Course, Form #12.040  
<https://sedm.org/Forms/FormIndex.htm>
2. Proof of Claim: Your Main Defense Against Government Greed and Corruption, Form #09.073  
<https://sedm.org/Forms/FormIndex.htm>

Therefore, what they are really doing by making presumptions and taking positions that they do is acting in essentially a “marketing” capacity to offer their “franchise services” as a Merchant. If you are smart, you will turn it around and rent them your PRIVATE property and PRIVATE time and in effect fire them as the rule maker and substitute yourself. The “rules” we are talking about are described in Article 4, Section 3, Clause 2, which state:

*U.S. Constitution  
Article 4, Section 3, Clause 2  
Clause 2. Property of the United States*

**The Congress shall have Power to dispose of and make all needful Rules and Regulations respecting the Territory or other Property belonging to the United States; and nothing in this Constitution shall be so construed as to Prejudice any Claims of the United States, or of any particular State.**

The property they are granting are the franchise privileges associated with the public office of “taxpayer”, as we prove in Form #05.001. If you reject their offer and keep your status Private, then YOU become the lender and “Service” them instead of them “servicing” you as the “Internal Revenue Service”. This subject of the separation of Public and Private and how to use your PRIVATE property and PRIVATE rights as a means to control them is described in:

Separation Between Public and Private Course, Form #12.025  
<https://sedm.org/Forms/FormIndex.htm>

Hence, you should:

1. Define the term “taxpayer” on all correspondence with them as a human being protected by the constitution, with a foreign domicile, who is a “non-resident non-person” not subject to any civil enactment of Congress, per Form #05.020.
2. NEVER describe yourself as a statutory “taxpayer”, “person”, “citizen”, or “resident”.
3. Never describe ANYTHING you pay to them as a “tax” or a “gift”, but rather a temporary GRANT that comes with strings, just like the way they do with all their socialist franchises.
4. Emulate their behavior as a Merchant and ensure that EVERYTHING they pay you is characterized and/or legally defined as a GIFT rather than a GRANT with conditions or a LOAN.

**“The State in such cases exercises no greater right than an individual may exercise over the use of his own property when leased or loaned to others. The conditions upon which the privilege shall be enjoyed being**

1 stated or implied in the legislation authorizing its grant, no right is, of course, impaired by their enforcement.  
2 The recipient of the privilege, in effect, stipulates to comply with the conditions. It matters not how limited  
3 the privilege conferred, its acceptance implies an assent to the regulation of its use and the compensation for  
4 it.”  
5 [Munn v. Illinois, 94 U.S. 113 (1876) ]  
6

7 This is consistent with the following scripture:

8 “The rich rules over the poor,  
9 And **the borrower is servant to the lender.**”  
10 [Prov. 22:7, Bible, NKJV]

11 Remember:

- 12 1. If everything you give any government is a GRANT with conditions rather than a GIFT, then they always work for you  
13 and you can NEVER work for them.
- 14 2. They can only govern you civilly with your consent. If you don’t consent, everything they do to you will be unjust and  
15 a tort per the Declaration of Independence.
- 16 3. Everyone starts out EQUAL. An entire government cannot have any more rights than a single human being. That’s  
17 what a government of delegated authority means. NEVER EVER consent to:  
18 3.1. Become CIVILLY unequal.  
19 3.2. Be civilly governed under civil statutory law.  
20 3.3. Waive your sovereign immunity. Instead insist that you have the SAME sovereign immunity as any and every  
21 government because we are ALL equal. If they assert their own sovereign immunity they have to recognize  
22 YOURS under the concept of equal protection and equal treatment.
- 23 4. Any attempt to penalize you or take away your property requires that all of the affected property had to be donated to a  
24 public use and a public purpose VOLUNTARILY and EXPRESSLY before it can become the subject of such a  
25 penalty. The right of property means that you have a right to deny any and every other person, including  
26 GOVERNMENTS, the right to use, benefit, or profit from your property. If they can take away something you didn’t  
27 hurt someone with, they have the burden of proving that it belonged to them and that you gave it to them BEFORE  
28 they can take it. All property is presumed to be EXCLUSIVELY PRIVATE until the government meets the burden of  
29 proof that you consented to donate it to a public use, public purpose, and/or public office.

30 Below is a sample from our Tax Form Attachment, Form #04.201, showing how we implement the approach documented in  
31 this section:

32 *This form and all attachments shall NOT be construed as a consent or acceptance of any proposed government*  
33 *“benefit”, any proposed relationship, or any civil status under any government law per U.C.C. §2-206. It instead*  
34 *shall constitute a COUNTER-OFFER and a SUBSTITUTE relationship that nullifies and renders unenforceable*  
35 *the original government OFFER and ANY commercial, contractual, or civil relationship OTHER than the one*  
36 *described herein between the Submitter and the Recipient. See U.C.C. §2-209. The definitions found in section*  
37 *4 shall serve as a SUBSTITUTE for any and all STATUTORY definitions in the original government offer that*  
38 *might otherwise apply. Parties stipulate that the ONLY “Merchant” (per U.C.C. §2-104(1)) in their relationship*  
39 *is the Submitter of this form and that the government or its agents and assigns is the “Buyer” per U.C.C. §2-*  
40 *103(1)(a).*

41 *Pursuant to U.C.C. §1-202, this submission gives REASONABLE NOTICE and conveys FULL KNOWLEDGE to*  
42 *the Recipient of all the terms and conditions exclusively governing their commercial relationship and shall be*  
43 *the ONLY and exclusive method and remedy by which their relationship shall be legally governed. Ownership*  
44 *by the Submitter of him/her self and his/her PRIVATE property implies the right to exclude ALL others from using*  
45 *or benefiting from the use of his/her exclusively owned property. All property held in the name of the Submitter*  
46 *is, always has been, and always will be stipulated by all parties to this agreement and stipulation as: 1. Presumed*  
47 *EXCLUSIVELY PRIVATE until PROVEN WITH EVIDENCE to be EXPRESSLY and KNOWINGLY and*  
48 *VOLUNTARILY (absent duress) donated to a PUBLIC use IN WRITING; 2. ABSOLUTE, UNQUALIFIED, and*  
49 *PRIVATE; 3. Not consensually shared in any way with any government or pretended DE FACTO government.*  
50 *Any other commercial use of any submission to any government or any property of the Submitter shall be*  
51 *stipulated by all parties concerned and by any and every court as eminent domain, THEFT, an unconstitutional*  
52 *taking in violation of the Fifth Amendment, and a violation of due process of law.*  
53 [Tax Form Attachment, Form #04.201]

54 If you would like more information on how to implement this strategy from an administrative standpoint, see:

- 55 1. Requirement for Consent, Form #05.003, Section 10.2

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

2. Government Instituted Slavery Using Franchises, Form #05.030, Section 29.2

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

## **6.5 He who writes the rules or the definitions always wins! DEFINE EVERYTHING on every government application**

Governments can only tax or regulate that which they create. That which they create, in turn, is the thing that they “sell” as Merchants under the Uniform Commercial Code (U.C.C.):

*"The power to tax involves the power to destroy; the power to destroy may defeat and render useless the power to create; and there is a plain repugnance in conferring on one government [THE FEDERAL GOVERNMENT] a power to control the constitutional measures of another [WE THE PEOPLE], which other, with respect to those very measures, is declared to be supreme over that which exerts the control."*  
[Van Brocklin v. State of Tennessee, [117 U.S. 151](#) (1886)]

*"What is a Constitution? It is the form of government, delineated by the mighty hand of the people, in which certain first principles of fundamental laws are established. The Constitution is certain and fixed; it contains the permanent will of the people, and is the supreme law of the land; it is paramount to the power of the Legislature, and can be revoked or altered only by the authority that made it. The life-giving principle and the death-doing stroke must proceed from the same hand."*  
[VanHorne's Lessee v. Dorrance, [2 U.S. 304](#) (1795)]

*"The great principle is this: because the constitution will not permit a state to destroy, it will not permit a law [including a tax law] involving the power to destroy. "*  
[Providence Bank v. Billings, [29 U.S. 514](#) (1830)]

DEFINITIONS found in franchise statutes are the precise place where government CREATES things. If you want to attack a tax or regulation, you have to attack and undermine its DEFINITIONS.

Governments didn't create human beings. God did. Therefore, if they want to tax or regulate PRIVATE human beings, they must do it INDIRECTLY by creating a PUBLIC office or franchise, fooling you into volunteering for it (usually ILLEGALLY), and then regulating you INDIRECTLY by regulating the PUBLIC office.

1. The PUBLIC OFFICE was created by the government and therefore is PROPERTY of the government.
2. The PUBLIC OFFICE is legally in partnership with the CONSENTING human being volunteer filling the office. It is the ONLY lawful “person” under most franchises.
3. Most people are enticed to volunteer for the PUBLIC OFFICE by having a carrot dangled in front of their face called “benefits”.
4. The human being volunteer becomes SURETY for and a representative of the PUBLIC office and a debtor, but is not the PUBLIC OFFICE itself. Instead, the human being is called a PUBLIC OFFICER and is identified in Federal Rule of Civil Procedure 17(d). The all caps name in combination with the Social Security Number is the name of the OFFICE, not the human filling the office. The SSN behaves as the “de facto license” to represent the public office. We say “de facto” because this is an unconstitutional method of creating new public offices.

Federal Rules of Civil Procedure  
Rule 17. Plaintiff and Defendant; Capacity; Public Officers

### **(d) Public Officer's Title and Name.**

*A public officer who sues or is sued in an official capacity may be designated by official title rather than by name, but the court may order that the officer's name be added.*

5. Once you take the bait and apply for the PUBLIC OFFICE by filling out a government “benefit” form such as an SS-5, IRS Form W-4, etc., they GRANT you the office, which is THEIR property and continues to be THEIR property AFTER you receive it. The RECIPIENT of said property is ALWAYS the servant, “PUBIC SERVANT”, and DEBTOR relative to the lender, which is “U.S. Inc.”:

*"How, then, are purely equitable obligations created? For the most part, either by the acts of third persons or by equity alone. But how can one person impose an obligation upon another? By giving property to the latter on the terms of his assuming an obligation in respect to it. At law there are only two means by which the object of*



1 the donor could be at all accomplished, consistently with the entire ownership of the property passing to the  
2 donee, namely: first, by imposing a real obligation upon the property; secondly, by subjecting the title of the  
3 donee to a condition subsequent. The first of these the law does not permit; the second is entirely inadequate.  
4 Equity, however, can secure most of the objects of the doner, and yet avoid the mischiefs of real obligations by  
5 imposing upon the donee (and upon all persons to whom the property shall afterwards come without value or  
6 with notice) a personal obligation with respect to the property; and accordingly this is what equity does. It is in  
7 this way that all trusts are created, and all equitable charges made (i.e., equitable hypothecations or liens created)  
8 by testators in their wills. In this way, also, most trusts are created by acts inter vivos, except in those cases in  
9 which the trustee incurs a legal as well as an equitable obligation. In short, as property is the subject of every  
10 equitable obligation, so the owner of property is the only person whose act or acts can be the means of creating  
11 an obligation in respect to that property. Moreover, the owner of property can create an obligation in respect  
12 to it in only two ways: first, by incurring the obligation himself, in which case he commonly also incurs a legal  
13 obligation; secondly, by imposing the obligation upon some third person; and this he does in the way just  
14 explained."

15 [*Readings on the History and System of the Common Law, Second Edition, Roscoe Pound, 1925, p. 543*]

16 "The rich rules over the poor, and the borrower is slave to the lender."  
17 [*Proverbs 22:7, Bible, NKJV*]

18 The above is confirmed by the statutory definition of "person" within the criminal provisions of the Internal Revenue Code,  
19 Subtitle A "trade or business" franchise agreement. Without this partnership, there is no statutory "person" to regulate or  
20 tax:

21 [TITLE 26](#) > [Subtitle F](#) > [CHAPTER 75](#) > [Subchapter D](#) > [Sec. 7343](#).  
22 [Sec. 7343](#). - Definition of term "person"

23 The term "person" as used in this chapter [Chapter 75] includes an officer or employee of a corporation [U.S.  
24 Inc.], or a member or employee of a partnership, who as such officer, employee, or member is under a duty to  
25 perform the act in respect of which the violation occurs

26 The PUBLIC office that they reach you through is also called the "straw man":

27 "**Straw man.** A "front"; a third party who is put up in name only to take part in a transaction. Nominal party to  
28 a transaction; one who acts as an agent for another for the purpose of taking title to real property and executing  
29 whatever documents and instruments the principal may direct respecting the property. Person who purchases  
30 property, or to accomplish some purpose otherwise not allowed."  
31 [*Black's Law Dictionary, Sixth Edition, p. 1421*]

32 Once you volunteer for the office or acquiesce to OTHER PEOPLE volunteering you for the office with FALSE information  
33 returns such as IRS Forms W-2, 1042-S, 1098, 1099, etc., then and only then do you become "domestic" and thereby subject  
34 to the otherwise "foreign" franchise agreement:

35 26 U.S.C. §7701 - Definitions

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

38 **(4) Domestic**

39 The term "domestic" when applied to a corporation or partnership means created or organized in the United  
40 States [GOVERNMENT, U.S. Inc., NOT the geographical "United States"] or under the law of the United  
41 States or of any State unless, in the case of a partnership, the Secretary provides otherwise by regulations.

42 If you never volunteer or you were non-consensually volunteered by others, then you remain both "foreign" and "not subject"  
43 but not statutorily "exempt" from the provisions of the franchise agreement:

44 26 U.S.C. §7701 - Definitions

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

47 (31) Foreign estate or trust

48 (A) **Foreign estate**

The term “foreign estate” means an estate the income of which, from sources without the United States [U.S. Inc. the government] which is not effectively connected with the conduct of a trade or business [public office, per 26 U.S.C. §7701(a)(26)] within the United States[U.S. Inc. the government corporation, not the geographical “United States”], is not includible in gross income under subtitle A.

Jesus warned of this above mechanism of enslaving you as follows:

*“Most assuredly, I say to you, he who does not enter the sheepfold by the door, but climbs up some other way, the same is a thief and a robber.”<sup>2</sup> But he who enters by the door is the shepherd of the sheep.”*  
[John 10:1-2, Bible, NKJV]

Consonant with the right of governments to CREATE franchises and the PUBLIC offices that animate them, is the right to DEFINE every aspect of the thing they created:

*But when Congress creates a statutory right [a “privilege” in this case, such as a “trade or business”], it clearly has the discretion, in defining that right, to create presumptions, or assign burdens of proof, or prescribe remedies; it may also provide that persons seeking to vindicate that right must do so before particularized tribunals created to perform the specialized adjudicative tasks related to that right [such as “Tax Court”, “Family Court”, “Traffic Court”] etc.].<sup>FN35</sup> Such provisions do, in a sense, affect the exercise of judicial power, but they are also incidental to Congress’ power to define the right that it has created. No comparable justification exists, however, when the right being adjudicated is not of congressional creation. In such a situation, substantial inroads into functions that have traditionally been performed by the Judiciary cannot be characterized merely as incidental extensions of Congress’ power to define rights that it has created. Rather, such inroads suggest unwarranted encroachments upon the judicial power of the United States, which our Constitution reserves for Art. III courts.*  
[Northern Pipeline Const. Co. v. Marathon Pipe Line Co., 458 U.S. at 83-84, 102 S.Ct. 2858 (1983)]

The definitions within the government franchise are the main method by which the innocent and ignorant are trapped, deceived, and ensnared. In order for the franchise to be enforceable, the offeror, which is the government, and the applicant MUST agree on the SAME definitions in order to have a meeting of minds and an enforceable contract based on CONSENT. In lawyer speak, “the language of the offer and the acceptance MUST be the same”. The following educational legal videos show how this process works:

1. Mirror Image Rule, Mark DeAngelis  
<http://www.youtube.com/watch?v=j8pgbZV757w>
2. This Form is Your Form, Mark DeAngelis  
<http://www.youtube.com/watch?v=b6-PRwhU7cg>

Those who wish to avoid franchises and government “benefits” but who are compelled to apply for them by the criminal coercion of others can invalidate the application by simply:

- 1 Indicating the existence of the duress. . .AND
- 2 Filing a criminal complaint asking the source of the duress to be prosecuted. . .AND
- 3 Either DEFINING or REDEFINING all the words on the application in order to make the GOVERNMENT the franchisee instead of the applicant. Most government forms DO NOT define the terms and in fact are NOT even trustworthy for a definition even if they did define the terms.<sup>83</sup> Therefore, the applicant MUST provide definitions to remove any opportunity for presumption on the part of administrators and judges in the event of dispute. NOT doing so is the equivalent of signing and submitting a BLANK check and putting oneself at the “arbitrary whims” of a corrupted thieving government.
- 4 Turning the GOVERNMENT’S offer of THEIR franchise into a COUNTER-OFFER of YOUR franchise and making YOU the merchant/seller instead of them. That way, the ONLY possible outcome of the interchange is the GOVERNMENT becoming YOUR slave and franchisee, rather than the other way around. You can also make YOUR acceptance of THEIR offer contingent or conditional upon THEIR acceptance of YOUR counter offer. Your counter offer, in turn, can be something like the following:

Injury Defense Franchise and Agreement, Form #06.027  
<http://sedm.org/Forms/FormIndex.htm>

<sup>83</sup> See: *Reasonable Belief About Income Tax Liability*, Form #05.007; <http://sedm.org/Forms/FormIndex.htm>, for extensive proof.

The above approach is what we call an “anti-franchise franchise”. The use of the above tactics are based upon the concept of EQUAL PROTECTION and EQUAL TREATMENT that is the foundation of the USA Constitution. Whatever the government can do, YOU TOO can do. Many of our forms take this approach to prevent you from surrendering sovereignty by being compelled to apply for or participate in franchises. See, for instance, the following forms that take advantage of this tactic:

1. Tax Form Attachment, Form #04.201, Section 4: Definitions  
<http://sedm.org/Forms/FormIndex.htm>
2. USA Passport Application Attachment, Form #06.007, Section 6: Definitions  
<http://sedm.org/Forms/FormIndex.htm>
3. SEDM Disclaimer, Section 4: Meaning of Words  
<http://sedm.org/Forms/FormIndex.htm>

If you would like a further explanation of the tactics identified in this section, see:

1. Requirement for Consent, Form #05.003, Sections 5.1 and 10.2  
<http://sedm.org/Forms/FormIndex.htm>
2. Socialism: The New American Civil Religion, Form #05.016, Section 16: Undermining and destroying the Civil Religion of Socialism using the government’s main recruitment mechanism  
<http://sedm.org/Forms/FormIndex.htm>

## **6.6 Three Useful Tools for Responding to Claims or Demands**

In any legal dispute, the moving party ALWAYS has the burden of proof. We want to establish facts for the record, but it is best to be careful making positive statements, which are statements that the speaker has to prove on the record with evidence. It is always better to force your opponent, and especially a government opponent, to have to satisfy the burden of proof in demonstrating their claim or assertion against you. Below are the three different ways we can respond to a demand or claim from an opponent in a legal setting:

1. Negative Averment: An averment that is negative in form but affirmative in substance that must be proved by the alleging party. “There is no evidence that I am not correct in this matter and there is no evidence that you are not wrong in this matter, and I don’t believe that any such evidence exists.” You’re stating what is not; not what is.
2. Confession & Avoidance: A response in which the accused admits (via passive acquiescence) the allegations but asks for additional facts that deprive the admitted facts of an adverse legal effect. Accusation: “Is this your signature on this document?” Response(s): “Is there a defect in that instrument?” “Well, tell me what the defect is and I’ll correct it.” “Well, if there is no defect in the instrument, then why are you here?” “Why should I answer your question when you can’t even answer mine?” “Are you telling me that you are not even qualified to make any determinations on that negotiable instrument?” “Why are you here?”
3. Conditional Acceptance: A response, in honor without argument, that is a counter-offer. The only offer that is ever relevant is the one on top. Offer: “Let’s go to town and go shopping.” Counter-offer(s): “Sure, just come over and help me finish cleaning up the kitchen first.” “I’ll accept that upon proof of bona-fide claim in the form of a signed affidavit by you under penalty of perjury and under your own personal, unlimited commercial liability within 30 days.”

The most effective way to respond to government enforcement claims or demands using the above techniques is to:

1. Define all terms and your legal status in the context of both your response and theirs so that the government cannot play word games. Do so under penalty of perjury and state that a failure to deny by the responding party constitutes an admission of the facts so stated per Federal Rule of Civil Procedure 8(b)(6).
2. Use a combination of negative averment and conditional acceptance to put the burden of proof upon the government to provide evidence that they have the authority to make the demand they are making. For instance:
  - 2.1. “I am not in receipt of either a contract or legal evidence of the existence of a public office that would grant you any enforcement powers, as required by the U.S. Supreme Court.”

*“All the powers of the government [including ALL of its civil enforcement powers against the public] must be carried into operation by individual agency, either through the medium of public officers, or contracts made with [private] individuals.”*  
[Osborn v. Bank of U.S., 22 U.S. 738 (1824)]

- 2.2. "I am not in receipt of evidence that I am lawfully and consensually engaged in a public office and 'trade or business' within the United States government. Please provide legally admissible evidence of same."
- 2.3. "I am not in receipt of any evidence that the national government has the authority to establish franchises (such as the 'trade or business' franchise) or the public offices that animate them within the borders of a constitutional state of the Union or that they can use SSNs or TINs as de facto license numbers to license them."

*"Thus, Congress having power to regulate commerce with foreign nations, and among the several States, and with the Indian tribes, may, without doubt, provide for **granting** coasting **licenses**, licenses to pilots, licenses to trade with the Indians, and any other **licenses** necessary or proper for the exercise of that great and extensive power; and the same observation is applicable to every other power of Congress, to the exercise of which the granting of licenses may be incident. All such licenses confer authority, and give rights to the licensee.*

***But very different considerations apply to the internal commerce or domestic trade of the States. Over this commerce and trade Congress has no power of regulation nor any direct control. This power belongs exclusively to the States. No interference by Congress with the business of citizens transacted within a State is warranted by the Constitution, except such as is strictly incidental to the exercise of powers clearly granted to the legislature. The power to authorize a business within a State is plainly repugnant to the exclusive power of the State over the same subject. It is true that the power of Congress to tax is a very extensive power. It is given in the Constitution, with only one exception and only two qualifications. Congress cannot tax exports, and it must impose direct taxes by the rule of apportionment, and indirect taxes by the rule of uniformity. Thus limited, and thus only, it reaches every subject, and may be exercised at discretion. But, it reaches only existing subjects. Congress cannot authorize a trade or business within a State in order to tax it."***  
[License Tax Cases, [72 U.S. 462](#), 18 L.Ed. 497, 5 Wall. 462, 2 A.F.T.R. 2224 (1866)]

- 2.4. "I am not in receipt of a response from the criminal complaint I filed against all those who filed information returns in connection with my name or identity. Hence, you admit that they are correct and that you are perpetuating the crime of impersonating a public officer."
- 2.5. "I am not in receipt of evidence that the SSN or TIN on the collection notice is exclusively my property or that I can use such number as an exclusively private person not engaged in a public office without STEALING."
- 2.6. "I am not in receipt of evidence proving that the laws you seek to enforce are applicable to a legislatively but not constitutionally foreign state against a nonresident party such as myself who is not 'purposefully availing themselves' of commerce within your exclusively legislative jurisdiction."
- 2.7. "I am not in receipt of evidence proving that any internal revenue districts have been lawfully established within the exclusive jurisdiction of the state that I occupy. 26 U.S.C. §7601 only allows you to enforce within internal revenue districts."
- 2.8. "I am not in receipt of evidence proving that you have jurisdiction over those who are EXCLUSIVELY PRIVATE such as myself and who have a right to exclude all others from the use, benefit, or enjoyment of their property. The purpose of establishing governments is to protect my right to exclude all others including governments from using or benefitting from the use of my absolutely owned private property."
- 2.9. "I am not in receipt of evidence that I can have any civil status including 'taxpayer' as a human being and not legal 'person' not domiciled on federal territory subject to your exclusive jurisdiction and not consenting to do business with you."
- 2.10. "I am not in receipt of evidence proving that you can add whatever you want to statutory definitions (such as 'trade or business', 'person', 'employee', 'United States', or 'State') without unlawfully exercising legislative powers, violating the rules of statutory construction, committing fraud, and criminally STEALING."

***"When a statute includes an explicit definition, we must follow that definition, even if it varies from that term's ordinary meaning. Meese v. Keene, 481 U.S. 465, 484-485 (1987) ("It is axiomatic that the statutory definition of the term excludes unstated meanings of that term"); Colautti v. Franklin, 439 U.S. at 392-393, n. 10 ("As a rule, 'a definition which declares what a term "means" . . . excludes any meaning that is not stated"); Western Union Telegraph Co. v. Lenroot, 323 U.S. 490, 502 (1945); Fox v. Standard Oil Co. of N.J., 294 U.S. 87, 95-96 (1935) (Cardozo, J.); see also 2A N. Singer, Sutherland on Statutes and Statutory Construction, §47.07, p. 152, and n. 10 (5th ed. 1992) (collecting cases). That is to say, the statute, read "as a whole," post at 998 [530 U.S. 943] (THOMAS, J., dissenting), leads the reader to a definition. That definition does not include the Attorney General's restriction -- "the child up to the head." Its words, "substantial portion," indicate the contrary."***  
[[Stenberg v. Carhart, 530 U.S. 914 \(2000\)](#)]

- 2.11. "Provided that you provide the above within the constraints of all attachments to this correspondence, I will be happy to comply."
3. Insist that no presumptions be made about your status and that whatever status they claim you have, that they provide evidence that you consented to it. Otherwise, they are engaging in identity theft. This includes "driver", "taxpayer",

“spouse”, “citizen”, “resident”, etc. All presumptions that prejudice constitutional rights are a violation of due process of law and THEFT. This is covered in:

*Presumption: Chief Weapon for Unlawfully Enlarging Federal Jurisdiction*, Form #05.017

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

4. Insist that the government’s response be signed under penalty of perjury as required by 26 U.S.C. §6065 so that it is admissible as evidence in a court of law. They cannot exempt themselves from this requirement without exempting YOU also, under the concept of equal protection and equal treatment.
5. Insist on the REAL legal birthname of the government agent, the address they actually work and can be served with legal papers (rather than a PO Box) and a copy of their PRIVATE ID rather than agency ID. IRS agents very commonly use pseudo names and refuse to use their real names.
6. Insist that they as the moving party asserting a liability have the burden of proof that you are subject to the laws in question and that you will cooperate AFTER they satisfy the burden of proof.

If you would like to see how to apply “negative averments” to defend yourself administratively against illegal tax enforcement, see:

*Negative Averments for Illegal Tax Collection Response*, Form #07.007

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

## **7 Types of government franchises**

The following subsections will provide an abbreviated list of authorities showing the major types of franchises. We do not cover all types of franchises, such as income taxes, Social Security, or Medicare, which are also franchises. These types of franchises actually form a SUBSET of the “public office” and “corporation” franchises listed.

### **7.1 Criteria for identifying a specific government offering as a “franchise”**

This section will provide a procedure or algorithm for helping the reader identify whether a particular government program is a franchise, and specific instructions on how to identify all the major elements of the franchise. We will start off by summarizing the chief characteristics of franchises so that we know what we are looking for. A franchise:

1. Constitutes a contract between a private citizen and the government.

*As a rule, franchises spring from contracts between the sovereign power and private citizens, made upon valuable considerations, for purposes of individual advantage as well as public benefit,<sup>84</sup> and thus a franchise partakes of a double nature and character. So far as it affects or concerns the public, it is publici juris and is subject to governmental control. The legislature may prescribe the manner of granting it, to whom it may be granted, the conditions and terms upon which it may be held, and the duty of the grantee to the public in exercising it, and may also provide for its forfeiture upon the failure of the grantee to perform that duty. But when granted, it becomes the property of the grantee, and is a private right, subject only to the governmental control growing out of its other nature as publici juris.<sup>85</sup>*

[American Jurisprudence 2d, Franchises, §4: Generally (1999)]

2. Is identified in the law as an “activity” of some kind and which is the subject of an indirect excise tax. This activity is usually given a “word of art” name such as “trade or business” (26 U.S.C. §7701(a)(26)) to disguise the nature of the activity as a franchise and deceive people into “volunteering” to participate. Earnings associated with the franchise activity also have a specialized “word of art” name that signifies “profit” or “income” connected to the activity. The excise tax is avoidable by avoiding the activity. Authority for collecting the tax originates usually from the voluntary license application made by the participants, which constitutes constructive consent to donate a portion of the fruits of the activity to a public use, public purpose, or public office.

*“And here a thought suggests itself. As the Meadors, subsequently to the passage of this act of July 20, 1868, applied for and obtained from the government a license or permit to deal in manufactured tobacco, snuff and*

<sup>84</sup> Georgia R. & Power Co. v. Atlanta, 154 Ga. 731, 115 S.E. 263; Lippencott v. Allander, 27 Iowa 460; State ex rel. Hutton v. Baton Rouge, 217 La. 857, 47 So.2d. 665; Tower v. Tower & S. Street R. Co. 68 Minn 500, 71 N.W. 691.

<sup>85</sup> Georgia R. & Power Co. v. Atlanta, 154 Ga. 731, 115 S.E. 263; Lippencott v. Allander, 27 Iowa 460; State ex rel. Hutton v. Baton Rouge, 217 La. 857, 47 So.2d. 665; Tower v. Tower & S. Street R. Co. 68 Minn 500, 71 N.W. 691.



cigars, I am inclined to be of the opinion that they are, by this their own voluntary act, precluded from assailing the constitutionality of this law, or otherwise controverting it. For the granting of a license or permit-the yielding of a particular privilege-and its acceptance by the Meadors, was a contract, in which it was implied that the provisions of the statute which governed, or in any way affected their business, and all other statutes previously passed, which were in pari materia with those provisions, should be recognized and obeyed by them. When the Meadors sought and accepted the privilege, the law was before them. And can they now impugn its constitutionality or refuse to obey its provisions and stipulations, and so exempt themselves from the consequences of their own acts?"

[In re Meador, 1 Abb.U.S. 317, 16 F.Cas. 1294, D.C.Ga. (1869)]

3. Constitutes civil rather than criminal law, and therefore requires all those who participate to maintain a physical domicile within the territory of the government granting the franchise.
4. Describes and circumscribes the choice of law applying to the activities of all participants under the terms of the franchise agreement.
5. Offers a "benefit" of some kind, which is usually money, accruing to both parties to the franchise agreement. This is the consideration that forms the basis for calling the franchise a contract. See:

The Government "Benefits" Scam, Form #05.040  
<http://sedm.org/Forms/FormIndex.htm>

6. Requires explicit (in writing) or implicit (by conduct) consent to the terms of the franchise agreement.
7. Often involves a grant of or permission to use government property of one kind or another. An example would be the commercial use of the public roadways for hire.
8. The grant of the property is revocable and can be terminated upon the whim of the grantor. For instance, those who drunk drive on the roadways can lose their license (government property) and can only regain it by complying with a specific procured. This right to take the property back is based upon the definition of ownership itself, which is the right to exclude any and all others from using or benefitting from the use and of controlling the use of all property granted:

"Ownership: [ . . . ] The right of one or more persons to possess and use a thing to the exclusion of others. The right by which a thing belongs to someone in particular, to the exclusion of all other persons. The exclusive right of possession, enjoyment, and disposal; involving as an essential attribute the right to control, handle, and dispose."

[Black's Law Dictionary, Sixth Edition, p. 1106]

9. Requires that the participant be a "public officer" of the government, which is usually called a statutory "employee". See, for instance, 5 U.S.C. §2105(a), which describes all statutory government "employees" as public officers.
10. Associates the participant with a government issued number that acts as the equivalent of a "de facto license number" for those participating to receive the benefits of the program.
11. Has a name for those participating. This name is usually any one of the following:
  - 11.1. "Beneficiary"
  - 11.2. "citizen"
  - 11.3. "resident"
12. Is administered and supervised in administrative franchise courts. These courts:
  - 12.1. May not entertain suits of those who are NOT franchisees. For instance, U.S. Tax Court Rule 13(a) says that only statutory franchisees called "taxpayers" may petition the U.S. Tax Court for a judgment. If you are a "nontaxpayer", meaning not a franchisee, then the only option available for them is to dismiss the case and thereby invalidate and prohibit all further IRS collection activity.
  - 12.2. Are manned by administrators in the Executive and NOT "judicial" branch. For instance, traffic court judges are identified as "commissioners" rather than judges.
  - 12.3. Are established at the federal level under the Authority of Article 4, Section 3, Clause 2 of the United States Constitution. Hence, they are "property courts" that exist to perpetuate, protect, and expand federal property within states of the Union.
  - 12.4. Are identified in federal statutes as being OTHER than an Article III court. U.S. Tax Court, for instance, is identified in 26 U.S.C. §7441 as an Article I court.
  - 12.5. Do not have jury boxes, even though most state constitutions MANDATE trial by jury for disputes greater than \$20. This includes "family court", "traffic court", etc. The only way anyone can try you without a jury is if you WAIVE your right to a jury under a franchise contract.
  - 12.6. Are administered usually at the sole discretion of someone who participates in the franchise. The Supreme Court identified such a concentration of power as the "essence of slavery itself".

"But the fundamental rights to life, liberty, and the pursuit of happiness, considered as individual possessions are secured by those maxims of constitutional law which are the monuments showing the victorious progress of the

1 race in securing to men the blessings of civilization under the reign of just and equal laws, so that, in the famous  
2 language of the Massachusetts Bill of Rights, the government of the commonwealth 'may be a government of laws  
3 and not of men.' For, the very idea that one man may be compelled to hold his life, or the means of living, or  
4 any material right essential to the enjoyment of life, at the mere will of another, seems to be intolerable in any  
5 country where freedom prevails, as being the essence of slavery itself."  
6 [Yick Wo v. Hopkins, 118 U.S. 356 (1886)]

- 7 13. Are administered through malum prohibitum statutes, which are laws that impose penalties even though there is no  
8 specific injured party.

9 "Malum prohibitum. A wrong prohibited; a thing which is wrong because prohibited; an act which is not  
10 inherently immoral, but becomes so because its commission is expressly forbidden by positive law; an act  
11 involving an illegality resulting from positive law. Compare Malum in se. "  
12 [Black's Law Dictionary, Sixth Edition, p. 960]

13 For instance, if you get a ticket for driving without a seat belt, there is not injured party. You go to Traffic Court:

14 13.1. The "pseudo-judge" and the prosecutor are BOTH the SAME party and often both work in the Executive Branch.

15 If it was a REAL court, the judge would be in the judicial branch.

16 13.2. There is NO injured party, and under the common law, there must be an injury to a SPECIFIC sovereign in order  
17 to proceed.

18 13.3. If you proceed under the common law rather than statutory franchise "codes", identify yourself as OTHER than a  
19 franchisee called a "driver", demand an injured party and a jury, and ask the judge what branch of government he  
20 is in, he will frequently "punt" and dismiss the case rather than expose his FRAUD upon the public. Forcing the  
21 common law rather than statute franchise "codes" forces the court to enforce Malum In Se laws and disregard  
22 Malum Prohibitum laws. They can only enforce malum prohibitum upon consenting parties to the franchise AT  
23 THE TIME OF THE ARREST who were on official business as public officer franchisees:

24 "Malum in se. A wrong in itself; an act or case involving illegality from the very nature of the transaction, upon  
25 principles of natural moral, and public law. Grindstaff v. State, 214 Tenn. 58, 377 S.W.2d. 921, 926; State v.  
26 Shedoudy, 45 N.M. 516, 118 P.2d. 280, 287. An act is said to be malum in se when it is inherently and essentially  
27 evil, that is, immoral in its nature and injurious in its consequences, without any regard to the fact of its being  
28 noticed or punished by the law of the state. Such are most or all of the offenses cognizable at common law  
29 (without the denouncement of a statute); as murder, larceny, etc. Compare Malum prohibitum"  
30 [Black's Law Dictionary, Sixth Edition, p. 959]

31 The hardest part about satisfying the criteria above is item #5 in the case of the participant, which is the "benefit" of the  
32 program. What makes it hard is that whether it is a "benefit" is in the eyes of the beholder. What usually happens is that the  
33 government "assumes" that it is a benefit when in fact it would be a liability or disability to most of the participants. For  
34 instance, the "return on investment" of participating in Social Security is only about 1% per year on what you put in, if you  
35 figure out how much the average person puts in, the net present value of the contributions, and the amount they take out.  
36 This could hardly be perceived as a "benefit" and most people would identify it as an injury rather than benefit. You can  
37 figure the return on your investment yourself by visiting the Heritage Foundation Website:

[Social Security Calculator, Heritage Foundation](http://www.heritage.org/research/features/socialsecurity/)  
<http://www.heritage.org/research/features/socialsecurity/>

38 When you add to the above information relating to Social Security that the fund is badly mismanaged and will probably be  
39 bankrupt before most people can draw anything out, it certainly doesn't qualify in being described as "retirement income  
40 security" for anyone. Rather, it is little more than a Ponzi scheme heading for certain death, according to Forbes Magazine.



42 For more details on the Social Security Ponzi Scheme, see sections 2.9 through 2.9.5 of the document below:

## 7.2 Approach to locating evidence for use in court of the existence of a franchise

The simplest technique to gather evidence that a specific offering within statutes is a franchise is to look for SPECIFIC instances where the right or privilege is REVOKED or TAKEN AWAY under the authority of a statute. By doing so, you are indirectly proving that the GOVERNMENT is the REAL owner or ABSOLUTE owner of the right or privilege. Recall that the ESSENCE of what it means OWN something is the right to exclude others.

*"Ownership: [ . . . ] The right of one or more persons to possess and use a thing to the exclusion of others. The right by which a thing belongs to someone in particular, to the exclusion of all other persons. The exclusive right of possession, enjoyment, and disposal; involving as an essential attribute the right to control, handle, and dispose."*  
*[Black's Law Dictionary, Sixth Edition, p. 1106]*

The fact that the government can REVOKE the use of specific property WITHOUT consent of the party possessing it at the time is proof that:

1. They are the REAL and absolute owner of the property.
2. You are a mere EQUITABLE owner of the property temporarily receiving its "benefits".
3. The property is granted to you with conditions.
4. They may control your use of the property while it is in your possession, and part of that control is the right to change physical custody of or title to the property.

The statutory civil status of "national" is an example of property you can be "granted" temporarily. Below is an example of its REVOCATION by statute, in the case when the Philippines became independent:

*"Congress' reclassification of Philippine 'nationals' to alien status under the Philippine Independence Act was not tantamount to a 'collective denaturalization' as petitioner contends. See Afroyim v. Rusk, 387 U.S. 253, 257, 87 S.Ct. 1660, 1662, 18 L.Ed.2d. 757 (1967) (holding that Congress has no authority to revoke United States citizenship). Philippine 'nationals' of the United States were not naturalized United States citizens. See Manlangit v. INS, 488 F.2d. 1073, 1074 (4th Cir.1973) (holding that Afroyim addressed the rights of a naturalized American [CONSTITUTIONAL] citizen and therefore does not stand as a bar to Congress' authority to revoke the non-citizen, 'national' status of the Philippine inhabitants)."*  
*[Valmonte v. I.N.S., 136 F.3d. 914 (C.A.2, 1998)]*

Hence, the STATUTORY civil status of "national" described in 8 U.S.C. §1101(a)(22), 8 U.S.C. §1408, and 8 U.S.C. §1452 is a PRIVILEGE granted with conditions to those in possessions and territories which can be REVOKED legislatively WITHOUT the consent of those in its temporary possession. It is a FRANCHISE, not an inalienable right or PRIVATE right or PRIVATE property.

Below is ANOTHER example of how STATUTORY PRIVILEGES of people in territories are converted to INALIENABLE and IRREVOCABLE CONSTITUTIONAL rights when the territory joins the Union as a STATE of the Union. Territories are PROPERTY of the national government while CONSTITUTIONAL states of the Union are NOT federal territory or PROPERTY. States of the Union "own" themselves while territories have a landlord called "Uncle":

*It is too late at this day to question the plenary power of Congress over the Territories. As observed by Mr. Justice Matthews, delivering the opinion of the court in Murphy v. Ramsey, 114 U.S. 15, 44: "It rests with Congress to say whether, in a given case, any of the people, resident in the 170\*170 Territory, shall participate in the election of its officers, or the making of its laws; and it may, therefore, take from them any right of suffrage it may previously have conferred, or at any time modify or abridge it as it may deem expedient. The right of local self-government, as known to our system as a constitutional franchise, belongs, under the Constitution, to the States and to the people thereof, by whom that Constitution was ordained, and to whom by its terms all power not conferred by it upon the government of the United States was expressly reserved. The personal and civil rights of the inhabitants of the Territories are secured to them, as to other citizens, by the principles of constitutional liberty which restrain all the agencies of government, state and national; their political rights are franchises which they hold as privileges in the legislative discretion of the Congress of the United States . . . If we concede that this discretion in Congress is limited by the obvious purposes for*

1 which it was conferred, and that those purposes are satisfied by measures which prepare the people of the  
2 Territories to become States in the Union, still the conclusion cannot be avoided, that the act of Congress here in  
3 question is clearly within that justification."

4 Congress having the power to deal with the people of the Territories in view of the future States to be formed  
5 from them, there can be no doubt that in the admission of a State a collective naturalization may be effected in  
6 accordance with the intention of Congress and the people applying for admission.

7 Admission on an equal footing with the original States, in all respects whatever, involves equality of  
8 constitutional right and power, which cannot thereafter be controlled [by  
9 STATUTES of congress], and it also involves the adoption as citizens of the United States of those whom  
10 Congress makes members of the political community, and who are recognized as such in the formation of the  
11 new State with the consent of Congress.

12 [Boyd v. Nebraska, 143 U.S. 135 (1892); SOURCE:  
13 [https://scholar.google.com/scholar\\_case?case=18118755496880257167](https://scholar.google.com/scholar_case?case=18118755496880257167)]

14 The language above "cannot thereafter be controlled" is indicative that a RIGHT rather than a PRIVILEGE is conveyed and  
15 that the RIGHT is PRIVATE and cannot be taken away without CONSENT of the new owner. Constitutional citizenship  
16 under the Fourteenth Amendment is a RIGHT, whereas STATUTORY citizenship under 8 U.S.C. §1401 and 8 U.S.C.  
17 §1101(a)(22)(A) is a PRIVILEGE and franchises.

18 The above case is most instructive because it describes how people in territories had to be "collectively naturalized" by act  
19 of Congress to change from STATUTORY "citizens" under 8 U.S.C. §1401 to CONSTITUTIONAL citizens at the time the  
20 territory became a constitutional state admitted into the union. These STATUTORY citizens in territories before they became  
21 states had to become naturalized to become CONSTITUTIONAL citizens. In other words, they switched from 8 U.S.C.  
22 §1101(a)(22)(A) and 8 U.S.C. §1401 STATUTORY citizens to 14th Amendment CONSTITUTIONAL citizens when the  
23 territory became a state.

24 When the new states of the Union were admitted, STATUTORY franchises such as 8 U.S.C. §1401 were converted into  
25 irrevocable CONSTITUTIONAL rights, and that conversion was called "naturalization". CONSTITUTIONAL  
26 naturalization is described in 8 U.S.C. §1421.

27 Notice further that the following case identifies a STATUTORY "national of the United States" born in the Philippines as a  
28 "PERMANENT RESIDENT", meaning an ALIEN, so long as he was in the CONTINENTAL united states. Therefore, the  
29 STATUTORY "national of the United States\*" mentioned in 8 U.S.C. §1101(a)(22) is a CONSTITUTIONAL alien;

Rabang v. Boyd, 353 U.S. 427 (1957) <a href="https://scholar.google.com/scholar_case?case=9072441037225227210">https://scholar.google.com/scholar_case?case=9072441037225227210</a>
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30 Thus, the STATUTORY term "individual" in 26 C.F.R. §1.1441-1(c)(3) defined as an "alien" is referring to people from  
31 either a foreign country or the territories or possessions who are in the STATUTORY "United States", meaning the District  
32 of Columbia, and to NO others per 26 U.S.C. §7701(a)(9) and (a)(10) and 4 U.S.C. §110(d).

33 For the rules describing how human beings are converted to PRIVILEGED STATUTORY CIVIL "persons" and  
34 "individuals", see:

<u>Proof That There Is a "Straw Man", Form #05.042, Section 16</u> <a href="https://sedm.org/Forms/FormIndex.htm">https://sedm.org/Forms/FormIndex.htm</a>
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### 35 **7.3 The Internal Revenue Code "public officer" franchise**

36 Now let's apply these concepts to identifying all the elements of a franchise listed earlier within the context of the Internal  
37 Revenue Code:

- 38 1. Is a contract: The Internal Revenue Code, Subtitle A nowhere contains a liability statute for anything but withholding  
39 agents for nonresident aliens in 26 U.S.C. §1461. This is because it is not "public law" but rather "private law". The

liability of those who participate is created by the oath of public office of those who participate as “public officers”. Without the oath, there can be no duty to do anything under the I.R.C.

*I: DUTY TO ACCOUNT FOR PUBLIC FUNDS*  
§ 909. In general. -

*It is the duty of the public officer, like any other agent or trustee, although not declared by express statute, to faithfully account for and pay over to the proper authorities all moneys which may come into his hands upon the public account, and the performance of this duty may be enforced by proper actions against the officer himself, or against those who have become sureties for the faithful discharge of his duties.*  
[Treatise on the Law of Public Offices and Officers, p. 609, §909; Floyd Mechem, 1890;  
SOURCE: <http://books.google.com/books?id=g-J9AAAAIAAJ&printsec=titlepage>]

2. Is identified in the law as an “activity” of some kind and which is the subject of an excise tax: The word of art name for the activity is a “trade or business” which is defined as “the functions of a public office”. A “function” is an activity.

[26 U.S.C. §7701\(a\)\(26\)](#)

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

Those participating in the franchise activity earn “wages”, which is a “word of art” name or “code word” that implies that the recipient of the earnings:

- 2.1. Consented to participate in the franchise. In the case of the Internal Revenue Code, Subtitle A income tax, they submitting an IRS Form W-4, which the regulations refer to as a “contract” or “agreement” to call what one earns “wages” and “personal services”.

26 C.F.R. §31.3401(a)-3 Amounts deemed wages under voluntary withholding agreements

(a) In general.

*Notwithstanding the exceptions to the definition of wages specified in section 3401(a) and the regulations thereunder, the term “wages” includes the amounts described in paragraph (b)(1) of this section with respect to which there is a voluntary withholding agreement in effect under section 3402(p). References in this chapter to the definition of wages contained in section 3401(a) shall be deemed to refer also to this section (§31.3401(a)-3).*

Title 26: Internal Revenue  
[PART 31—EMPLOYMENT TAXES AND COLLECTION OF INCOME TAX AT SOURCE](#)  
[Subpart E—Collection of Income Tax at Source](#)  
[§31.3402\(p\)-1 Voluntary withholding agreements.](#)

(a) In general.

*An employee and his employer may enter into an agreement under section 3402(b) to provide for the withholding of income tax upon payments of amounts described in paragraph (b)(1) of §31.3401(a)-3, made after December 31, 1970. An agreement may be entered into under this section only with respect to amounts which are includible in the gross income of the employee under section 61, and must be applicable to all such amounts paid by the employer to the employee. The amount to be withheld pursuant to an agreement under section 3402(p) shall be determined under the rules contained in section 3402 and the regulations thereunder. See §31.3405(c)-1, Q&A-3 concerning agreements to have more than 20-percent Federal income tax withheld from eligible rollover distributions within the meaning of section 402.*

- 2.2. Earned “profit” that is the subject of an excise tax on the franchise activity. All CONSTITUTIONAL excise taxes are based upon “profit” of a federal corporation engaged in commerce. The public office is the artificial corporate person being taxed while the officer is a human being. Those who are franchisees called “public officers” constitute officers of this corporation who satisfy the definition of “person” found in [26 U.S.C. §7343](#) (criminal provisions) and [26 U.S.C. §6671\(b\)](#) (penalty provisions).

*“Excises are taxes laid upon the manufacture, sale or consumption of commodities within the country, upon licenses to pursue certain occupations and upon corporate privileges...the requirement to pay such taxes involves the exercise of [220 U.S. 107, 152] privileges, and the element of absolute and unavoidable demand is lacking...”*



1 ...It is therefore well settled by the decisions of this court that when the sovereign authority has exercised the right  
2 to tax a legitimate subject of taxation as an exercise of a franchise or privilege, it is no objection that the measure  
3 of taxation is found in the income produced in part from property which of itself considered is nontaxable...

4 Conceding the power of Congress to tax the business activities of private corporations.. the tax must be measured  
5 by some standard..."

6 [\[Flint v. Stone Tracy Co., 220 U.S. 107 \(1911\)\]](#)  
7

8 "Income" has been taken to mean the same thing as used in the Corporation Excise Tax Act of 1909, in the  
9 Sixteenth Amendment, and in the various revenue acts subsequently passed. Southern Pacific Co. v. Lowe,  
10 247 U.S. 330, 335; Merchants' L. & T. Co. v. Smietanka, 255 U.S. 509, 219. After full consideration, this Court  
11 declared that income may be defined as gain derived from capital, from labor, or from both combined,  
12 including profit gained through sale or conversion of capital. Stratton's Independence v. Howbert, 231 U.S.  
13 399, 415; Doyle v. Mitchell Brothers Co., 247 U.S. 179, 185; Eisner v. Macomber, 252 U.S. 189, 207.  
14 [Bowers v. Kerbaugh-Empire Co., 271 U.S. 170, 174, (1926)]  
15

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

22 [\[U.S. v. Whiteridge, 231 U.S. 144, 34 S.Sup.Ct. 24 \(1913\)\]](#)

- 23 3. Is civil law: The requirement to pay income taxes originates from one's choice of domicile. Domicile is the basis for  
24 all civil jurisdiction, and therefore the Internal Revenue Code, Subtitle A is civil law. The criminal provisions found in  
25 26 U.S.C. §§7201 to 7217 only pertain to those with a domicile on federal territory, and therefore they derive from civil  
26 jurisdiction. In effect, the franchise agreement constitutes consent to become a criminal and go to jail if you don't comply  
27 with the terms of the franchise agreement.
- 28 4. Prescribes "choice of law" rules pertaining to those who participate: [26 U.S.C. §7408\(d\)](#) and [26 U.S.C. §7701\(a\)\(39\)](#)  
29 both require that those who have a legal domicile in the "United States", which is what "citizens and residents" have in  
30 common, shall be treated as though they effectively maintain a legal domicile on federal territory within the District of  
31 Columbia.

32 [TITLE 26 > Subtitle F > CHAPTER 79 > § 7701](#)  
33 [§ 7701. Definitions](#)

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

36 (39) Persons residing outside United States

37 If any citizen or resident of the United States does not reside in (and is not found in) any United States judicial  
38 district, such citizen or resident **shall be treated as residing in the District of Columbia for purposes of any**  
39 **provision of this title** relating to—

40 (A) jurisdiction of courts, or

41 (B) enforcement of summons  
42

43 [TITLE 26 > Subtitle F > CHAPTER 76 > Subchapter A > § 7408](#)  
44 [§ 7408. Actions to enjoin specified conduct related to tax shelters and reportable transactions](#)

45 (d) Citizens and residents outside the United States

46 If any citizen or resident of the United States does not reside in, and does not have his principal place of business  
47 in, any United States judicial district, such citizen or resident **shall be treated for purposes of this section as**  
48 **residing in the District of Columbia.**

49 The reason for the two above provisions is that 4 U.S.C. §72 requires that all "public offices" must be exercised in the  
50 District of Columbia and not elsewhere.

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

5. Offers a “benefit”: In the case of the Internal Revenue Code, Subtitle A, the “benefit” includes the following. All of these “benefits” are financial benefits that do not result in a payment of money, but a reduction in an existing tax liability that only “public officers” who serve in elected or appointed public office in the government can have:
- 5.1. The ability to take the “foreign earned income exclusion” documented in [26 U.S.C. §911](#).
  - 5.2. Ability to take advantage of a tax treaty with a foreign country to reduce the instance of “double taxation”.
  - 5.3. A reduced, graduated rate of tax in [26 U.S.C. §1](#).
  - 5.4. Earned income credits in [26 U.S.C. §32](#).
  - 5.5. “Trade or business” deductions in [26 U.S.C. §162](#). Those not engaged in a “trade or business”/“public office” may not take any deductions to reduce their tax liability on an IRS Form 1040.

**IMPORTANT NOTE:** None of the above so-called “benefits” can truthfully be described as “benefits” in the case of a person who wasn’t ALREADY engaged in “public office” within the government BEFORE they became party to the franchise agreement.

6. Requires consent: The consent is not usually acquired in writing, because in most cases, one’s parents fill out the SSA Form SS-5 for their children, and the children after they reach adulthood are not offered the chance to consent in writing to what their parents committed them to. Thus, it is not an enforceable contract. Therefore, all those who participate as “individuals” must be volunteers. If you would like to know more about how your consent is fraudulently (in most cases) procured, see:

Requirement for Consent, Form #05.003  
<http://sedm.org/Forms/FormIndex.htm>

7. Presumes that all those participating are “public officers”: The only “taxpayers” and “persons” who can be subject to the Internal Revenue Code, Subtitle A tax are those engaged in a “trade or business”, which is defined in [26 U.S.C. §7701\(a\)\(26\)](#) as “the functions of a public office”. The I.R.C. does not CREATE a NEW public office for you to occupy, but rather simply imposes taxes against those ALREADY serving in an EXISTING public office. For instance, signing a W-4 does not MAKE you into a “public officer”, but simply creates prima facie legal evidence that you are already lawfully serving in a public office BEFORE you sign and submit the form. See the following for more details:
- 7.1. The “Trade or Business” Scam, Form #05.001  
<http://sedm.org/Forms/FormIndex.htm>
  - 7.2. Why Your Government is Either a Thief or You are a “Public Officer” for Income Tax Purposes, Form #05.008  
<http://sedm.org/Forms/FormIndex.htm>
8. Associates participants with a government license number: In the case of the Internal Revenue Code, Subtitle A franchise agreement, all those who are participants have de facto license numbers called a “Taxpayer Identification Number”. Note that the Treasury Regulations specifically state that a Social Security Number is NOT a “Individual Taxpayer Identification Number” (ITIN) and therefore CANNOT be used as one, and cannot be used in the context of employment withholding:

[26 C.F.R. §301.6109-1\(d\)\(3\): Identifying Numbers](#)

(3) IRS individual taxpayer identification number –

(i) Definition.

The term IRS individual taxpayer identification number means a taxpayer identifying number issued to an alien individual by the Internal Revenue Service, upon application, for use in connection with filing requirements under this title. The term IRS individual taxpayer identification number does not refer to a social security number or an account number for use in employment for wages. For purposes of this section, the term alien individual means an individual who is not a citizen or national of the United States.

[26 U.S.C. §6109\(a\)](#) identifies a “Social Security Number” as an “identifying number” but nowhere within the Internal Revenue Code or the Treasury Regulations is the phrase “Taxpayer Identification Number” made equivalent to a Social Security Number.

(a) Supplying of identifying numbers

For purposes of paragraphs (1), (2), and (3), the identifying number of an individual (or his estate) shall be such individual's social security account number.

If you would like to know more about this SCAM, see:

About SSNs and TINs On Government Forms and Correspondence, Form #05.012  
<http://sedm.org/Forms/FormIndex.htm>

9. **Has a name for those participating:** The Internal Revenue Code defines all those who are party to the franchise agreement to be “taxpayers”. See 26 U.S.C. §7701(a)(14) and 26 U.S.C. §1313. Those who are not participants in the franchise because they did not consent are called “nontaxpayers” and they preserve all their rights:

*“The revenue laws are a code or system in regulation of tax assessment and collection. They relate to taxpayers, and not to nontaxpayers. The latter are without their scope. No procedure is prescribed for nontaxpayers, and no attempt is made to annul any of their rights and remedies in due course of law. With them Congress does not assume to deal, and they are neither of the subject nor of the object of the revenue laws...”*  
[Long v. Rasmussen, 281 F. 236 (1922) ]

*“Revenue Laws relate to taxpayers [officers, employees, instrumentalities, and elected officials of the Federal Government] and not to non-taxpayers [American Citizens/American Nationals not subject to the exclusive jurisdiction of the Federal Government and who did not volunteer to participate in the federal “trade or business” franchise]. The latter are without their scope. No procedures are prescribed for non-taxpayers and no attempt is made to annul any of their Rights or Remedies in due course of law.”*  
[Economy Plumbing & Heating v. U.S., 470 F.2d. 585 (1972)]

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

The most important right that “nontaxpayers” preserve as described above is the right to NOT be “presumed” to be a “taxpayer” and thereby become involuntary slaves of a franchise that they never consented to in violation of the Thirteenth Amendment. For further details on who are “taxpayers”, see:

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

If you would like to investigate further the fraudulent and illegal nature of how the income tax documented in the Internal Revenue Code, Subtitle A is administered, represented, and enforce by the IRS, see the following exhaustive analysis:

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

## 7.4 Public and private corporations

All those participating in a corporate franchise are presumed to be in receipt of a “benefit” from the government grantor, the acceptance of which creates a reciprocal obligation on their part to do whatever the state wants them to do:

*“But I pass to the graver question,—to that which is the paramount inquiry in this case, and the proper determination of which will be sufficient decisively to dispose of it: Has the superior court in this state, under existing constitutional and legislative provisions, jurisdiction by mandamus over a foreign corporation, its officers or agents, to enforce the performance of a corporate duty not imposed by any law of this state? A careful investigation of the theory upon which corporations both public and private are created, and also of the theory upon which mandamus has hitherto been awarded and employed, especially in this state, must, as I conceive, furnish a negative answer to this inquiry. The power to confer corporate franchises and privileges always has been considered as vested in the sovereign authority of the state. The creation of a corporation, whether public or private, is an act of sovereignty, whereby a portion of the sovereign powers is conferred upon the corporators. In this country corporate rights and franchises can only be conferred by legislative enactment. Field, Priv. Corp. §§ 11, 15; Bank v. Earle, 13 Pet. 595, 587. Corporations are created, and their rights, powers, and privileges are granted, for the public good. Dartmouth College v. Woodward, 4 Wheat. 637. In the case of private incorporations, which are grants of exclusive franchises and special privileges to particular individuals, the theory that such corporations are created for some supposed public good has furnished the legitimate ground in this country for such an exercise of legislative power. Cooley, Const. Lim. p. 394. In Field on Private Corporations (section 17) it is said: “The legislatures of the several states have, by their respective*

1 constitutions, the power to make laws and legislate upon all subjects pertaining to the public benefit, and this,  
2 In the absence of express provisions on the subject, carries with it, by implication, the right to use all the means  
3 requisite to the accomplishment of the objects of legislation consistent with the purposes for which the  
4 government is instituted and with the state and national constitutions. The public benefit to be derived is the  
5 consideration on the part of the state for the creation of private corporations. The motive of the sovereign  
6 creating it is supposed to be some good the public will derive from it. This advantage has been considered  
7 sufficient to bring their creation by the legislatures within the scope of the general powers to legislate for the  
8 public benefit, and it seems now to be universally recognized." In consideration, therefore, of the grant of  
9 special privileges and franchises, the corporation accepting it enters into an implied obligation to the sovereign  
10 grantor to exercise all the functions and perform all the duties necessary to fulfill the ends of its creation and  
11 promote the supposed public good; and this implied contract made with the sovereign power inures to the  
12 benefit of every individual interested in its performance. Dartmouth College v. Woodward, 4 Wheat. 637, 658;  
13 Cooley, Const. Lim. p. 248."

14 [Swift v. State, 7 Houst. 338, 32 A. 143 (Del. Super., 1886)]

15 It is the acceptance of the benefit of the franchise privileges that places the corporation under the general laws of the state,  
16 and BECAUSE they are under the general legislative authority of the government grantor, then they are effectively "in",  
17 meaning within the state as a legal "person", rather than "in the state" as a geographic place. In effect, they are civilly  
18 "married" to the state and therefore commercially associated with the state. That is what every statutory instance of "in this  
19 State" or "in the State" really means, as far as we can tell.

20 "Whether the United States are a corporation 'exempt by law from taxation,' within the meaning of the New York  
21 statutes, is the remaining question in the case. The court of appeals has held that this exemption was applicable  
22 only to domestic corporations declared by the laws of New York to be exempt from taxation. Thus, in Re Prime's  
23 Estate, 136 N.Y. 347, 32 N.E. 1091, it was held that foreign religious and charitable corporations were not exempt  
24 from the payment of a legacy tax, Chief Judge Andrews observing (page 360, 136 N. Y., and page 1091, 32 N.  
25 E.): 'We are of opinion that a statute of a state granting powers and privileges to corporations must, in the  
26 absence of plain indications to the contrary, be held to apply only to corporations created by the state, and over  
27 which it has power of visitation and control. ... The legislature in such cases is dealing with its own creations,  
28 whose rights and obligations it may limit, define, and control.' To the same effect are Catlin v. Trustees, 113  
29 N.Y. 133, 20 N.E. 864; White v. Howard, 46 N.Y. 144; In re Balleis' Estate, 144 N.Y. 132, 38 N.E. 1007; Minot  
30 v. Winthrop, 162 Mass. 113, 38 N.E. 512; Dos P. Inh. Tax Law, c. 3, 34. If the ruling of the court of appeals of  
31 New York in this particular case be not absolutely binding upon us, we think that, having regard to the purpose  
32 of the law to impose a tax generally upon inheritances, the legislature intended to allow an exemption only in  
33 favor of such corporations as it had itself created, and which might reasonably be supposed to be the special  
34 objects of its solicitude and bounty.

35 "In addition to this, however, the United States are not one of the class of corporations intended by law to be  
36 exempt [163 U.S. 625, 631] from taxation. What the corporations are to which the exemption was intended to  
37 apply are indicated by the tax laws of New York, and are confined to those of a religious, educational, charitable,  
38 or reformatory purpose. We think it was not intended to apply it to a purely political or governmental  
39 corporation, like the United States. Catlin v. Trustees, 113 N.Y. 133, 20 N.E. 864; In re Van Kleeck, 121 N.Y.  
40 701, 75 N.E. 50; Dos P. Inh. Tax Law, c. 3, 34. In Re Hamilton, 148 N.Y. 310, 42 N.E. 717, it was held that the  
41 execution did not apply to a municipality, even though created by the state itself."  
42 [U.S. v. Perkins, 163 U.S. 625 (1896)]

43 This commercial and legal union between the grantor and the grantee of the franchise is what the holy bible refers to as  
44 "fornicating" in Revelation 17.

45 "Come, I will show you the judgment of the great harlot [Babylon the Great Harlot] who sits on many waters,  
46 with whom the kings of the earth [politicians and rulers] committed fornication, and the inhabitants of the earth  
47 were made drunk [indulged] with the wine of her fornication."  
48 [Rev. 17:1-2, Bible, NKJV]

49 Black's Law Dictionary defines "commerce" as "intercourse":

50 "Commerce. ...Intercourse by way of trade and traffic between different peoples or states and the citizens or  
51 inhabitants thereof, including not only the purchase, sale, and exchange of commodities, but also the  
52 instrumentalities [governments] and agencies by which it is promoted and the means and appliances by which it  
53 is carried on..."  
54 [Black's Law Dictionary, Sixth Edition, p. 269]

## 55 7.5 Voting

56 "Long ago in Yick Wo v. Hopkins, 118 U.S. 356, 370, 6 S.Ct. 1064, 1071, 30 L.Ed. 220 the Court referred to 'the  
57 political franchise of voting' as a 'fundamental political right, because preservative of all rights.' Recently in  
58 Reynolds v. Sims, 377 U.S. 533, 561—562, 84 S.Ct. 1362, 1381, 12 L.Ed.2d. 506, we said, 'Undoubtedly, the right

of suffrage is a fundamental matter in a free and democratic society. Especially since the right to exercise the franchise in a free and unimpaired manner is preservative of other basic civil and political rights, any alleged infringement of the right of citizens to vote must be carefully and meticulously scrutinized. There we were considering charges that voters in one part of the State had greater representation per person in the State Legislature than voters in another part of the State. We concluded:

'A citizen, a qualified voter, is no more nor no less so because he lives in the city or on the farm. This is the clear and strong command of our Constitution's Equal Protection Clause. This is an essential part of the concept of a government of laws and not men. This is at the heart of Lincoln's vision of 'government of the people, by the people, (and) for the people.' The Equal Protection Clause demands no less than substantially equal state legislative representation for all citizens, of all places as well as of all races.' *Id.*, at 568, 84 S.Ct. at 1385."  
[*Harper v. Virginia State Board of Elections* Butts v. Harrison, 383 U.S. 663, 86 S.Ct. 1079, 16 L.Ed.2d. 169, 1965 WL 130114 (1966)]

"The National Government and the States may not deny or abridge the right to vote on account of race. The Amendment reaffirms the equality of races at the most basic level of the democratic process, the exercise of the voting franchise. It protects all persons, not just members of a particular race. Important precedents give instruction in the instant case. The Amendment was quite sufficient to invalidate a grandfather clause that did not mention race but instead used ancestry in an attempt to confine and restrict the voting franchise. *Guinn v. United States*, 238 U.S. 347, 364 365; and it sufficed to strike down the white primary systems designed to exclude one racial class (at least) from voting, see, e.g., *Terry v. Adams*, 345 U.S. 461, 469 470."  
[*Rice v. Cayetano*, 528 U.S. 495, 120 S.Ct. 1044, 145 L.Ed.2d. 1007 (2000)]

## 7.6 Public offices in the government

"...there are some matters so related to state sovereignty that, even though they are important rights of a resident of that state, discrimination against a nonresident is permitted. <sup>86</sup> These privileges which states give only to their own residents are not secured to residents of other states by the Federal Constitution. Included are such matters as the elective franchise, the right to sit upon juries, and the right to hold public office. The reasons are obvious. If a state were to entrust the elective franchise to residents of another state, its sovereignty would not rest upon the will of its own citizens; and if it permitted its offices to be filled and their functions to be exercised by persons from other states, the state citizens to that extent would not enjoy the right of self-government. <sup>87</sup> here are also numerous privileges that may be accorded by a state to its own people in which citizens of other states may not participate except in conformity to such reasonable regulations as may be established by the state. <sup>88</sup> For instance, a state cannot forbid citizens of other states to sue in its courts, that right being enjoyed by its own people; but it may require a nonresident, although a citizen of another state, to give a bond for costs, although such bond is not required of a resident. <sup>89</sup> A statute restricting the right to carry a concealed weapon to state residents does not violate the Privileges and Immunities Clause of the Fourteenth Amendment; the factor of residence has a legitimate connection with the statute, since substantial danger to the public interest would be caused by an unrestricted flow of dangerous weapons into and through the state. <sup>90</sup> "  
[16B American Jurisprudence 2d, Constitutional law, §751: State citizenship and its privileges (1999)]

"Is it a franchise? A franchise is said to be a right reserved to the people by the constitution, as the elective franchise. Again, it is said to be a privilege conferred by grant from government, and vested in one or more individuals, as a public office. Corporations, or bodies politic are the most usual franchises known to our laws. In England they are very numerous, and are defined to be royal privileges in the hands of a subject. An information will lie in many cases growing out of these grants, especially where corporations are concerned, as by the statute of 9 Anne, ch. 20, and in which the public have an interest. In 1 Strange R. ( *The King v. Sir William Louth*, ) it was held that an information of this kind did not lie in the case of private rights, where no franchise of the crown has been invaded.

If this is so--if in England a privilege existing in a subject, which the king alone could grant, constitutes it a franchise--in this country, under our institutions, a privilege or immunity of a public nature, which could not be exercised without a legislative grant, would also be a franchise."

<sup>86</sup> *Presser v. People of State of Ill.*, 116 U.S. 252, 6 S.Ct. 580, 29 L.Ed. 615 (1886); *Schulz v. New York State Executive*, Pataki, 960 F.Supp. 568 (N.D.N.Y. 1997).

<sup>87</sup> *Steed v. Harvey*, 18 Utah 367, 54 P. 1011 (1898).

<sup>88</sup> *Duehay v. Acacia Mut. Life Ins. Co.*, 105 F.2d 768, 124 A.L.R. 1268 (App.D.C.D.C. Cir. 1939).

<sup>89</sup> *Blake v. McClung*, 172 U.S. 239, 19 S.Ct. 165, 43 L.Ed. 432 (1898).

<sup>90</sup> *Application of Ware*, 474 A.2d. 131 (Del. 1984).



## 7.7 Licensing

All schemes of licensing usually but not always represent franchises. This includes but is not limited to driver licensing, Social Security Numbers (which are de facto licenses), professional licensing, attorney licensing, etc.

### CONSTITUTIONAL LAW

#### VIII. POLICE POWER

##### C. Exercise of Power

##### 3. Regulation and Prohibition of Occupations and Businesses

##### b. Mode of Regulation

##### § 380 Fixing terms, conditions, and restrictions [16A Am Jur 2d CONSTITUTIONAL LAW]

*The legislature may, under its police power, impose terms and conditions prerequisite to the right to engage in particular businesses and occupations.<sup>91</sup> The power to regulate a particular business, trade, or calling implies the power to fix, within reasonable limits, the terms upon which it may be pursued, and to prohibit the exercise thereof except upon the terms and in the manner so prescribed.<sup>92</sup> But if a calling is so innocent that it must be left open to all alike, the state may not attach conditions to the right to engage therein.<sup>93</sup>*

**Regulations concerning businesses or occupations often take the form of preliminary requirements to the carrying on of such occupations,<sup>94</sup> such as registering,<sup>95</sup> or the obtaining of a franchise<sup>96</sup> or a license or permit,<sup>97</sup> the deposit of certain sums of money,<sup>98</sup> the posting of fidelity, indemnity, or performance bonds,<sup>99</sup> or the establishment of an accident or insurance fund for employees.<sup>100</sup> And statutes, ordinances, or regulations requiring that applicants for certain specified occupations be fingerprinted have been held to be a proper exercise of the police power,<sup>101</sup> and not violative of equal protection of the laws,<sup>102</sup> the right to personal liberty or privacy,<sup>103</sup> due process,<sup>104</sup> the privilege against self-incrimination,<sup>105</sup> or the spirit or purpose generally of the Constitution.<sup>106</sup> Similarly, a regulation requiring a certain type of business to furnish the police**

<sup>91</sup> Swift & Co. v. Peterson, 192 Or. 97, 233 P.2d. 216 (1951).

<sup>92</sup> Trio Distributor Corp. v. City of Albany, 2 A.D.2d. 326, 156 N.Y.S.2d. 912 (3d Dep't 1956), judgment rev'd on other grounds, 2 N.Y.2d. 690, 163 N.Y.S.2d. 585, 143 N.E.2d. 329 (1957).

<sup>93</sup> People v. Perretta, 253 N.Y. 305, 171 N.E. 72, 84 A.L.R. 636 (1930).

<sup>94</sup> Hudson County News Co. v. Sills, 41 N.J. 220, 195 A.2d. 626 (1963), appeal dismissed, 378 U.S. 583, 84 S.Ct. 1914, 12 L.Ed. 2d 1036 (1964).

<sup>95</sup> Fraternal Order of Police, Metropolitan Dade County, Lodge No. 6 v. Department of State, 392 So.2d. 1296 (Fla. 1980).

<sup>96</sup> 36 American Jurisprudence 2d, Franchises, §§9 et seq. (1999)

<sup>97</sup> See 51 American Jurisprudence 2d, Licenses and Permits, §§14, 15 (1999).

<sup>98</sup> State v. Harrington, 68 Vt. 622, 35 A. 515 (1896).

<sup>99</sup> See generally 12 American Jurisprudence 2d, Bonds, §§1 et seq. (1999); 35 American Jurisprudence 2d, Fidelity Bonds and Insurance, §§1 et seq. (1999)

<sup>100</sup> State v. Clausen, 65 Wash. 156, 117 P. 1101 (1911).

<sup>101</sup> Walton v. City of Atlanta, 181 F.2d. 693 (5th Cir. 1950), cert. denied, 340 U.S. 823, 71 S.Ct. 56, 95 L.Ed. 604 (1950); Thom v. New York Stock Exchange, 306 F.Supp. 1002, Blue Sky L. Rep. (CCH) ¶ 70837, Fed. Sec. L. Rep. (CCH) ¶ 92519 (S.D.N.Y. 1969), judgment aff'd, 425 F.2d. 1074, Fed. Sec. L. Rep. (CCH) ¶ 92550 (2d Cir. 1970), cert. denied, 398 U.S. 905, 90 S.Ct. 1696, 26 L.Ed. 2d 64 (1970); Sibert v. Department of Alcoholic Beverage Control, 169 Cal.App.2d. 563, 337 P.2d. 882 (2d Dist. 1959); Norman v. City of Las Vegas, 64 Nev. 38, 177 P.2d. 442 (1947).

<sup>102</sup> Thom v. New York Stock Exchange, 306 F.Supp. 1002, Blue Sky L. Rep. (CCH) ¶ 70837, Fed. Sec. L. Rep. (CCH) ¶ 92519 (S.D.N.Y. 1969), judgment aff'd, 425 F.2d. 1074, Fed. Sec. L. Rep. (CCH) ¶ 92550 (2d Cir. 1970), cert. denied, 398 U.S. 905, 90 S.Ct. 1696, 26 L.Ed. 2d 64 (1970); Sibert v. Department of Alcoholic Beverage Control, 169 Cal.App.2d. 563, 337 P.2d. 882 (2d Dist. 1959).

<sup>103</sup> Brown v. Brannon, 399 F.Supp. 133 (M.D.N.C. 1975), aff'd, 535 F.2d. 1249 (4th Cir. 1976); Thom v. New York Stock Exchange, 306 F.Supp. 1002, Blue Sky L. Rep. (CCH) ¶ 70837, Fed. Sec. L. Rep. (CCH) ¶ 92519 (S.D.N.Y. 1969), judgment aff'd, 425 F.2d. 1074, Fed. Sec. L. Rep. (CCH) ¶ 92550 (2d Cir. 1970), cert. denied, 398 U.S. 905, 90 S.Ct. 1696, 26 L.Ed. 2d 64 (1970); Hamilton v. New Jersey Real Estate Commission, Dept. of Ins., 117 N.J. Super. 345, 284 A.2d. 564 (App. Div. 1971).

<sup>104</sup> Thom v. New York Stock Exchange, 306 F.Supp. 1002, Blue Sky L. Rep. (CCH) ¶ 70837, Fed. Sec. L. Rep. (CCH) ¶ 92519 (S.D.N.Y. 1969), judgment aff'd, 425 F.2d. 1074, Fed. Sec. L. Rep. (CCH) ¶ 92550 (2d Cir. 1970), cert. denied, 398 U.S. 905, 90 S.Ct. 1696, 26 L.Ed. 2d 64 (1970); Sibert v. Department of Alcoholic Beverage Control, 169 Cal.App.2d. 563, 337 P.2d. 882 (2d Dist. 1959).

<sup>105</sup> People v. Stuller, 10 Cal.App.3d. 582, 89 Cal. Rptr. 158, 41 A.L.R.3d. 712 (4th Dist. 1970), cert. denied, 401 U.S. 977, 91 S.Ct. 1205, 28 L.Ed. 2d 327 (1971).

<sup>106</sup> M. Itzkowitz & Sons v. Geraghty, 139 Misc. 163, 247 N.Y.S. 703 (Sup.Ct. 1931).

department with fingerprints, photographs, and penal histories of all employees has been upheld.<sup>107</sup> And when occupations are likely to become inimical to public welfare unless the number is limited by law, the police power may rightfully be exercised to restrict the number, for then a reasonable basis exists for the classification made, and there is justification for the incidental denial of full enjoyment of the privilege by those not within the classification.<sup>108</sup>

[16A American Jurisprudence 2d, Constitutional Law, §380 (1999)]

Below is an example of at least one type of “license” that does NOT also constitute a franchise:

ENTERTAINMENT AND SPORTS LAW  
II. PUBLIC REGULATION AND CONTROL  
B. Licenseing  
§ 14 Rights conferred by license [27A Am Jur 2d ENTERTAINMENT AND SPORTS LAW]

A license to operate a place of public amusement does not constitute a franchise, 2 with the result that the proprietor is not under a duty to furnish entertainment to the public, or if furnished, to admit everyone who applies.<sup>3</sup> unless the licensing authority has power to impose, and does impose, the condition that all persons must be admitted impartially. <sup>4</sup> The granting of a license is the grant of a personal privilege, and not a right which, once granted, cannot be withdrawn, <sup>5</sup> and it is generally held, although there is some authority to the contrary, <sup>6</sup> that the fact that a place of amusement is being operated under a license does not prevent enactment of legislation prohibiting the business which previously had been permitted. <sup>7</sup> Since a license is a personal privilege, it cannot, as a general rule, be assigned or transferred. <sup>8</sup>

[27A American Jurisprudence 2d, Entertainment and Sports Law, Section 14 (1999)]

## 7.8 Territorial citizenship including “national and citizen of the United States at birth” status under 8 U.S.C. §1401

“Finally, this Court is mindful of the years of past practice in which territorial citizenship has been treated as a statutory [PRIVILEGE!], and not a constitutional, right. In the unincorporated territories of Puerto Rico, Guam, the U.S. Virgin Islands, and the Northern Mariana Islands, birthright citizenship was conferred upon their inhabitants by various statutes many years after the United States acquired them. See Amicus Br. at 10-11. If the Citizenship Clause guaranteed birthright citizenship in unincorporated territories, these statutes would have been unnecessary. While longstanding practice is not sufficient to demonstrate constitutionality, such a practice requires special scrutiny before being set aside. See, e.g., Jackman v. Rosenbaum Co., 260 U.S. 22, 31 (1922) (Holmes, J.) (“If a thing has been practiced for two hundred years by common consent, it will need a strong case for the Fourteenth Amendment to affect it[.].”); Walz v. Tax Comm’n, 397 U.S. 664, 678 (1970) (“It is obviously correct that no one acquires a vested or protected right in violation of the Constitution by long use . . . . Yet an unbroken practice . . . is not something to be lightly cast aside.”). And while Congress cannot take away the citizenship of individuals covered by the Citizenship Clause, it can bestow citizenship upon those not within the Constitution’s breadth. See U.S. Const. art. IV, § 3, cl. 2 (“Congress shall have Power to dispose of and make all needful Rules and Regulations respecting the Territory belonging to the United States[\*\*].”); id. at art. I, § 8, cl. 4 (Congress may “establish an uniform Rule of Naturalization . . .”). To date, Congress has not seen fit to bestow birthright citizenship upon American Samoa, and in accordance with the law, this Court must and will respect that choice.<sup>16</sup>”

[Tuana v. U.S.A., Case No. 12-01143 (D.D.C., 2013)]

## 7.9 Privilege Taxes

“Under the Privilege Tax Statute, a tax may be imposed “on the possession or other beneficial use enjoyed by any person of any real or personal property which for any reason is exempt from taxation, if that property is used in connection with a business conducted for profit.”<sup>12</sup> To be assessed a privilege tax, three statutory criteria must be satisfied.<sup>13</sup> First, the property being used or possessed “must be of the type that ordinarily is exempt from taxation.”<sup>14</sup> Second, “the property must be used [or possessed] by a private individual, association, or corporation in connection with a for-profit business.”<sup>15</sup> Finally, the use or possession of the property cannot fall into one of the Privilege Tax Statute’s exemptions.<sup>16</sup> In relevant part, the exemption at issue in this case provides that a privilege tax will not be imposed on the use or possession of exempt property when the user or possessor has less than exclusive possession of the property.<sup>17</sup>

19 Here, ATK concedes that the first two criteria are met for assessing a privilege tax: (1) NIROP is otherwise exempt from taxation because it is property of the United States government,<sup>18</sup> and (2) ATK uses this property in connection with a for-profit business. Thus, we must determine only whether the district court erred in concluding that ATK’s use of NIROP did not qualify under the Nonexclusive Possession Exemption. To make this determination, we must address two issues. First, we must decide whether the district court correctly interpreted

<sup>107</sup> Harriman v. City of Beverly Hills, 275 Cal.App.2d. 918, 80 Cal. Rptr. 426, 35 A.L.R.3d. 1421 (2d Dist. 1969) (telephone answering service employees).

<sup>108</sup> Flax v. City of Richmond, 189 Va. 273, 52 S.E.2d. 250 (1949).

the Nonexclusive Possession Exemption. Second, we must decide whether, on the present state of the record, the undisputed material facts demonstrate that ATK had "exclusive possession" of NIROP such that summary judgment was appropriate.  
[*Alliant Techsystems, Inc. v. Salt Lake Cnty. Bd. of Equalization*, 2012 UT 4, 270 P.3d 441, 700 Utah Adv. Rep. 89 (Utah, 2012)]

FN12 Utah Code § 59–4–101(1)(a).

FN13. See *Interwest Aviation v. Cnty. Bd. of Equalization*, 743 P.2d 1222, 1224 (Utah 1987).

FN14. *Id.*

FN15. *Id.*

FN16. See *id.*; see also Utah Code §59–4–101(3) (listing seven exemptions to assessment of a privilege tax).

FN17. See Utah Code §59–4–101(3)(e) ("A [privilege] tax is not imposed ... on ... the use or possession of any lease, permit, or easement unless the lease, permit, or easement entitles the lessee or permittee to exclusive possession of the premises to which the lease, permit, or easement relates.").

FN18. See *id.* §59–2–1101(3)(a)(I) ("The following property is exempt from taxation ... property exempt under the laws of the United States [...]"); see also *Thiokol Chem. Corp. v. Peterson*, 15 Utah 2d 355, 393 P.2d 391, 393 (1964) (noting that the state of Utah cannot impose a tax upon the United States or its agents).

## 7.10 Corporate but not individual occupational franchise taxes

It will be seen from this declaration of the law that the court held that the tax could be imposed on a corporation as a tax on its franchise, but that it could not be imposed on individuals as a state tax on occupations. In *State v. Washmood*, *supra*, there was involved a statute imposing a state tax on "every traveling agent" for any life insurance company or other company doing certain kinds of insurance business, and it was decided that the statute was unconstitutional. The court, in disposing of the question, said:

"If, however, the intention of the Legislature, in enacting said section 5591, was to impose a tax upon the agent therein named, the tax would be an occupation tax, and, being a state tax, as expressed, it would be in violation of the Constitution of the state, as has been settled by numerous decisions of this court."

In *Standard Oil Co. v. Brodie*, *supra* (the gasoline case), we upheld the tax, not as an occupation tax, but as a tax on the privilege of using the public highways. In that case we said:

"While the public highways are for the common use of all, they belong to the public, and it is within the power of the Legislature either to regulate or to tax the privilege of using them."

The effect of these decisions undoubtedly is that the state cannot tax occupations generally, but must find its power to tax outside of this restriction. The power was found in the *Baker Case* and in the gasoline case in the right to tax the franchise of corporations as a privilege tax, and to tax the use of public highways. Whether or not other exceptions, outside of the constitutional restriction, can be found, remains to be seen in the future. I am unable to discover any ground for taking the operation of this statute, as applied to individuals, out of the restrictions prescribed in the Constitution.

The opinion of Judge Riddick in *Ft. Smith v. Scruggs*, 70 Ark. 549, 69 S.W. 679, 58 L.R.A. 921, 91 Am.St.Rep. 100, affords no support to the view that the Legislature can impose, for state revenue purposes, a tax on occupations. That was a case where the tax was imposed by a municipality, and it is undisputed that the state may delegate to counties and municipalities the power to levy any tax not prohibited by the Constitution. *Baker v. State*, *supra*.

The business of severing timber or minerals from the soil for commercial purposes is purely an occupation, and the state cannot tax the privilege as against individuals. Timber and minerals attached to the soil are individual property, as much so as anything else, and the business of severing for commercial purposes is a lawful business, of the pursuit of which no individual can be deprived. Therefore it falls within the restriction found in the Constitution. *Penn. Coal Co. v. Mahon* (Dec. 11, 1922) 43 Sup.Ct. 158, 67 L.Ed. \_\_\_\_.

It is unnecessary to say anything further concerning the power of the state to tax corporations in this manner, for the cases cited above decided that the tax on the business of a corporation is in effect a tax on the franchise and that it is valid. Nor is it worth while to notice the distinction, if any, between the taxing of a corporate

franchise and an attempt to tax, as a privilege, the exercise of power under a franchise. It is all a tax on the franchise. Chief Justice Cockrill, in expressing the conclusions of the court in the Baker Case, supra, made no distinction, but spoke of the franchise of a corporation and the exercise of power under the franchise as being fit subjects of taxation under our Constitution. See, also, State ex rel. v. New York Life Ins. Co., 119 Ark. 314, 171 S.W. 871, 173 S.W. 1099. The fact that a corporate franchise has already been granted does not effect the power of the state to impose the severance tax as an additional tax on the franchise, for the continuing power of the state over corporate franchises cannot be surrendered or bartered away. On the contrary, the continuing power of the state over corporations is expressly reserved in Const. art. 12, § 6. The different provisions of the statute are separable, and the tax against corporations can be upheld, though it is found to be void against individuals. Leep v. Railway Co., 58 Ark. 407, 25 S.W. 75, 23 L.R.A. 264, 41 Am.St.Rep. 109. The statute itself (section 16) provides that, if any part be found to be invalid, the remainder shall be enforced. [Floyd v. Miller Lumber Co., 254 S.W. 450 (Ark., 1923)]

## 7.11 Removal of a state court matter to federal district court

When a case is originally filed in state court, a party may remove it if the case originally could have been brought in federal court. See 28 U.S.C. § 1441(a). “Removal is a statutory privilege, rather than a right, and the removing party must comply with the procedural requirements mandated in the statute when desirous of availing the privilege.” Jerrell v. Kardoes Rubber Co., 348 F.Supp.2d. 1278, 1283 (M.D.Ala.2004) (quoting Shamrock Oil & Gas Corp. v. Sheets, 313 U.S. 100, 104, 61 S.Ct. 868, 85 L.Ed. 1214 (1941)). After a case has been removed from state to federal court, the non-removing party may move for remand, which will be granted if “it appears that the district court lacks subject matter jurisdiction.” See 28 U.S.C. §1447(c). Remand may also be sought on the grounds that the removing party has failed to comply with the statutory requirements for removal. See, e.g., Brown v. Demco, Inc., 792 F.2d. 478 (5th Cir.1986) (ordering remand due to untimeliness of removal); Jerrell, 348 F.Supp.2d at 1283 (granting motion to remand where removing party failed to comply with procedural requirements regarding timing of removal set forth in 28 U.S.C. §1446(b)). Because removal jurisdiction raises significant federalism concerns, “removal statutes are construed narrowly; where plaintiff and defendant clash about jurisdiction, uncertainties are resolved in favor of remand.” Burns, 31 F.3d at 1095. Indeed, the “letter of the law is clear and it requires strict construction of the language of the [removal] statute” and “all doubts about removal must be resolved in favor of remand.” Jerrell, 348 F.Supp.2d at 1281, 1283. [Adams v. Charter Communications VII, LLC, 356 F. Supp.2d. 1268, 1271 (M.D. 2005)]

## 7.12 Resident Aliens and Naturalization

Foreign nationals (aliens) born in another country are considered privileged while they are present in our country:

“Residents, as distinguished from citizens, are aliens who are permitted to take up a permanent abode in the country. Being bound to the society by reason of their dwelling in it, they are subject to its laws so long as they remain there, and, being protected by it, they must defend it, although they do not enjoy all the rights of citizens. They have only certain privileges which the law, or custom, gives them. Permanent residents are those who have been given the right of perpetual residence. They are a sort of citizen of a less privileged character, and are subject to the society without enjoying all its advantages. Their children succeed to their status; for the right of perpetual residence given them by the State passes to their children.”

[The Law of Nations, Vattel, Book 1, Chapter 19, Section 213, p. 87]

If these resident aliens stay in the country long enough, they are eligible for naturalization, which is also a privilege and therefore franchise:

“It is contended that thus construed the Act of 1906 confers the privilege of naturalization without limitation as to race, since the general introductory words of § 4 are: “That an alien may be admitted to become a citizen of the United States in the following manner and not otherwise.” But, obviously, this clause does not relate to the subject of eligibility but to the “manner,” that is the procedure, to be followed. Exactly the same words are used to introduce the similar provisions contained in § 2165 of the Revised Statutes. In 1790 the first Naturalization Act provided that, “Any alien, being a free white person, . . . may be admitted to become a citizen, . . .” C. 3, 1 Stat. 103. This was subsequently enlarged to include aliens of African nativity and persons of African descent. These provisions were restated in the Revised Statutes, so that § 2165 included only the procedural portion, while the substantive parts were carried into a separate section (2169) and the words “An alien” substituted for the words “Any alien.”

In all of the Naturalization Acts from 1790 to 1906 the privilege of naturalization was confined to white persons 193\*193 (with the addition in 1870 of those of African nativity and descent), although the exact wording of the various statutes was not always the same. If Congress in 1906 desired to alter a rule so well and so long established, it may be assumed that its purpose would have been definitely disclosed and its legislation to that end put in unmistakable terms.

[Ozawa v. United States, 260 U.S. 178 (1922)]

Naturalization is defined as the process of conferring NATIONALITY, not “citizen” status.

1 [8 U.S.C. §1101\(a\)\(23\)](#) naturalization defined

2 (a)(23) The term "naturalization" means the **conferring of nationality** [NOT "citizenship" or "U.S. citizenship",  
3 but "nationality", which means "[U.S. national](#)"] of a state upon a person after birth, by any means whatsoever.

4 The only type of "national" that naturalization can create is CONSTITUTIONAL nationality under the original 178  
5 Constitution ("Citizen") or the Fourteenth Amendment ("citizen of the United States\*\*\*"). Naturalization does NOT and  
6 cannot create STATUTORY nationality under 8 U.S.C. §1401. In fact, that statute nowhere even mentions naturalization.

7 Once CONSTITUTIONAL nationality has been conferred, it can only be taken away WITH the consent of the human it was  
8 conferred upon.

9 "In the United States the people are sovereign, and the government cannot sever its relationship to the people by  
10 taking away their [CONSTITUTIONAL] citizenship."  
11 [Afroyim v. Rusk, 387 U.S. 253 (1967)]

12 However, STATUTORY nationality under 8 U.S.C. §1401 CAN be taken away at the whim of Congress and therefore is  
13 NOT a "right" but a revocable privilege. See Rogers v. Bellei, 401 U.S. 815 (1971).

## 14 **8 Introduction to the Law of Agency**<sup>109</sup>

15 A very important subject to learn is the law of agency. This law is intimately related to franchises because:

- 16 1. All franchises are contracts or agreements.
- 17 2. Contracts produce agency.
- 18 3. Agency, in turn, is how:
  - 19 3.1. PRIVATE property is converted to PUBLIC property.
  - 20 3.2. Public rights are associated with otherwise private individuals.
- 21 4. Civil statuses such as "taxpayer", "person", "spouse", "driver" are the method of representing the existence of the  
22 agency created by contracts and franchises.

23 In the following subsections, we will summarize the law of agency so that you can see how franchises implement it and  
24 thereby adversely impact and take away your PRIVATE rights by converting them to PUBLIC rights, often without your  
25 knowledge. Exploitation of the ignorance of the average American about this subject is the main method that governments  
26 use to unwittingly recruit more taxpayers, surety for government debt, and public officers called "citizens" and "residents".

27 If you would like to study the law of agency from a legal perspective, please read the following exhaustive free treatise at  
28 Archive.org, which we used in preparing the subsections which follow:

*A Treatise on the Law of Agency in Contract and Tort*, George L Reinhard, A.B., LL. D., The Bowen-Merrill Company,  
1902  
<https://archive.org/details/atreatiseonlaw01reingooq>

### 29 **8.1 Agency generally**

30 Entire legal treatises hundreds of pages in length have been written about the laws of agency. To save you the trouble of  
31 reading them, we summarize the basics below:

- 32 1. The great bulk of trade and commerce in the world is carried on through the instrumentality of agents; that is to say,  
33 persons acting under authority delegated to them by others, and not in their own right or on their own account.
- 34 2. **Parties:** There are two parties involved in agency:
  - 35 2.1. The principal, who is the person delegating the authority or consent.
  - 36 2.2. The agent, who is the person receiving the authority.

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<sup>109</sup> Extracted from *Delegation of Authority Order from God to Christians*, Form #13.007, Section 2.



3. Who is a principal: A person of sound independent mind who delegates authority to the agent. He is legally responsible or liable for the acts of the agent, so long as the agent is doing a lawful act authorized by the principal in his/her sui juris capacity.
4. Who is an agent: An agent-- sometimes called servant, representative, delegate, proxy, attorney-- is a person who undertakes, by some subsequent ratification of the principal, to transact some business or manage some affair for the latter, and to render an account of it. He is a substitute for a person, employed to manage the affairs of another. He is a person duly authorized to act on behalf of another, or one whose unauthorized act has been duly ratified. There are various classes of agents, each of which is known or recognized by some distinctive appellation or name; as factor, broker, employee, representative, etc.
5. What is agency: A legal relation, founded upon the express or implied contract of the parties, or created by law, by virtue of which one party—the agent—is employed or authorized to represent and act for the other—the principal—in business dealings with third persons.
6. Agency is usually acquired by contract. Contracts are not enforceable without consideration. Therefore, to prove that the agency was lawfully created, the principal has the burden of proving that the Agent received “consideration” or “benefit” not as the PRINCIPAL defines it, but as the AGENT defines it. We cover this in:

*The Government “Benefits” Scam*, Form #05.040

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

7. Fundamental Principles of Agency: The fundamental principles of the law agency are:
- 7.1. Whatever a person does through another, he does through himself.
- 7.2. He who does not act through the medium of another is, in law, considered as having done it himself.
- 7.3. Those who act through agents must have the legal capacity to do so. That is:
- 7.3.1. Lunatics, infants, and idiots cannot delegate authority to someone to manage affairs that they themselves are incapable of managing personally.
- 7.3.2. Those who delegate authority must be of legal age.
- 7.3.3. The act to be delegated must be lawful. You cannot enforce a contract that delegates authority to commit a crime.
- 7.4. The principal is usually liable for the acts of his agent. He is not liable in all cases for the torts of his agent or employee, but only for those acts committed in the course of the agency or employment; while the agent himself is, in such cases, for reasons of public policy, also liable for the same. Broom Legal Maxims 843.
- 7.5. Those who receive the “benefits” of agency have a reciprocal duty to suffer the obligations also associated with it.
8. Each specific form of agency we voluntarily and explicitly accept has a specific civil status associated with it in the civil statutory law. Such statuses include:
- 8.1. “Taxpayer” under the tax code.
- 8.2. “Driver” under the vehicle code.
- 8.3. “Spouse” under the family code.
9. Certain types of agency and the obligations attached to the agency may not be enforceable in court between the parties. These include:
- 9.1. Agency to commit a crime. This is called a conspiracy.
- 9.2. An alienation by the principle of an INALIENABLE right. This includes any surrender of constitutional rights by a state citizen protected by the Constitution to any government, even with consent.

## 8.2 Agency within the Bible

God is a spiritual being who most people have never seen in physical form. As such, to influence the affairs of this physical Earth, He must act through His agents. Those agents are called believers, Christians, “god’s family”, etc. in the case of Christianity. The law of agency governs His acts and the consequences of those acts as He influences the affairs of this Earth. This chapter will therefore summarize the law of agency so that it can be applied to the Bible, which we will regard in this document as a delegation order that circumscribes the exercise of God’s agency on Earth by believers.

It is very important to study and know the law of agency, because the Bible itself is in fact a delegation of authority from God to believers. That delegation of authority occurred when God created the Earth in the book of Genesis and commanded Adam and Eve to have dominion over the Earth:

*Then God said, “Let Us make man in Our image, according to Our likeness; let them have dominion over the fish of the sea, over the birds of the air, and over the cattle, over all the earth and over every creeping thing that creeps on the earth.” So God created man in His own image; in the image of God He created him; male and female He created them. Then God blessed them, and God said to them, “Be fruitful and multiply; fill the earth”*

1 and subdue it; have dominion over the fish of the sea, over the birds of the air, and over every living thing that  
2 moves on the earth."  
3 [Gen. 1:26-28, Bible, NKJV]

4 Now some facts as we understand them about agency in the Bible:

5 1. God describes himself as Law itself:

6 "In the beginning was the Word, and the Word was with God, and the Word was God. He was in the beginning  
7 with God. All things were made through Him, and without Him nothing was made that was made. In Him was  
8 life, and the life was the light of men. And the light shines in the darkness, and the darkness did not comprehend  
9 it.  
10 [John 1:1-5, Bible, NKJV]

11 2. Those who sin are what Jesus called "lawless". Matt. 7:23. The word "sin" in Latin means "without". The thing that  
12 people who sin are "without" is the authority of God and His laws.

13 3. The "Kingdom of Heaven" is defined in scripture as "God's will displayed on Earth". See:

"Kingdom of Heaven" Defined in Scripture, Exhibit #01.014

<http://sedm.org/Exhibits/ExhibitIndex.htm>

14 4. Christians are "subjects" in the "Kingdom of Heaven". Psalm 47:7. A "subject" is an agent and franchise of a specific  
15 "king".

16 5. The Kingdom of Heaven is a private corporation and franchise created and granted by God and not Caesar. As such,  
17 those who are members of it owe nothing to Caesar to receive the "benefits" of participation in it. The creator of a  
18 thing is always the owner. See:

Hierarchy of Sovereignty: The Power to Create is the Power to Tax, Family Guardian Fellowship

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

19 6. Those who are acting as agents of God are referred to as being "in Him". By that we mean they are legally rather than  
20 physically WITHIN the corporation of the Kingdom of Heaven as agents and officers of God in Heaven.

21 "My mother and My brothers are these who hear the word of God and do it."

22 [[Luke 8:21](#), Bible, NKJV]

23 "He who has [understands and learns] My commandments [laws in the Bible (OFFSITE LINK)]  
24 and keeps them, it is he who loves Me. And he who loves Me will be loved by My Father, and I will  
25 love him and manifest Myself to him."

26 [[John 14:21](#), Bible, NKJV]

27 "And we have known and believed the love that God has for us. God is love, and he who abides in love [obedience  
28 to God's Laws] abides in [and is a FIDUCIARY of] God, and God in him."

29 [[1 John 4:16](#), Bible, NKJV]

30 "Now by this we know that we know Him [God], if we keep His commandments. He who says, "I know Him," and  
31 does not keep His commandments, is a liar, and the truth is not in him. But whoever keeps His word, truly the  
32 love of God is perfected in him. By this we know that we are in Him [His fiduciaries]. He who says he abides in  
33 Him [as a fiduciary] ought himself also to walk just as He [Jesus] walked."

34 [[1 John 2:3-6](#), Bible, NKJV]

35 7. Those who accept God and become believers take on a new identity, which in effect is that of an agent and servant of  
36 God:

37 Character of the New Man

38 Therefore, as the elect of God, holy and beloved, put on tender mercies, kindness, humility, meekness,  
39 longsuffering; bearing with one another, and forgiving one another, if anyone has a complaint against another;  
40 even as Christ forgave you, so you also must do. But above all these things put on love, which is the bond of  
41 perfection. And let the peace of God rule in your hearts, to which also you were called in one body; and be  
42 thankful. Let the word of Christ dwell in you richly in all wisdom, teaching and admonishing one another in  
43 psalms and hymns and spiritual songs, singing with grace in your hearts to the Lord. And whatever you do in  
44 word or deed, do all in the name of the Lord Jesus, giving thanks to God the Father through Him.

45 [Colossians 3:12-17, Bible, NKJV]

The “one body” spoken of above is the private corporation called the “Kingdom of Heaven” to put it in legal terms. When it says “Let the word of Christ dwell in you”, he means to follow your delegation order, which is God’s word. When it says “do all in the name of the Lord Jesus”, they mean that you are acting as an AGENT of the Lord Jesus 24 hours a day, 7 days a week. If God gets the credit or the “benefit”, then He is the REAL actor and responsible party under the law of agency.

8. While acting as “agents” or “servants” of God in strict conformance with God’s delegation of authority order in the Bible, the party liable for the consequences of those acts is the Master or Principal of the agency under the law of agency, which means God and not the person doing the act.
9. The phrase “free exercise of religion” found in the First Amendment refers to our right and ability to be faithful agents of God, 24 hours a day, 7 days a week.
  - 9.1. Any attempt to interfere with the exercise of that agency is an interference of your right to contract.
  - 9.2. Any attempt to command agents of God to violate their delegation order is a violation of the First Amendment. This includes commanding believers to do what God forbids or forbidding them to do what God commands.
10. The law of agency allows that one can fulfill multiple agencies simultaneously. You can be a father, brother, son, employer, employee, taxpayer, citizen (even of multiple countries) all simultaneously, but in different contexts and in relation to different people or “persons”. HOWEVER, the Bible forbids Christians from simultaneously being “subjects” under His law and “subjects” under the civil laws of Caesar. The reason is clear. It creates criminal conflict of interest and conflicting allegiances:

*“No one can serve two masters [two Kings or rulers, for instance]; for either he will hate the one and love the other, or else he will be loyal to the one and despise the other. You cannot serve God and mammon [government].”  
[Luke 16:13, Bible, NKJV. Written by a tax collector]*

11. The First Commandment of the Ten Commandments states that we shall not “serve other gods”, meaning idols. To “serve” another god literally means to act as the AGENT of that false god or idol. When you execute the will of another, and especially an EVIL other, you are an agent of that other. Its unavoidable.
12. All agency begins with an act of consent, contract, or agreement.
  - 12.1. Agency cannot lawfully be created WITHOUT consent.
  - 12.2. Since God forbids us from becoming agents of false gods or idols and thereby “serving” them in violation of the First Commandment, He therefore also forbids us from legally allowing or creating that agency by consenting or exercising our right to contract.

**“My son, if sinners [socialists, in this case] entice you,  
Do not consent [do not abuse your power of choice]  
If they say, “Come with us,  
Let us lie in wait to shed blood [of innocent “nontaxpayers”];  
Let us lurk secretly for the innocent without cause;  
Let us swallow them alive like Sheol,  
And whole, like those who go down to the Pit:  
We shall fill our houses with spoil [plunder];  
Cast in your lot among us,  
Let us all have one purse [the GOVERNMENT socialist purse, and share the stolen LOOT]”--  
My son, do not walk in the way with them [do not ASSOCIATE with them and don't let the government  
FORCE you to associate with them either by forcing you to become a “taxpayer”/government whore or a  
“U.S. citizen”].  
Keep your foot from their path;  
For their feet run to evil.  
And they make haste to shed blood.  
Surely, in vain the net is spread  
In the sight of any bird;  
But they lie in wait for their own blood.  
They lurk secretly for their own lives.  
So are the ways of everyone who is greedy for gain [or unearned government benefits];  
It takes away the life of its owners.”  
[Proverbs 1:10-19, Bible, NKJV]**

*“You shall make no covenant [contract or franchise] with them [foreigners, pagans], nor with their [pagan government] gods [laws or judges]. They shall not dwell in your land [and you shall not dwell in theirs by becoming a “resident” or domiciliary in the process of contracting with them], lest they make you sin against Me [God]. For if you serve their [government] gods [under contract or agreement or franchise], it will surely be a snare to you.”  
[Exodus 23:32-33, Bible, NKJV]*

1 "Awake, awake, O Zion, clothe yourself with strength. Put on your garments of splendor, O Jerusalem, the holy  
2 city. The uncircumcised and defiled will not enter you again. Shake off your dust; rise up, sit enthroned, O  
3 Jerusalem [Christians]. Free yourself from the chains [contracts and franchises] on your neck, O captive  
4 Daughter of Zion. For this is what the LORD says: "You were sold for nothing [free government cheese worth a  
5 fraction of what you had to pay them to earn the right to "eat" it], and without money you will be redeemed."  
6 [Isaiah 52:1-3, Bible, NKJV]  
7

8 "I [God] brought you up from Egypt [slavery] and brought you to the land of which I swore to your fathers; and  
9 I said, 'I will never break My covenant with you. And you shall make no covenant [contract or franchise or  
10 agreement of ANY kind] with the inhabitants of this [corrupt pagan] land; you shall tear down their  
11 [man/government worshipping socialist] altars.' But you have not obeyed Me. Why have you done this?"

12 "Therefore I also said, 'I will not drive them out before you; but they will become as thorns [terrorists and  
13 persecutors] in your side and their gods will be a snare [slavery!] to you.'"

14 So it was, when the Angel of the LORD spoke these words to all the children of Israel, that the people lifted up  
15 their voices and wept.  
16 [Judges 2:1-4, Bible, NKJV]  
17

18 'For among My [God's] people are found wicked [covetous public servant] men; They lie in wait as one who sets  
19 snares; They set a trap; They catch men. As a cage is full of birds, So their houses are full of deceit. Therefore  
20 they have become great and grown rich. They have grown fat, they are sleek; Yes, they surpass the deeds of the  
21 wicked; They do not plead the cause, The cause of the fatherless [or the innocent, widows, or the nontaxpayer];  
22 Yet they prosper, And the right of the needy they do not defend. Shall I not punish them for these things?' says the  
23 Lord. 'Shall I not avenge Myself on such a nation as this?'

24 "An astonishing and horrible thing Has been committed in the land: The prophets prophesy falsely, And the  
25 priests [judges in franchise courts that worship government as a pagan deity] rule by their own power; And My  
26 people love to have it so. But what will you do in the end?"  
27 [Jer. 5:26-31, Bible, NKJV]

28 13. We all sin, and when we do so, we are agents of Satan:

29 13.1. We are agents of Satan ONLY within the context of that specific sin, and not ALL contexts. Below is a  
30 commentary on Luke 4:7 which demonstrates this:

31 Wilt worship before me (προσκυνησῇς ἐνώπιον ἐμοῦ [proskunēsēis enōpion emou]). Matt. 4:9 has it more bluntly  
32 "worship me." That is what it really comes to, though in Luke the matter is more delicately put. It is a condition  
33 of the third class (ἐάν [ean] and the subjunctive). Luke has it "thou therefore if" (σὺ οὖν ἐάν [su oun ean]), in a  
34 very emphatic and subtle way. It is the ingressive aorist (προσκυνησῇς [proskunēsēis]), just bow the knee once  
35 up here in my presence. The temptation was for Jesus to admit Satan's authority by this act of prostration (fall  
36 down and worship), a recognition of authority rather than of personal merit. It shall all be thine (ἐσται σου πᾶσα  
37 [estai sou pāsa]). Satan offers to turn over all the keys of world power to Jesus. It was a tremendous grand-  
38 stand play, but Jesus saw at once that in that case he would be the agent of Satan in the rule of the world by  
39 bargain and graft instead of the Son of God by nature and world ruler by conquest over Satan. The heart of  
40 Satan's program is here laid bare. Jesus here rejected the Jewish idea of the Messiah as an earthly ruler merely.  
41 "He rejects Satan as an ally, and thereby has him as an implacable enemy" (Plummer.)  
42 [Robertson, A. T. (1933). Word Pictures in the New Testament (Lk 4:7). Nashville, TN: Broadman Press]

43 13.2. Those who sin and therefore act as "agents of Satan" are separated or removed from the protection of God and  
44 His Law. In effect, they have abandoned their office under His delegation order as Christians and are "off duty"  
45 acting in a private capacity rather than as an agent. They are serving or "worshipping" the ego of self rather than  
46 a greater being above them.

47 14. When we do good, we are agents of God fulfilling our delegation of authority order in the Bible. That is why the Bible  
48 says to do all for the glory of God RATHER than self.

49 15. Since we all sin and we all do good, then we serve both God and Satan at different times. In that sense, we are serving  
50 God and Mammon at the same time, but in different contexts and in relation to different audiences. For instance:

51 15.1. When we serve government, we violate the First Commandment by "serving other gods" if that government has  
52 any rights above our own or above that of any ordinary man. That's idolatry.

53 15.2. We are also sinning and therefore acting as agents of Satan if the government forces us to do things God forbids  
54 or NOT do things that He commands.

55 In other words, we are exceeding our delegation order and therefore are acting in a PRIVATE capacity and therefore  
56 outside the protection of God's law and delegation order. This is EXACTLY the same mechanism that government  
57 uses to protect its own agents, and it's a cheap imitation of how God does the same thing.

If you would like an exhaustive treatise proving that the Bible is in fact a delegation of authority order from God to Christians, please read the following on our site:

[Delegation of Authority Order from God to Christians](http://sedm.org/Forms/FormIndex.htm), Form #13.007  
<http://sedm.org/Forms/FormIndex.htm>

### 8.3 Agency within government

The law of agency dictates the entire organization of government and the legal system it implements and enforces. For instance:

1. The source of sovereignty is the People as individuals.
2. The People as individuals get together and act as a collective to agree on a Constitution. The will of the majority is what delegates that authority.
3. The Constitution then delegates a portion of the sovereign powers of individual humans to public servants using the Constitution.
4. The people then elect “representatives” in the Legislative Branch, who are their agents, to implement the declared intent of the Constitution.
5. The representatives of the people in the Legislative Branch then vote to enact civil statutory codes that implement the Constitution among those who are employed by the government as public servants.

*“All the powers of the government [including ALL of its civil enforcement powers against the public] must be carried into operation by individual agency, either through the medium of public officers, or contracts made with [private] individuals.”*  
*[Osborn v. Bank of U.S., 22 U.S. 738 (1824)]*

*“The reason why States are “bodies politic and corporate” is simple: just as a corporation is an entity that can act only through its agents, “[t]he State is a political corporate body, can act only through agents, and can command only by laws.” Poindexter v. Greenhow, supra, 114 U.S., at 288, 5 S.Ct. at 912-913. See also Black’s Law Dictionary 159 (5th ed. 1979) (“[B]ody politic or corporate”: “A social compact by which the whole people covenants with each citizen, and each citizen with the whole people, that all shall be governed by certain laws for the common good”). As a “body politic and corporate,” a State falls squarely within the Dictionary Act’s definition of a “person.”*  
*[Will v. Michigan Dept. of State Police, 491 U.S. 58, 109 S.Ct. 2304 (U.S.Mich.,1989)]*

6. The civil statutory codes function in effect as a contract or compact that can and does impose duties only upon agents of the government called “citizens” and “residents”.
  - 6.1. Those who did not consent to BECOME agents of the government called “citizens” or “residents” are non-resident non-persons. They are protected by the Constitution and the common law, rather than the statutory civil law.
  - 6.2. Disputes between “citizens” or “residents” on the one hand, and non-resident non-persons on the other, must be governed by the common law, because otherwise a taking of property without just compensation has occurred in which the rights enforced by the civil law are the property STOLEN by those enforcing it against non-residents.
7. The Executive Branch then executes the statutes, which in effect are their “delegation order”.
  - 7.1. The first step in “executing” the statutes is to write interpretive regulations specifying how the statutes will be implemented.
  - 7.2. The interpretive regulations are then published in the Federal Register to give the public the constitutionally required “reasonable notice” of the obligations they create upon the public, if any.
  - 7.3. When the Executive Branch acts WITHIN the confines of their delegation order, they are agents of the state and are protected by official, judicial, and sovereign immunity.
  - 7.4. When the Executive Branch exceeds their delegation order in the statutes, they are deemed by the courts to be acting in a private capacity and therefore must surrender official, judicial, and sovereign immunity and come down to the level of an ordinary human who has committed a trespass.
8. The Judicial Branch then fulfills the role of arbitrating disputes:
  - 8.1. Under the civils statutory codes, we have disputes between:
    - 8.1.1. The Legislative and Executive Branch.
    - 8.1.2. The government and private humans.
    - 8.1.3. Two humans when they have injured each other.



8.2. Under the constitution and the common law we have disputes between two EQUAL parties which have no duty to each other OTHER than that of “justice” itself, which is legally defined as the right to be left alone.

Some basic principles underlie the above chain of delegation of authority:

1. The People as individuals cannot delegate an authority to THE COLLECTIVE that they do not individually and personally have.

*Nemo dat qui non habet. No one can give who does not possess. Jenk. Cent. 250.*

*Nemo plus juris ad alienum transferre potest, quam ispe habent. One cannot transfer to another a right which he has not. Dig. 50, 17, 54; 10 Pet. 161, 175.*

*Nemo potest facere per alium quod per se non potest. No one can do that by another which he cannot do by himself.*

*Qui per alium facit per seipsum facere videtur. He who does anything through another, is considered as doing it himself. Co. Litt. 258.*

*Quicquid acquiritur servo, acquiritur domino. Whatever is acquired by the servant, is acquired for the master. 15 Bin. Ab. 327.*

*Quod per me non possum, nec per alium. What I cannot do in person, I cannot do by proxy [the Constitution]. 4 Co. 24.*

*What a man cannot transfer, he cannot bind by articles [the Constitution].*

[Bouvier's Maxims of Law, 1856; SOURCE:  
<http://famguardian.org/Publications/BouvierMaximsOfLaw/BouviersMaxims.htm>]

2. The People as a collective cannot delegate an authority to a government through a Constitution that the people individually and personally do not also have.
3. Those receiving an authority delegated through the Constitution have a fiduciary duty to the public they serve:

*“As expressed otherwise, the powers delegated to a public officer are held in trust for the people and are to be exercised in behalf of the government or of all citizens who may need the intervention of the officer.”<sup>110</sup> Furthermore, the view has been expressed that all public officers, within whatever branch and whatever level of government, and whatever be their private vocations, are trustees of the people, and accordingly labor under every disability and prohibition imposed by law upon trustees relative to the making of personal financial gain from a discharge of their trusts.<sup>111</sup> That is, a public officer occupies a fiduciary relationship to the political entity on whose behalf he or she serves,<sup>112</sup> and owes a fiduciary duty to the public.<sup>113</sup> It has been said that the fiduciary responsibilities of a public officer cannot be less than those of a private individual.<sup>114</sup> Furthermore, it has been stated that any enterprise undertaken by the public official which tends to weaken public confidence and undermine the sense of security for individual rights is against public policy.<sup>115</sup> “ [63C American Jurisprudence 2d, Public Officers and Employees, §247 (1999)]*

<sup>110</sup> State ex rel. Nagle v. Sullivan, 98 Mont. 425, 40 P.2d. 995, 99 A.L.R. 321; Jersey City v. Hague, 18 N.J. 584, 115 A.2d. 8.

<sup>111</sup> Georgia Dep’t of Human Resources v. Sistrunk, 249 Ga. 543, 291 S.E.2d. 524. A public official is held in public trust. Madlener v. Finley (1st Dist), 161 Ill.App.3d. 796, 113 Ill.Dec. 712, 515 N.E.2d. 697, app gr 117 Ill.Dec. 226, 520 N.E.2d. 387 and revd on other grounds 128 Ill.2d. 147, 131 Ill.Dec. 145, 538 N.E.2d. 520.

<sup>112</sup> Chicago Park Dist. v. Kenroy, Inc., 78 Ill.2d. 555, 37 Ill.Dec. 291, 402 N.E.2d. 181, appeal after remand (1st Dist) 107 Ill.App.3d. 222, 63 Ill.Dec. 134, 437 N.E.2d. 783.

<sup>113</sup> United States v. Holzer (CA7 Ill), 816 F.2d. 304 and vacated, remanded on other grounds 484 U.S. 807, 98 L.Ed. 2d 18, 108 S.Ct. 53, on remand (CA7 Ill) 840 F.2d. 1343, cert den 486 U.S. 1035, 100 L.Ed. 2d 608, 108 S.Ct. 2022 and (criticized on other grounds by United States v. Osser (CA3 Pa) 864 F.2d. 1056) and (superseded by statute on other grounds as stated in United States v. Little (CA5 Miss) 889 F.2d. 1367) and (among conflicting authorities on other grounds noted in United States v. Boylan (CA1 Mass) 898 F.2d. 230, 29 Fed.Rules.Evid.Serv. 1223).

<sup>114</sup> Chicago ex rel. Cohen v. Keane, 64 Ill.2d. 559, 2 Ill.Dec. 285, 357 N.E.2d. 452, later proceeding (1st Dist) 105 Ill.App.3d. 298, 61 Ill.Dec. 172, 434 N.E.2d. 325.

<sup>115</sup> Indiana State Ethics Comm’n v. Nelson (Ind App), 656 N.E.2d. 1172, reh gr (Ind App) 659 N.E.2d. 260, reh den (Jan 24, 1996) and transfer den (May 28, 1996).

4. The agent or public servant cannot be greater than or have more rights or powers than his master in the eyes of the law. In other words, public servants and people they serve must be EQUAL in the eyes of the law at all times:

*Remember the word that I [Jesus] said to you, "A [public] servant is not greater than his master." If they persecuted Me, they will also persecute you. If they kept My word, they will keep yours also.  
[John 15:20, Bible, NKJV]*

5. The act of delegating specific authority from a private human with unalienable rights cannot cause a surrender of the authority from whom it is delegated, because according to the Declaration of Independence, rights created by God and bestowed upon human beings are UNALIENABLE, which means that you are legally incapable of surrendering them entirely.

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

*"Unalienable. Inalienable; incapable of being aliened, that is, sold and transferred."*  
*[Black's Law Dictionary, Fourth Edition, p. 1693]*

## 8.4 Illegal uses of agency or compelled agency

1. Certain types of agency and the obligations attached to the agency may not be enforceable in court between the parties. Any attempt to enforce therefore constitutes a TORT and even in many cases a CRIME. These include:
  - 1.1. Agency to commit a crime. This is called a conspiracy.
  - 1.2. An alienation by the principle of an INALIENABLE right. This includes any surrender of constitutional rights by a state citizen protected by the Constitution to any government, even with consent.
2. Illegal uses of agency include:
  - 2.1. **Duress**: Duress occurs when someone is compelled to accept the duties of a specific civil status through threats, unlawful government enforcement, threats of unlawful enforcement, violence, or coercion of some kind.  
Examples include:
    - 2.1.1. Offering or enforcing franchises outside the exclusive territorial jurisdiction of a specific government. This is private business activity.
    - 2.1.2. Offering or enforcing franchises among those who are not eligible because their rights are Unalienable and therefore cannot lawfully be given away as per the Declaration of Independence.
    - 2.1.3. Tax collection notices sent to non-residents who are not statutory "taxpayers".
    - 2.1.4. Compelling people to fill out government applications signed under penalty of perjury that misrepresent their status. This is criminal witness tampering.
    - 2.1.5. Nor providing a status block on every government form to offer "Other" or "Nonresident" or "Not subject but not statutorily exempt".
    - 2.1.6. Threatening to withhold private employment or commercial relations unless people declare a civil status in relation to government that they do not want. This is extortion.<sup>116</sup>
  - 2.2. **Identity theft** occurs when someone is associated with a civil status, usually on a government form or application, that they do not consent to have or which they cannot lawfully have. See:

Government Identity Theft, Form #05.046  
<http://sedm.org/Forms/FormIndex.htm>
3. **Duress**: It is an important principle of law that when a party is under coercion or duress, the real actor is the SOURCE of the duress, and not the person forced to do the act. This principle also applies to those under the compulsion of a civil statute, as indicated by the U.S. Supreme Court in the State Action Doctrine:

*For petitioner to recover under the substantive count of her complaint, she must show a deprivation of a right guaranteed to her by the Equal Protection Clause of the Fourteenth Amendment. **Since the 'action inhibited by the first section of the Fourteenth Amendment is only such action as may fairly be said to be that of the States,' Shelley v. Kraemer, 334 U.S. 1, 13, 68 S.Ct. 836, 842, 92 L.Ed. 1161 (1948), we must decide, for purposes of this case, the following 'state action' issue: Is there sufficient state action to prove a violation of petitioner's***

<sup>116</sup> On this subject, Leon Trotsky, the Soviet communist said: ""In a country where the sole employer is the State...the old principle: who does not work shall not eat, has been replaced by a new one: who does not obey shall not eat."

*Fourteenth Amendment rights* if she shows that Kress refused her service because of a state-enforced custom compelling segregation of the races in Hattiesburg restaurants?

*In analyzing this problem, it is useful to state two polar propositions, each of which is easily identified and resolved. On the one hand, the Fourteenth Amendment plainly prohibits a State itself from discriminating because of race. On the other hand, § 1 of the Fourteenth Amendment does not forbid a private party, not acting against a backdrop of state compulsion or involvement, to discriminate on the basis of race in his personal affairs as an expression of his own personal predilections. As was said in Shelley v. Kraemer, supra, § 1 of '(t)hat Amendment erects no shield against merely private conduct, however discriminatory or wrongful.' 334 U.S., at 13, 68 S.Ct., at 842.*

*At what point between these two extremes a State's involvement in the refusal becomes sufficient to make the private refusal to serve a violation of the Fourteenth Amendment, is far from clear under our case law. If a State had a law requiring a private person to refuse service because of race, it is clear beyond dispute that the law would violate the Fourteenth Amendment and could be declared invalid and enjoined from enforcement. Nor can a State enforce such a law requiring discrimination through either convictions of proprietors who refuse to discriminate, or trespass prosecutions of patrons who, after being denied service pursuant to such a law, refuse to honor a request to leave the premises.<sup>40</sup>*

*The question most relevant for this case, however, is a slightly different one. It is whether the decision of an owner of a restaurant to discriminate on the basis of race under the compulsion of state law offends the Fourteenth Amendment. Although this Court has not explicitly decided the Fourteenth Amendment state action issue implicit in this question, underlying the Court's decisions in the sit-in cases is the notion that a State is responsible for the discriminatory act of a private party when the State, by its law, has compelled the act. As the Court said in Peterson v. City of Greenville, 373 U.S. 244, 248, 83 S.Ct. 1119, 1121 (1963): 'When the State has commanded a particular result, it has saved to itself the power to determine that result and thereby 'to a significant extent' has 'become involved' in it.' Moreover, there is much support in lower court opinions for the conclusion that discriminatory acts by private parties done under the compulsion of state law offend the Fourteenth Amendment. In Baldwin v. Morgan, supra, the Fifth Circuit held that '(t)he very act of posting and maintaining separate (waiting room) facilities when done by the (railroad) Terminal as commanded by these state orders is action by the state.' The Court then went on to say: 'As we have pointed out above the State may not use race or color as the basis for distinction. It may not do so by direct action or through the medium of others who are under State compulsion to do so.' Id., 287 F.2d at 755—756 (emphasis added). We think the same principle governs here.*

*For state action purposes it makes no difference of course whether the racially discriminatory act by the private party is compelled by a statutory provision or by a custom having the force of law—in either case it is the State that has commanded the result by its law. Without deciding whether less substantial involvement of a State might satisfy the state action requirement of the Fourteenth Amendment, we conclude that petitioner would show an abridgement of her equal protection right, if she proves that Kress refused her service because of a state-enforced custom of segregating the races in public restaurants.*  
[Adickes v. Kress Company, 398 U.S. 144, 90 S.Ct. 1598, 26 L.Ed.2d. 142 (1970)]

## **9 Franchise terms defined**

At this point, we would like to introduce some key franchise terms that can cause a lot of confusion for readers who do not understand them.

### **9.1 Who is the “straw man”?**

Every franchise is implemented the same way:

1. Congress legislatively creates a public office.
2. That public office is within the government as are all public offices, and it also constitutes an “officer of a federal corporation”, because the government itself is a federal corporation per 28 U.S.C. §3002(15)(A). In that sense, it is a corporate artificial “person”, and like its parent corporation, can contract and do all things that a human can do with the exception of thinking.
3. By creating a fake “public office”, Congress also created a “straw man”, which is a legal person separate and distinct from the people filling said office. The “straw man” is a PUBLIC OFFICE, but the otherwise PRIVATE person FILLING said office is NOT the “straw man”, but SURETY for the straw man.
4. The “straw man”/“public office” is created only once, when the SSA Form SS-5 is submitted. For any other franchise applied for, the newly acquired franchise/power/privilege is granted to the same “straw man”/“public office” that was created when the SSA Form SS-5 was submitted.

5. The government unlawfully creates a public office in the federal government as a “corporation sole” artificial entity wholly owned by the government, incorporated under the laws of the United States\*\*. Creation of the “public office” is unlawful because the franchise agreement only regulates and authorizes new benefits to be added to EXISTING “public offices”; no authority exists to create the new “public office” that they created for you to fill. Because of the unlawful nature in its creation, the “public office” is only a de facto rather than a de jure office. All corporations are “citizens” and “residents” of the jurisdiction of the laws under which it was incorporated. Therefore, the de facto “public office”, as an incorporated person, is the statutory “citizen” and “resident” of the federal zone since it is incorporated under the laws of the federal zone.
6. Through false propaganda of the government, a human being that was born in and is domiciled in a state of the Union is bamboozled into unlawfully submitting SS-5 application for an SSN. The submission of the SSA Form SS-5 is unlawful because only those domiciled in the federal zone, where no rights exist, who already hold a public office in the federal government may apply for an SSN.
7. The government unlawfully accepts your application for an SSN, ignoring the requirement for all applicants to be persons domiciled in the federal zone who already hold a public office in the federal government.
8. The “straw man”/“public office” is created after the applicant submits the SSA Form SS-5, not before the application is submitted.”
9. The franchise agreement contains a partnership agreement between you and the public office in which you agree to fill and represent the “public office” and you agree to be surety for all actions of the “public office”. Due to a lack of disclosure, the applicant for an SSN is not even aware of their newly created “straw man”/“public office” nor of the agency relationship that exist between the “straw man”/“public office” and themselves as the “public officer” who fills the office. That is part of the [fraud and deceit](#) of the whole income tax system as it is currently being operated.
10. The deceived people then unwittingly become surety for the “public office” and represent the office as a “public officer”. The ALL CAPS rendition of their Christian names becomes what is called the “idemsonans” that actually refers to the “straw man”/“public office” and NOT the “public officeR”. The “idemsonans” is used as a tool to hide the newly created agency relationship and to confuse the “public officer” about his own identity. When the “public officer” receives correspondence from either the IRS or SSA, it will be addressed using the “idemsonans”, will include the SSN, and will reference the “public office”, using the “idemsonans” only, as being the “taxpayer”. Due to the hidden, unknown, and undisclosed nature of the agency relationship, the “public officer” will naturally think that the correspondence is addressed to himself as a private person and that he himself must be the “taxpayer”.

***“Idemsonans**-sounding the same or alike. Having the same sound. The term applied to names which are substantially the same, though slightly varied in the spelling, as Lawrence and Lawrance.”*  
[Black’s Law Dictionary, Fourth Edition, p. 880]

A legal definition of “straw man” is as follows:

**Straw man:** “a “front”; a third party in name only to take part in a transaction. Nominal party to a transaction; one who acts as an agent for another for the purpose of taking title to real property and executing whatever documents and instruments the principal may direct respecting the property. **Person** who purchases property, or to accomplish some purpose otherwise not allowed”.

[Black’s Law Dictionary, 6th Ed.]

The “public officer” and you, a private man or woman, are both the same human being entity. Therefore, the “public officer” cannot be your “straw man” because a “straw man” is defined to be third party front person. However the “public office”, as a corporate artificial person is an entity that is separate and different from you, the human being. This “public office” is acting as the “front” person to allow the government to do what would otherwise be illegal, which is to tax your earnings without apportionment. Using the agent relationship between the “public office” and “public officer” and the fiduciary responsibilities of the “public officer” to the public, your labor/property/earnings which are associated with an SSN or TIN are converted from “private” to “public use and a public office”, taxed and then the remainder is given back to you for your compensation as a “public officer”

Here is another example of the “straw man”: Drivers Licensing. When you apply for a driver’s license, you must provide an SSN on the application before the state will issue the license. In providing the SSN, you are providing evidence that you are not applying of your own-right but instead, you are present on official duty representing the “public office” as the “public officer” and are applying on behalf of the “public office”. The driver’s license is not issued to you personally, in your own-right. Instead, the license is issued to the “public office” and forwarded to the “public office”, addressed to your home mailing address, in your care as the “public officer” representing the “public office”.

In essence, the “public office” is the “franchisee” to whom the “franchise”/privilege of driving has been granted by the government. The “public office” now owns, in addition to those powers/privileges/franchises that were granted to it when you submitted the SSA Form SS-5 or any other application for benefits, the power/privilege/franchise to “drive”. When you are stopped by a police for “speeding” and hand the police the driver’s license issued to the “public office”, you just provided the evidence that you were not operating the automobile of your own-right, but instead on behalf of the “public office” as the “public officer” representing the office. Physically, you are behind the wheel representing the office, but legally, the “public office” was the “driver” doing the driving. The “public office” needs the license to lawfully drive but you personally have a right to use the public roads in the states of the Union for noncommercial purposes without a license. The police officer then writes a ticket against the “public office” and hands the ticket to you as the “public officer” representing the “public office”. But you are surety for all actions of the “public office” that you represent and are therefore responsible for all actions of the “public office”. Therefore you pay the ticket for the traffic infraction committed by the “public office” so that there are no enforcement actions initiated against the “public office”. If such enforcement actions were initiated, the authorities would go after you as the “public officer” representing the “public office” who is surety for all actions of the “public office”.

Here is another example: Registering to vote. In some jurisdictions, an SSN is requested/required when one attempts to register as an “elector”. The same logic used above concerning the driver’s license can be applied to the voter’s registration process. If an SSN is provided in the registration process, then it is actually the “public office”, and not the human being who submitted the application, that has applied for and to whom is granted the privilege/franchise to vote. The “public office” now owns, in addition to those powers/privileges/franchises that were granted to it when you submitted the SSA Form SS-5 or any other application for benefits, the power/privilege/franchise to “vote”. On the other hand, the human being who submits the application can only become an electorate if **NO** SSN is provided in the registration process.

If you would like to learn more about this important subject, see:

[Proof That There Is a “Straw Man”, Form #05.042](http://sedm.org/Forms/FormIndex.htm)  
<http://sedm.org/Forms/FormIndex.htm>

## 9.2 Who is the “franchisee”?

A franchisee is a person granted a franchise. A franchise is a special privilege conferred by government upon an individual or corporation, and which does not belong to the citizens of the country generally, of common right. A corporation is both a franchise and a franchisee. When a corporate charter is issued by the government, the shareholders of the corporation become the franchisee who receive the franchise of the corporate charter that gives the shareholders the privilege to operate as a corporation with personal immunity from the actions of the corporation. A corporation, as a separate artificial legal entity, is itself capable of receiving and owning franchises of its own, making the corporation the franchisee of any such franchise that is granted to it. The powers of a corporation, such as the right of a corporation to hold and dispose of property, are the franchises of the corporation that have been granted to the corporation by the government.

The “public office” is a corporate artificial person that has been granted special powers to exercise some portion of the sovereign functions of the government for the benefit of the public. If you examine the definitions of “franchise” and “public office” below, it will become clear that a “public office” is nothing more than a “franchise” for certain specific powers/privileges.

*“franchisee: one granted a franchise”*  
*[Merriam-Webster’s Dictionary]*

**FRANCHISE.** *A special privilege conferred by government upon an individual or corporation, and which does not belong to the citizens of the country generally, of common right. It is essential to the character of a franchise that it should be a grant from the sovereign authority, and in this country no franchise can be held which is not derived from a law of the state. In England, a franchise is defined to be a royal privilege in the hands of a subject. In this country, it is a privilege of a public nature, which cannot be exercised without a legislative grant. See Bank of Augusta v. Earle, 13 Pet. 595, 10 L.Ed. 274; Dike v. State, 38 Minn. 366, 38 N.W. 95; Chicago Board of Trade v. People, 91 Ill. 82; Lasher v. People, 183 Ill. 226, 55 N.E. 663, 47 L.R.A. 802, 75 Am.St.Rep. 103; Southampton v. Jessup, 162 N.Y. 122, 56 N.B. 538; Thompson v. People, 23 Wend. (N. Y.) 578; Black River Imp. Co. v. Holway, 87 Wis. 584, 59 N.W. 126; Central Pac R. Co. v. California, 162 U.S. 91, 16 Sup.Ct. 766, 40 L.Ed. 903; Chicago & W.I.R. Co. v. Dunbar, 95 Ill. 575; State v. Weatherby, 45 Mo. 20; Morgan v. Louisiana, 93 U.S. 223, 23 L.Ed. 860.*



A franchise is a privilege or immunity of a public nature, which cannot be legally exercised without legislative grant. **To be a corporation is a franchise.** The various powers conferred on corporations are franchises. The execution of a policy of insurance by an insurance company, and the issuing a bank-note by an incorporated bank, are franchises. *People v. Utica Ins. Co.*, 15 Johns. (N.Y.) 387, 8 Am.Dec. 243.

The word "franchise" has various significations, both in a legal and popular sense. A corporation is itself a franchise belonging to the members of the corporation, and the corporation, itself a franchise, may hold other franchises. So, also, the different powers of a corporation, such as the right to hold and dispose of property, are its franchises. In a popular sense, the political rights of subjects and citizens are franchises, such as the right of suffrage, etc. *Pierce v. Emery*, 32 N.H. 484.

The term "franchise" has several significations, and there is some confusion in its use. When used with reference to corporations, the better opinion, deduced from the authorities, seems to be that it consists of the entire privileges embraced in and constituting the grant. It does not embrace the property acquired by the exercise of the franchise. *Bridgeport v. New York & N.H. R. Co.*, 36 Conn. 255, 4 Am.Rep. 63.

—General and special. **The charter of a corporation is its general" franchise,** while a "special" franchise consists in any rights granted by the public to use property for a public use but with private profit. *Lord v. Equitable Life Assur. Soc.*, 194 N.Y. 212, 87 N.E. 443, 22 L.R.A. (N.S.) 420. [Black's Law Dictionary, 1910]

**Public office:** The right, authority, and duty created and conferred by law, by which for a given period, either fixed by law or enduring at the pleasure of the creating power, an individual is invested with some portion of the sovereign function of government for the benefit of the public. [Black's Law Dictionary, 1910]

Receipt of the powers to exercise sovereign functions is what makes the corporation into the franchisee called a "public office". Furthermore, the exercise of the sovereign functions by the "public office" is what makes the "public office" into the "taxpayer". All actions of any artificial person, such as a corporation, are exercised by the artificial person through the agents of the artificial person. The "public officer" who fills a "public office" is the agent of the "public office" through which the "public office" acts. Although the "public officer" is the person physically performing "the functions of the public office", the "public officer" is not acting of his own right but instead on behalf of the "public office" he is representing. Therefore the physical actions of the "public officer" while on official duty are the legal actions of the "public office" that he/she is representing, making the "public office" the statutory "taxpayer". Once the "public office" is created, in accordance with the franchise agreement, the Social Security Retirement Insurance franchise/privilege is added to the franchises already owned by the "public office". The "public office" may apply for and/or receive additional franchises during its "life-time". It should now be clear that the franchisee who owns the various grants of privileges/franchises by the government is the "public office" but NOT the "public officer" who fills the office.

### 9.3 Who is the "Social Security Benefit Recipient"?

Most people do not realize that the "public office" filled by the submitter of an SSA Form SS-5 but not the form submitter himself/herself is the recipient of Social Security Retirement Insurance. To understand why this is so, one must know that both private rights and public rights cannot be possessed by the same person. People born and domiciled in a state of the Union possess private rights only and may not possess public rights.

*Quando duo juro concurrunt in und persona aequum est si essent diversis.*

When two rights [public right v. private right] concur in one person, it is the same as if they are in **two separate persons**. 4 Co. 118  
[Bouvier's Maxims of Law, 1856; SOURCE:  
<http://famguardian.org/Publications/Bouvier/MaximsOfLaw/BouviersMaxims.htm>]

The income tax is an excise tax on the income of "public offices" within the federal government disguised to look like a non-apportioned direct tax on the earnings of everyone, including those domiciled a state of the Union. In order to apply the income tax to tax the earning of people born and domiciled in a state of the Union, government needed to come up with a scheme to convert the private property of the people into public property so that it could be taxed. No intelligent people will ever knowingly volunteer to give up their freedom. Therefore the covetous government needed come up with a trick to deceive the people into giving up their freedom. Social Security Retirement Insurance is the bait used to lure the free people to the "public office", enslaving them for life. From false government propaganda, the submitter of the SSA Form SS-5 is

deceived into believing that by applying for an SSN, the submitter will receive “no strings attached” retirement insurance and therefore, submits the form.

The submission of the SS-5 from sets into motion the fraudulent scheme that the lawyers of Congress have devised to enslave the submitter that is totally invisible and unknown the submitter. First, an unlawful and unauthorized de facto “public office” is created for the submitter to fill as the de facto “public officer”. The U.S. Supreme Court warned that the FRAUDULENT creation of “public offices” is one way of instituting unconstitutional actions when it held:

*"An unconstitutional act is not law; it confers no right; it imposes no duties; affords no protection; . it creates no office; it is in legal contemplation, as inoperative as though it had never been passed."*  
[Norton v. Shelby County, 118 U.S. 425 p. 442]

Essentially, the SSA Form SS-5 submitter gets a job for life as the “public officer” representing the “public office”. From the time the SSA Form SS-5 is submitted, the “public officer”, as the agent for the “public office”, spends a large portion of his remaining life acting on behalf of the “public office” rather than of his/her own right. This agency relationship that is DELIBERATELY and FRAUDULENTLY undisclosed and unknown to the SSA Form SS-5 submitter is another part of the fraud to deceitfully enslave the SSA Form SS-5 submitter. Typically, the “public officer” as an agent for the “public office” will procure work contracts for the “public office” with private companies; physically perform the labor involved with any work contracts held by the “public office”; manage all “public monies” that have come into his/her possession from various sources, including any work contracts held by the “public office”; account to the proper authorities for all public monies that have come into his possession by filling a tax form; and pay all income taxes due by the “public office” from the public monies in his possession.

*“I: DUTY TO ACCOUNT FOR PUBLIC FUNDS*

*§ 909. In general. It is the duty of the public officer, like any other agent or trustee, although not declared by express statute, to faithfully account for and pay over to the proper authorities all moneys which may come into his hands upon the public account, and the performance of this duty may be enforced by proper actions against the officer himself, or against those who have become sureties for the faithful discharge of his duties.*  
[Treatise on the Law of Public Offices and Officers, p. 609, §909; Floyd Mechem, 1890;  
SOURCE: <http://books.google.com/books?id=g-I9AAAAIAAJ&printsec=titlepage>]

As compensation for his/her “public officer” services, the SSA Form SS-5 submitter is allowed to keep the balance of the public monies in his/her possession after all taxes are paid. See section 23.4.2 “Deliberately confusing who the “taxpayer” is to facilitate MISREPRESENTING the nature of the tax” for more details on this agency relationship, as it pertains to income taxes.

The Social Security Retirement Insurance is not insurance for the SSA Form SS-5 submitter, but rather for the “public office” that he/she represents as the “public officer”. The Insurance ensures that the “public office” will continue to have income for the rest of its “life” (the “public office” life) after “public officer” has reached some minimal age and is too tired and weak to perform the physical labor that is connected with any work contracts that the “public office” may hold. At that point, the “public office”, through its “public officer”/proxy/agent, informs the Social Security Administration (S.S.A.) and any private companies with which it may currently hold a work contract that it, the office, is retiring. The “public office” retires, but the SSA Form SS-5 submitter continues working for the rest of his/her natural life as “public officer” representing the “public office”. Only the physical labor connected with any work contracts held by the “public office” will be lacking from the duties of the “public officer” since the “public office” will no longer hold any work contracts after retiring.

Although the “public office” may not have any more income from work contracts with private companies after retirement, it will now have Social Security retirement income paid from the Social Security Administration (S.S.A.). The “public officer” continues to manage all “public monies” that should come into his/her possession from various sources, including Social Security retirement insurance paid by the Social Security Administration (S.S.A.). The “public officer” continues to account to the proper authorities for all public monies that have come into in his/her possession by filing a tax form. The “public officer” continues to pay all income taxes due by the “public office” from the public monies in his possession. As compensation for his/her “public officer” services, the SSA Form SS-5 submitter is still allowed to keep the balance of the public monies in his/her possession after all taxes are paid. This process continues until the “public officer”/“SSA Form SS-5 submitter” dies or resigns from “public office”. Prior to the death/resignation of the “public officer”, the “public officer” provided the consciousness to the “public office” which brought “life” to the office. The “public office” has life only when it has consciousness. When the “public office” is vacated for any reason, whether it be due to the death or resignation of the “public officer”, the “public office” losses consciousness and dies. Upon the death of the “public office”, the Social Security

Admission will stop all Social Security insurance payments to the dead “public office” and recycle the SSN for use with some new de facto “public office” that is created when a new SSA Form SS-5 is received from a new victim of the Social Security Retirement Insurance scam.

#### **9.4 WHO or WHAT is the statutory “citizen” or “resident”?**

We allege that the terms “citizen” or “resident” within franchise contracts (such as the I.R.C., Social Security Act, Medicare, etc.) does not include human beings and that all such terms refer to public offices within the government. Here is one important example of why we believe this:

[26 C.F.R. §301.7701-5 Domestic, foreign, resident, and nonresident persons.](#)

*A domestic corporation is one organized or created in the United States, including only the States (and during the periods when not States, the Territories of Alaska and Hawaii), and the District of Columbia, or under the law of the United States or of any State or Territory. A foreign corporation is one which is not domestic. A domestic corporation is a resident corporation even though it does no business and owns no property in the United States. A foreign corporation engaged in trade or business within the United States is referred to in the regulations in this chapter as a resident foreign corporation, and a foreign corporation not engaged in trade or business within the United States, as a nonresident foreign corporation. A partnership engaged in trade or business within the United States is referred to in the regulations in this chapter as a resident partnership, and a partnership not engaged in trade or business within the United States, as a nonresident partnership. Whether a partnership is to be regarded as resident or nonresident is not determined by the nationality or residence of its members or by the place in which it was created or organized.*

*[T.D. 8813, Federal Register: February 2, 1999 (Volume 64, Number 21), P. 4967-4975]*

HOWEVER, we also believe that the “citizen” and “resident” mentioned in Title 8 of the U.S. Code, including 8 U.S.C. §1401 are NOT public offices, because public offices cannot be physically “born”. Therefore, when we say “statutory citizen” or “statutory resident”, we confine those terms to mean anything OTHER than Title 8 of the U.S. Code. Examples of codes in which “citizens” and “residents” are public offices include the vehicle code, the family code, and the tax code.

Nowhere in 8 U.S.C. §1401 does the code exclude human beings from having the statutory “citizen” status defined in this section. Therefore, under 8 U.S.C. §1401(a), a human being who is born and domiciled in the federal zone would qualify to as a statutory “citizen” UNDER TITLE 8 ONLY.

In law, all corporations are considered to be statutory but not constitutional “citizens” or “residents” of the place they were incorporated and of that place ONLY:

*"A corporation is a citizen, resident, or inhabitant of the state or country by or under the laws of which it was created, and of that state or country only."*

*[19 Corpus Juris Secundum (C.J.S.), Corporations, §886 (2003)]*

*"It is very true that a corporation can have no legal existence [STATUS such as STATUTORY “citizen” or “resident”] out of the boundaries of the sovereignty by which it is created. It exists only in contemplation of law, and by force of the law; and where the law ceases to operate, and is no longer obligatory, the corporation can have no existence. It must dwell in the place of its creation, and cannot migrate to another sovereignty."*

*[Bank of Augusta v. Earle, 38 U.S. (13 Pet.) 519, 10 L.Ed. 274 (1839)]*

Statutory citizenship under a franchise contract, however, does not derive from citizenship defined in the 14<sup>th</sup> Amendment of the United States Constitution. The types of “citizens” spoken of in the United States Constitution are ONLY biological people and not artificial creations such as corporations. Here is what the Annotated Fourteenth Amendment published by the Congressional Research Service (C.R.S.) has to say about this subject:

*“Citizens of the United States within the meaning of this Amendment must be natural and not artificial persons; a corporate body is not a citizen of the United States.”*<sup>14</sup>

*14 Insurance Co. v. New Orleans, 13 Fed.Cas. 67 (C.C.D.La. 1870). Not being citizens of the United States, corporations accordingly have been declared unable "to claim the protection of that clause of the Fourteenth Amendment which secures the privileges and immunities of citizens of the United States against abridgment or impairment by the law of a State." Orient Ins. Co. v. Daggs, 172 U.S. 557, 561 (1869). This conclusion was in harmony with the earlier holding in Paul v. Virginia, 75 U.S. (8 Wall.) 168 (1869), to the effect that corporations*

1 were not within the scope of the privileges and immunities clause of state citizenship set out in Article IV, Sec. 2.  
2 See also *Selover, Bates & Co. v. Walsh*, 226 U.S. 112, 126 (1912) ; *Berea College v. Kentucky*, 211 U.S. 45 (1908)  
3 ; *Liberty Warehouse Co. v. Tobacco Growers*, 276 U.S. 71, 89 (1928) ; *Grosjean v. American Press Co.*, 297 U.S.  
4 233, 244 (1936) .

5 [Annotated Fourteenth Amendment, Congressional Research Service.  
6 SOURCE: [http://www.law.cornell.edu/anncon/html/amdt14a\\_user.html#amdt14a\\_hd1](http://www.law.cornell.edu/anncon/html/amdt14a_user.html#amdt14a_hd1)]

## 7 **10 Relationship of domicile to franchises**

### 8 **10.1 Domicile: Prerequisite to participating in all de jure government franchises**

9 All franchises are implemented with civil law. Hence, “domicile” or “residence” within the exclusive territory of the  
10 sovereign is a prerequisite to be eligible to either sign up for, or continue participation in, a franchise. For instance, one must  
11 be a statutory but not Constitutional “citizen” or “resident” domiciled on federal territory that is no part of any state of the  
12 Union in order to be eligible to sign up for Social Security. See 20 C.F.R. §422.104:

13 TITLE 20--EMPLOYEES' BENEFITS  
14 CHAPTER III--SOCIAL SECURITY ADMINISTRATION  
15 PART 422\_ORGANIZATION AND PROCEDURES--Table of Contents  
16 Subpart B\_General Procedures  
17 Sec. 422.104 Who can be assigned a social security number.

18  
19 (a) Persons eligible for SSN assignment. We can assign you a social security number if you meet the evidence  
20 requirements in Sec. 422.107 and you are:

21 (1) A United States citizen; or  
22 (2) An alien lawfully admitted to the United States for permanent residence or under other authority of law  
23 permitting you to work in the United States (Sec. 422.105 describes how we determine if a nonimmigrant alien  
24 is permitted to work in the United States); or

25  
26 [SOURCE:  
27 [http://a257.g.akamaitech.net/7/257/2422/10apr20061500/edocket.access.gpo.gov/cfr\\_2006/aprqrtr/20cfr422.104.htm](http://a257.g.akamaitech.net/7/257/2422/10apr20061500/edocket.access.gpo.gov/cfr_2006/aprqrtr/20cfr422.104.htm)  
28 ]

29 Domicile and residence are implied within the words “citizen” and “resident” respectively. “Inhabitants” is a group that  
30 includes all those domiciled within a jurisdiction and includes both “citizens” and “residents”. “nonresidents” or “transient  
31 foreigners” include all those not domiciled within a specific jurisdiction. Statutory “citizens” who change their domicile to  
32 be outside of federal exclusive jurisdiction become “nationals, but not a citizens, of the United States[\*\*]” as described in 8  
33 U.S.C. §1101(a)(22)(B) and 8 U.S.C. §1452. “residents” who change their domicile to be outside of a federal exclusive  
34 jurisdiction become “nonresident aliens” as described in 26 U.S.C. §7701(b)(1)(B) .

35 Any attempt to exclude or disassociate the domicile or residence requirement from government franchises causes the franchise  
36 to devolve into an act of private contracting on an equal footing with all other corporations that is not and cannot be protected  
37 with sovereign immunity because it is no longer an exclusively government function.

38 See *Jones, 1 Cl.Ct.* at 85 (“Wherever the public and private acts of the government seem to commingle, a citizen  
39 or corporate body must by supposition be substituted in its place, and then the question be determined whether  
40 the action will lie against the supposed defendant”); *O'Neill v. United States*, 231 Ct.Cl. 823, 826 (1982)  
41 (sovereign acts doctrine applies where, “[w]ere [the] contracts exclusively between private parties, the party hurt  
42 by such governing action could not claim compensation from the other party for the governing action”). The  
43 dissent ignores these statements (including the statement from *Jones*, from which case *Horowitz* drew its  
44 reasoning literally verbatim), when it says, post at 931, that the sovereign acts cases do not emphasize the need  
45 to treat the government-as-contractor the same as a private party.  
46 [United States v. Winstar Corp., 518 U.S. 839 (1996)]

47 Note that the word “private acts” really means one or more of the following:

- 48 1. Domicile or residence are not a criteria in enforcing the statute in question...OR  
49 2. The domicile criteria required by statute for entrance into the franchise is either ignored or relaxed due to public policy.

50 When either of the above two criteria apply, any dispute under the franchise becomes a private dispute in equity against  
51 OTHER than a real government and against the equivalent of a private corporation and there is an implied waiver of sovereign  
52 immunity by the quasi-governmental actor.

We also emphasize that the term “United States” as used in 20 C.F.R. §422.104 above is nowhere defined and cannot be defined to include any state of the Union because of the separation of powers.<sup>117</sup> Instead, only federal territories, which are statutory but not Constitutional “States”, are expressly included within the definition of “State” within the Social Security Act. All else is purposefully excluded under the rule of statutory construction “**Expressio unius est exclusio alterius**”.

[TITLE 26 > Subtitle C > CHAPTER 21 > Subchapter C > § 3121](#)  
[§ 3121. Definitions](#)

(e) State, United States, and citizen

For purposes of this chapter—

(1) State

The term “State” includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa.

(2) United States

The term “United States” when used in a geographical sense includes the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa.

An individual who is a citizen of the Commonwealth of Puerto Rico (but not otherwise a citizen of the United States) shall be considered, for purposes of this section, as a citizen of the United States.

Covetous public servants try to skirt the mandatory domicile requirement associated with government franchises by abusing and misrepresenting geographical “words of art” to deceive prospective franchisees into unlawfully signing up for “benefits” or licenses that they in fact are NOT eligible for.<sup>118</sup> By doing so, they are devolving their role from that of a de jure government down to a private, de facto corporation and then must operate in equity and surrender sovereign immunity within all litigation. For additional evidence supporting why government franchise eligibility requires the COINCIDENCE of domicile AND consent to the franchise, see:

1. [Why You Aren’t Eligible for Social Security](#), Form #06.001  
<http://sedm.org/Forms/FormIndex.htm>
2. [Why It is Illegal for Me to Request or Use a “Taxpayer Identification Number”](#), Form #04.205  
<http://sedm.org/Forms/FormIndex.htm>
3. [Federal Enforcement Authority Within States of the Union](#), Form #05.032  
<http://sedm.org/Forms/FormIndex.htm>

If you would like to learn more about the subject of domicile and residence, we refer you to the following outstanding memorandum of law on our website:

[Why Domicile and Becoming a “Taxpayer” Require Your Consent](#), Form #05.002  
<http://sedm.org/Forms/FormIndex.htm>

## **10.2 The effective domicile of the franchisee is within the body corporate of the state granting the privilege**

**“The residence or domicile of a corporation under our statute is the county where the charter is registered in compliance with our statutes providing for the creation of corporations; and it is the place where the governing power of the corporation resides and is exercised, and not the place where its ordinary business is conducted.”**  
*Desty on Taxation*, vol. 1, p. 341.”

<sup>117</sup> See: *Government Conspiracy to Destroy the Separation of Powers*, Form #05.023, <http://sedm.org/Forms/FormIndex.htm>

<sup>118</sup> The following tools are useful for fighting this devious tactic of games with geographical “words of art”:

**IN COURT:** *Citizenship, Domicile, and Tax Status Options*, Form #10.003  
<http://sedm.org/Forms/FormIndex.htm>

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



The phrase “is the county where the charter is registered” means the body corporate, and not a geographical place. Anything the state creates is considered part of the state and therefore part of the body corporate or mother corporation. This is explained in the following cite:

*At common law, a "corporation" was an "artificial perso[n] endowed with the legal capacity of perpetual succession" consisting either of a single individual (termed a "corporation sole") or of a collection of several individuals (a "corporation aggregate"). 3 H. Stephen, Commentaries on the Laws of England 166, 168 (1st Am. ed. 1845). The sovereign was considered a corporation. See id., at 170; see also 1 W. Blackstone, Commentaries \*467. Under the definitions supplied by contemporary law dictionaries, Territories would have been classified as "corporations" (and hence as "persons") at the time that 1983 was enacted and the Dictionary Act recodified. See W. Anderson, A Dictionary of Law 261 (1893) ("All corporations were originally modeled upon a state or nation"); 1 J. Bouvier, A Law Dictionary Adapted to the Constitution and Laws of the United States of America 318-319 (11th ed. 1866) ("In this extensive sense the United States may be termed a corporation"); Van Brocklin v. Tennessee, 117 U.S. 151, 154 (1886) ("The United States is a . . . great corporation . . . ordained and established by the American people") (quoting United [495 U.S. 182, 202] States v. Maurice, 26 F.Cas. 1211, 1216 (No. 15,747) (CC Va. 1823) (Marshall, C. J.)); Cotton v. United States, 11 How. 229, 231 (1851) (United States is "a corporation"). See generally Trustees of Dartmouth College v. Woodward, 4 Wheat. 518, 561-562 (1819) (explaining history of term "corporation"). [Ngiraingas v. Sanchez, 495 U.S. 182 (1990) ]*

### 10.3 What domicile status does the “public officer” take?

A statutory “citizen” pursuant to 8 U.S.C. §1401 is a “national of the United States\*\*” with a domicile in the United States\*\*. A human being who was born in a state of the Union is a “national” of the United States[\*\*\*] pursuant to 8 U.S.C. §1101(a)(21) and a “national of the United States[\*]” under the common law. To obtain the nationality of a nation, you must be either born in the nation or naturalized into the nation. Since there is no “naturalization” involved in the process of applying for an SSN, the SSA Form SS-5 submitter never obtains the nationality of the United States\*\* status that is required to have the statutory “citizen” status pursuant to 8 U.S.C. §1401. Hence, the SSA Form SS-5 submitter/“public officer” does not become a statutory “citizen” by applying for an SSN.

A “national” of the United States of America is a statutory “national” pursuant to 8 U.S.C. §1101(a)(21). A statutory “resident” is defined as a statutory “alien” who has a non-transient presence in the United States\*\* pursuant to 26 C.F.R. §1.871-2(b). Although a person born and domiciled in the United States of America is a statutory “national”, applying for an SSN or franchise benefit does nothing to change his physical presence. Hence the SSA Form SS-5 submitter/“public officer” does not become a statutory “resident” because he never obtains the physical presence in the geographical United States\*\* that is required for the “resident” status.

8 U.S.C. §1401: The following shall be nationals and citizens of the United States at birth:

(a) a person born in the United States [NATIONAL OF U.S.\*\*], and subject to the jurisdiction thereof [DOMICILED IN THE U.S.\*\*];

8 U.S.C. §1101(21): The term "national" means a person owing permanent allegiance to a state.

8 U.S.C. §1101(22): The term "national of the United States" means (A) a citizen of the United States, or (B) a person who, though not a citizen of the United States, owes permanent allegiance to the United States.

26 C.F.R. §1.871-2(b) Residence defined. An alien actually present in the United States who is not a mere transient or sojourner [DOMICILED] is a resident of the United States for purposes of the income tax. Whether he is a transient is determined by his intentions with regard to the length and nature of his stay. A mere floating intention, indefinite as to time, to return to another country is not sufficient to constitute him a transient. If he lives in the United States and has no definite intention as to his stay, he is a resident. One who comes to the United States for a definite purpose which in its nature may be promptly accomplished is a transient; but, if his purpose is of such a nature that an extended stay may be necessary for its accomplishment, and to that end the alien makes his home temporarily in the United States, he becomes a resident, though it may be his intention at all times to

return to his domicile abroad when the purpose for which he came has been consummated or abandoned. An alien whose stay in the United States is limited to a definite period by the immigration laws is not a resident of the United States within the meaning of this section, in the absence of exceptional circumstances.

Statutory “citizens” and “residents” have in common a domicile in the federal zone that makes them subject of the civil municipal laws of their domiciled municipal jurisdiction. The “public officer” though not domiciled in the federal zone, is treated as one who is domiciled in the federal zone and subject to the civil municipal laws of the federal zone in the context of his official duties. How can this be, especially when you consider the separation of powers that exists between the federal zone and the states of the Union? This happens by two different mechanisms:

1. The **private franchise contract** becomes law relative the parties of the contract if they voluntarily and knowingly consent to the contract. This is because:
  - 1.1. Contracts know no borders,

*Debt and contract [franchise agreement, in this case] are of no particular place.*

*Locus contractus regit actum.*

*The place of the contract [franchise agreement, in this case] governs the act.*

*[Bouvier's Maxims of Law, 1856;*

*SOURCE: <http://famguardian.org/Publications/BouvierMaximsOfLaw/BouviereMaxims.htm>]*

- 1.2. The contract represents commerce within the federal zone, one of the conditions that destroys your sovereign immunity under the Foreign Sovereign Immunities Act (F.S.I.A.), 28 U.S.C. Chapter 97, thus putting the public officer who is surety for the franchise office within the jurisdiction of the federal courts.
- 1.3. The contract specifies all remedies are to be obtained in the federal franchise courts.
- 1.4. The “public office” that you represent accepted the “benefits” and therefore cannot challenge the constitutionality of the contract in an Article III court. *Ashwander v. Tennessee Valley Auth.*, 297 U.S. 288 (1936).
- 1.5. You become a DE FACTO statutory “employee” of the government and “public” person while on duty, even if you did so UNLAWFULLY.
- 1.6. The government cannot control/regulate private people in the private affairs. But they certainly can and must control and regulate their own statutory “employees” to protect the private rights of the private people that they serve from being infringed upon by their employees while on duty.
2. The “public office” that the “public officer” fills and represent is the statutory “citizen” subject to all the civil laws of the federal zone. While on official duty the “public officer” is not acting of his own right but instead is acting on behave of the “public office”. The “public office” acts through the “public officer” and therefore the actions of the “public officer” while on official duty will be subject to all federal civil laws since legally, it is really the “public office” that is acting. This mechanism is authorized by Federal Rule of Civil Procedure 17(b).

It is important to note that both of the above manners of becoming “subject” to the federal civil laws are limited to the context of your official duties or controversies involving the franchise agreement itself. All other disputes must be settled in state courts having jurisdiction over the municipal place of domicile of the public officer pursuant to 28 U.S.C. §1652 and 28 U.S.C. §1441.

## **11 Government Franchises may NOT lawfully be offered to persons domiciled in Constitutional states of the Union and may only be offered to those domiciled on federal territory**

Another very important aspect of federal franchises is the fact that they cannot lawfully even be offered to human beings domiciled in states of the Union and whose rights are protected by the United States Constitution. We will prove this important fact in this section.

### **11.1 Background**

All franchises are implemented with excise taxes. All excises are upon specific activities which are usually licensed. The Constitutional authority for excise taxation is found in Article 1, Section 8, Clause 1 of the United States Constitution:

*United States Constitution  
Article I: Legislative Department  
Section 8.*

The Congress shall have Power To lay and collect Taxes, Duties, Imposts and Excises, to pay the Debts and provide for the common Defence and general Welfare of the United States; but all Duties, Imposts and Excises shall be uniform throughout the United States;

The interpretation of the U.S. Supreme Court upon the above provision is that it pertains ONLY to imports coming into the country and to no other type of tax. The “activity” subject to excise taxation is therefore that of IMPORTING goods from foreign countries:

*“The difficulties arising out of our dual form of government and the opportunities for differing opinions concerning the relative rights of state and national governments are many; **but for a very long time this court has steadfastly adhered to the doctrine that the taxing power of Congress does not extend to the states or their political subdivisions.** The same basic reasoning which leads to that conclusion, we think, requires like limitation upon the power which springs from the bankruptcy clause. United States v. Butler, supra.”*  
[Ashton v. Cameron County Water Improvement District No. 1, 298 U.S. 513, 56 S.Ct. 892 (1936)]

*“It is no longer open to question that **the general government, unlike the states,** Hammer v. Dagenhart, [247 U.S. 251, 275](#), 38 S.Ct. 529, 3 A.L.R. 649, Ann.Cas.1918E 724, **possesses no inherent power in respect of the internal affairs of the states; and emphatically not with regard to legislation.**”*  
[Carter v. Carter Coal Co., [298 U.S. 238](#), 56 S.Ct. 855 (1936)]

*“**The States, after they formed the Union, continued to have the same range of taxing power which they had before, barring only duties affecting exports, imports, and on tonnage.**” 2 Congress, on the other hand, to lay taxes in order ‘to pay the Debts and provide for the common Defence and general Welfare of the United States’, Art. 1, Sec. 8, U.S.C.A.Const., **can reach every person** and every dollar in the land with due regard to Constitutional limitations as to the method of laying taxes.”*  
[Graves v. People of State of New York, [306 U.S. 466](#) (1939)]

The phrase “every person” as used in the last case above relates to:

1. “persons” domiciled on federal territory and licensed to engage in the regulated activity.. . OR
2. Those lawfully serving as public officers in the NATIONAL and not STATE government.

The term “every person” as used in Graves above does NOT include EVERYONE, or those domiciled in states of the Union.

*The foregoing considerations would lead, in case of doubt, to a construction of any statute as intended to be confined in its operation and effect to the territorial limits over which the lawmaker has general and legitimate power. ‘**All legislation is prima facie territorial.**’ Ex parte Blain, [L. R. 12 Ch. Div. 522, 528](#); [State v. Carter, 27 N.J.L. 499](#); [People v. Merrill, 2 Park. Crim. Rep. 590, 596](#). Words having universal scope, such as ‘every contract in restraint of trade,’ ‘every person who shall monopolize,’ etc., will be taken, as a matter of course, to mean only everyone subject to such legislation, not all that the legislator subsequently may be able to catch. In the case of the present statute, the improbability of the United States attempting to make acts done in Panama or Costa Rica criminal is obvious, yet the law begins by making criminal the acts for which it gives a right to sue. We think it entirely plain that what the defendant did in Panama or Costa Rica is not within the scope of the statute so far as the present suit is concerned. Other objections of a serious nature are urged, but need not be discussed.*  
[[American Banana Co. v. U.S. Fruit, 213 U.S. 347](#) at 357-358]

*“The canon of construction which teaches that legislation of Congress, unless a contrary intent appears, is meant to apply only within the territorial jurisdiction of the United States, [Blackmer v. United States, supra, at 437](#), is a valid approach whereby unexpressed congressional intent may be ascertained. It is based on the assumption that Congress is primarily concerned with domestic conditions.”*  
[[Foley Brothers, Inc. v. Filardo, 336 U.S. 281](#) (1949)]

*“**The laws of Congress in respect to those matters [outside of Constitutionally delegated powers] do not extend into the territorial limits of the states, but have force only in the District of Columbia, and other places that are within the exclusive jurisdiction of the national government.**”*  
[[Caha v. U.S., 152 U.S. 211](#) (1894)]

*“There is a canon of legislative construction which teaches Congress that, unless a contrary intent appears [legislation] is meant to apply only within the territorial jurisdiction of the United States.”*  
[[U.S. v. Spelar, 338 U.S. 217](#) at 222.]

By “territory” above is meant TERRITORIES of the United States and not land subject to the exclusive jurisdiction of a state of the Union.

Corpus Juris Secundum (C.J.S.) Secundum Legal Encyclopedia

*"The word 'territory,' when used to designate a political organization has a distinctive, fixed, and legal meaning under the political institutions of the United States, and does not necessarily include all the territorial possessions of the United States, but may include only the portions thereof which are organized and exercise governmental functions under act of congress."*

*"While the term 'territory' is often loosely used, and has even been construed to include municipal subdivisions of a territory, and 'territories of the' United States is sometimes used to refer to the entire domain over which the United States exercises dominion, the word 'territory,' when used to designate a political organization, has a distinctive, fixed, and legal meaning under the political institutions of the United States, and the term 'territory' or 'territories' does not necessarily include only a portion or the portions thereof which are organized and exercise government functions under acts of congress. The term 'territories' has been defined to be political subdivisions of the outlying dominion of the United States, and in this sense the term 'territory' is not a description of a definite area of land but of a political unit governing and being governed as such. The question whether a particular subdivision or entity is a territory is not determined by the particular form of government with which it is, more or less temporarily, invested.*

*"Territories' or 'territory' as including 'state' or 'states.' While the term 'territories of the' United States may, under certain circumstances, include the states of the Union, as used in the federal Constitution and in ordinary acts of congress 'territory' does not include a foreign state.*

*"As used in this title, the term 'territories' generally refers to the political subdivisions created by congress, and not within the boundaries of any of the several states."*  
[86 Corpus Juris Secundum (C.J.S.), Territories, §1 (2003)]

Congress can only reach “persons” via civil law by their consent expressed in ONE or more of the following forms:

1. They must choose a civil domicile within exclusive federal jurisdiction on federal territory to be subject to federal civil law...AND
2. They must represent a public office domiciled on federal territory. This requires that they must apply for a license or run for a public office, both of which are federal franchises. All franchises are implemented with the civil statutory law.

Unless and until they have done one or more of the above, they are NOT statutory “persons” under federal law and cannot be reached by the civil law of the national government. We call those who are not statutory “persons” by the name “non-resident non-persons” throughout our website. The Constitution protects states of the Union and all those domiciled therein by ensuring that nearly all federal legislation cannot reach beyond federal territory and is therefore legislatively “foreign” and “alien” in relation to the states. That is why we allege that the word “INTERNAL” within the phrase “INTERNAL Revenue Service” only relates to activities and offices executed on federal territory by federal officers. However, there are places where the Constitution does not apply, such as:

1. In a foreign country.
2. In a territory or possession of the United States. See 4 U.S.C. §110(d).

People in any of the above circumstances don’t have any rights to protect, but only statutorily granted privileges and franchises. The U.S. Supreme Court recognized this when it held the following:

*"Indeed, the practical interpretation put by Congress upon the Constitution has been long continued and uniform to the effect [182 U.S. 244, 279] that the Constitution is applicable to territories acquired by purchase or conquest, only when and so far as Congress shall so direct. Notwithstanding its duty to 'guarantee to every state in this Union a republican form of government' (art. 4, 4), by which we understand, according to the definition of Webster, 'a government in which the supreme power resides in the whole body of the people, and is exercised by representatives elected by them,' Congress did not hesitate, in the original organization of the territories of Louisiana, Florida, the Northwest Territory, and its subdivisions of Ohio, Indiana, Michigan, Illinois, and Wisconsin and still more recently in the case of Alaska, to establish a form of government bearing a much greater analogy to a British Crown colony than a republican state of America, and to vest the legislative power either in a governor and council, or a governor and judges, to be appointed by the President. It was not until they had attained a certain population that power was given them to organize a legislature by vote of the people. In all these cases, as well as in territories subsequently organized west of the Mississippi, Congress thought it necessary either to extend to Constitution and laws of the United States over them, or to declare that the inhabitants should be entitled to enjoy the right of trial by jury, of bail, and of the privilege of the writ of habeas corpus, as well as other privileges of the bill of rights."*  
[Downes v. Bidwell, 182 U.S. 244 (1901)]

1 All legitimate governments are established primarily to protect private rights of those who expressly CONSENT to be  
2 protected. However, that protection is only mandated by the Constitution and by law in places where the Constitution applies.  
3 The Constitution, in turn attaches to the land and not to your status as a “person”, “citizen”, or “resident” (alien). The  
4 Constitution doesn’t travel with you wherever you go but instead attaches to the land you are standing on at the moment you  
5 receive an injury to your rights. THAT is why the Constitution calls itself “the law of the land”.

6 *"There could be no doubt as to the correctness of this conclusion, so far, at least, as it applied to the District of*  
7 *Columbia. This District had been a part of the states of Maryland and [182 U.S. 244, 261] Virginia. It had been*  
8 *subject to the Constitution, and was a part of the United States[\*\*\*]. The Constitution had attached to it*  
9 *irrevocably. There are steps which can never be taken backward. The tie that bound the states of Maryland*  
10 *and Virginia to the Constitution could not be dissolved, without at least the consent of the Federal and state*  
11 *governments to a formal separation. The mere cession of the District of Columbia to the Federal government*  
12 *relinquished the authority of the states, but it did not take it out of the United States or from under the aegis of*  
13 *the Constitution. Neither party had ever consented to that construction of the cession. If, before the District*  
14 *was set off, Congress had passed an unconstitutional act affecting its inhabitants, it would have been void. If*  
15 *done after the District was created, it would have been equally void; in other words, Congress could not do*  
16 *indirectly, by carving out the District, what it could not do directly. The District still remained a part of the United*  
17 *States, protected by the Constitution. Indeed, it would have been a fanciful construction to hold that territory*  
18 *which had been once a part of the United States ceased to be such by being ceded directly to the Federal*  
19 *government."*  
20 *[Downes v. Bidwell, 182 U.S. 244 (1901)]*

21 Former President William Howard Taft, the person most responsible for the introduction and ratification of the Sixteenth  
22 Amendment, understood these concepts well when he made the following ruling as a U.S. Supreme Court Chief Justice after  
23 leaving the office of President:

24 *"It is locality that is determinative of the application of the Constitution, in such matters as judicial procedure,*  
25 *and not the status of the people who live in it."*  
26 *[Balzac v. Porto Rico, 258 U.S. 298 (1922)]*

27 The Constitution protects your rights by making them “unalienable” in relation to the government. The Declaration of  
28 Independence declares that these rights are “unalienable”.

29 *"We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator*  
30 *with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness.--That to secure*  
31 *these rights, Governments are instituted among Men, deriving their just powers from the consent of the governed,*  
32 *--"*  
33 *[Declaration of Independence]*

34 Below is the definition of “unalienable”:

35 *"Unalienable. Inalienable; incapable of being aliened, that is, sold and transferred [to the government]."*  
36 *[Black's Law Dictionary, Fourth Edition, p. 1693]*

37 The implication of the above is that it is ILLEGAL for you to bargain away any of your constitutional rights to a real, de jure  
38 government through any commercial process. Franchises are a commercial process that exchange rights for privileges.  
39 Therefore, franchises cannot lawfully be offered within states of the Union without violating organic/fundamental law and  
40 may only be offered where rights do not exist within the meaning of the Constitution, which is federal territory or a foreign  
41 country.

42 Let’s examine this restriction even further. The Constitution requires that the federal government must protect the states of  
43 the Union from invasion by “foreigners”.

44 *United States Constitution*  
45 *Article IV: States Relations, Section 4.*

46 *The United States shall guarantee to every State in this Union a Republican Form of Government, and shall*  
47 *protect each of them against Invasion; and on Application of the Legislature, or of the Executive (when the*  
48 *Legislature cannot be convened) against domestic Violence.*

49 Well, guess what? The District of Columbia is “foreign” for the purposes of legislative jurisdiction with respect to people  
50 domiciled in states of the Union.



1 “The United States government is a foreign corporation with respect to a state.”  
2 [19 Corpus Juris Secundum (C.J.S.), Corporations, §§883-884 (2003);  
3 SOURCE: <http://famguardian.org/TaxFreedom/CitesByTopic/UnitedStates-19CJS883to884.pdf>]

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

9 Foreign States: “Nations outside of the United States...Term may also refer to another state; i.e. a sister state.  
10 The term ‘foreign nations’, ...should be construed to mean all nations and states other than that in which the  
11 action is brought; and hence, one state of the Union is foreign to another, in that sense.”  
12 [*Black’s Law Dictionary*, Sixth Edition, p. 648]

13 Foreign Laws: “The laws of a foreign country or sister state.”  
14 [*Black’s Law Dictionary*, Sixth Edition, p. 647]

15 Certainly, any attempt by the general government to offer franchises that destroy, regulate, and tax rights protected by the  
16 Constitution within legislatively “foreign” states of the Union would constitute an “invasion” within the meaning of Article  
17 4, Section 4 of the Constitution and an unconstitutional act of Treason. Our Bible dictionary says on the subject of “taxes”  
18 that they constitute an act of war against a hostile state, in fact. In older times, “taxes” were called “tribute”. Nearly all such  
19 “taxes” and “tribute” are collected as franchise taxes:

20 “**TRIBUTE**. Tribute in the sense of an impost paid by one state to another, as a mark of subjugation, is a common  
21 feature of international relationships in the biblical world. The tributary could be either a hostile state or an ally.  
22 Like deportation, its purpose was to weaken a hostile state. Deportation aimed at depleting the man-power. The  
23 aim of tribute was probably twofold: to impoverish the subjugated state and at the same time to increase the  
24 conqueror’s own revenues and to acquire commodities in short supply in his own country. As an instrument of  
25 administration it was one of the simplest ever devised: the subjugated country could be made responsible for the  
26 payment of a yearly tribute. Its non-arrival would be taken as a sign of rebellion, and an expedition would then  
27 be sent to deal with the recalcitrant. This was probably the reason for the attack recorded in Gn. 14.  
28 [*New Bible Dictionary*, Third Edition. Wood, D. R. W., Wood, D. R. W., & Marshall, I. H. 1996, c1982, c1962;  
29 InterVarsity Press: Downers Grove]

30 The U.S. Supreme Court recognized that the central government cannot lawfully offer licenses or franchises within a state of  
31 the Union without violating the Constitution when it held the following:

32 “Thus, Congress having power to regulate commerce with foreign nations, and among the several States, and  
33 with the Indian tribes, may, without doubt, provide for **granting** coasting **licenses**, licenses to pilots, licenses to  
34 trade with the Indians, and any other **licenses** necessary or proper for the exercise of that great and extensive  
35 power; and the same observation is applicable to every other power of Congress, to the exercise of which the  
36 granting of licenses may be incident. All such licenses confer authority, and give rights to the licensee.

37 But very different considerations apply to the internal commerce or domestic trade of the States. Over this  
38 commerce and trade Congress has no power of regulation nor any direct control. This power belongs  
39 exclusively to the States. No interference by Congress with the business of citizens transacted within a State is  
40 warranted by the Constitution, except such as is strictly incidental to the exercise of powers clearly granted to  
41 the legislature. The power to authorize a business within a State is plainly repugnant to the exclusive power of  
42 the State over the same subject. It is true that the power of Congress to tax is a very extensive power. It is given  
43 in the Constitution, with only one exception and only two qualifications. Congress cannot tax exports, and it must  
44 impose direct taxes by the rule of apportionment, and indirect taxes by the rule of uniformity. Thus limited, and  
45 thus only, it reaches every subject, and may be exercised at discretion. But, it reaches only existing subjects.  
46 Congress cannot authorize [e.g. LICENSE, using a Social Security Number (SSN) or Taxpayer Identification  
47 Number (TIN)] a trade or business [per 26 U.S.C. §7701(a)(26)] within a State in order to tax it.”  
48 [*License Tax Cases*, 72 U.S. 462, 18 L.Ed. 497, 5 Wall. 462, 2 A.F.T.R. 2224 (1866) ]

## 49 **11.2 Franchises and the “titles of nobility” they are abused to create are prohibited by the** 50 **Constitution in States of the Union**

51 The original Constitution of the United States and the Articles of Confederation which preceded it prohibited what is called  
52 “titles of nobility”:

53 Articles of Confederation  
54 Article VI.

No State, without the consent of the United States in Congress assembled, shall send any embassy to, or receive any embassy from, or enter into any conference, agreement, alliance or treaty with any King, Prince or State; nor shall any person holding any office of profit or trust under the United States, or any of them, accept any present, emolument, **office or title** of any kind whatever from any King, Prince or foreign State; nor shall the United States in Congress assembled, or any of them, grant any **title of nobility**.

United States Constitution  
Article I, Section 9, Clause 8

**No Title of Nobility shall be granted by the United States:** And no Person **holding any Office** of Profit or Trust under them, shall, without the Consent of the Congress, accept of any present, Emolument, Office, or **Title, of** any kind whatever, from any King, Prince, or foreign State.

United States Constitution  
Article I, Section. 10

No State shall enter into any Treaty, Alliance, or Confederation; grant Letters of Marque and Reprisal; coin Money; emit Bills of Credit; make any Thing but gold and silver Coin a Tender in Payment of Debts; pass any Bill of Attainder, ex post facto Law, or Law impairing the Obligation of Contracts, or **grant any Title of Nobility**.

Notice in the above references that “offices” under a foreign power are prohibited. All franchises create and perpetuate such de facto illegal “offices”, which are referred to as “public offices” in most franchise agreements. These offices are not within the de jure government, but in fact are within the de facto government SCAM:

1. The IRS, which is NOT part of the de jure government. See:

*Origins and Authority of the Internal Revenue Service*, Form #05.005  
<http://sedm.org/Forms/FormIndex.htm>

2. Corporate DE FACTO states, which are not the de jure states mentioned in the U.S. Constitution. All such de facto “States” are federal corporations acting as agents of the national government. These virtual corporations are created when constitutional states of the Union ILLEGALLY sign up for federal “benefits”, such as Social Security, Medicare, etc., and thus waive sovereign immunity and implicitly consent to act as the equivalent of federal territories and statutory “States” identified in 4 U.S.C. §110(d). See:

*Corporatization and Privatization of the Government*, Form #05.024  
<http://sedm.org/Forms/FormIndex.htm>

Hence, all such offices are ipso facto unlawful and unconstitutional to implement within a state of the Union because they violate the separation of powers doctrine that forms the heart of the United States Constitution. The U.S. Supreme Court also reaffirmed that franchises and the offices and titles of nobility that accompany them could not be established within a state when it held the following:

**“The United States have no constitutional capacity to exercise municipal jurisdiction, sovereignty, or eminent domain, within the limits of a State or elsewhere, except in cases where it is delegated, and the court denies the faculty of the Federal Government to add to its powers by treaty or compact.”**  
[Dred Scott v. Sandford, 60 U.S. 393, 508-509 (1856)]

“Thus, Congress having power to regulate commerce with foreign nations, and among the several States, and with the Indian tribes, may, without doubt, provide for **granting** coasting **licenses**, licenses to pilots, licenses to trade with the Indians, and any other **licenses** necessary or proper for the exercise of that great and extensive power; and the same observation is applicable to every other power of Congress, to the exercise of which the granting of licenses may be incident. All such licenses confer authority, and give rights to the licensee.

But very different considerations apply to the **internal commerce** or **domestic trade** of the States. **Over this commerce and trade Congress has no power of regulation nor any direct control. This power belongs exclusively to the States. No interference by Congress with the business of citizens transacted within a State is warranted by the Constitution, except such as is strictly incidental to the exercise of powers clearly granted to the legislature.** The power to authorize a business within a State is plainly repugnant to the exclusive power of the State over the same subject. It is true that the power of Congress to tax is a very extensive power. It is given in the Constitution, with only one exception and only two qualifications. Congress cannot tax exports, and it must impose direct taxes by the rule of apportionment, and indirect taxes by the rule of uniformity. Thus limited, and

thus only, it reaches every subject, and may be exercised at discretion. But, it reaches only existing subjects.  
Congress cannot authorize [e.g. "license"] a trade or business within a State in order to tax it.  
[License Tax Cases, 72 U.S. 462, 18 L.Ed. 497, 5 Wall. 462, 2 A.F.T.R. 2224 (1866) ]

Note that the "treaty or compact" term above includes franchise agreements. All franchises are "contracts" and the term "compact" is equivalent to "contract":

"Compact, n. An agreement or contract between persons, nations, or states. Commonly applied to working agreements between and among states concerning matters of mutual concern. A contract between parties, which creates obligations and rights capable of being enforced and contemplated as such between the parties, in their distinct and independent characters. A mutual consent of parties concerned respecting some property or right that is the object of the stipulation, or something that is to be done or forborne. See also Compact clause; Confederacy; Interstate compact; Treaty."  
[Black's Law Dictionary, Sixth Edition, p. 281]

As a rule, franchises spring from contracts between the sovereign power and private citizens, made upon valuable considerations, for purposes of individual advantage as well as public benefit,<sup>119</sup> and thus a franchise partakes of a double nature and character. So far as it affects or concerns the public, it is publici juris and is subject to governmental control. The legislature may prescribe the manner of granting it, to whom it may be granted, the conditions and terms upon which it may be held, and the duty of the grantee to the public in exercising it, and may also provide for its forfeiture upon the failure of the grantee to perform that duty. But when granted, it becomes the property of the grantee, and is a private right, subject only to the governmental control growing out of its other nature as publici juris.<sup>120</sup>  
[American Jurisprudence 2d, Franchises, §4: Generally (1999)]

The above analysis explains why the ONLY place where franchises can lawfully be exercised (per 4 U.S.C. §72) and where the office they are associated with can be domiciled is on federal territory not protected by the Constitution. On federal territory not protected by the Constitution, EVERYTHING is a privilege and you need permission to even exist from a legal perspective.

Why would our Founding Fathers be so intent on restricting the use of Titles of Nobility? Quite simple -- Our Declaration of Independence declares all men to be equal. The granting of Titles of Nobility creates a superior class of Citizens.

Generally, if someone has a Title of Nobility they join cliques and private groups that shun those they consider to be of lesser quality than themselves. Our Founding Fathers knew that many people were very unhappy about being cut off from the pomp and pageantry of England. It was these people, many of whom already held titles and positions of authority under the Crown, that the ban was aimed at.

If we allow people to claim honors, titles, and privileges it will not be very long before the equality of all men is destroyed and we start on the path to having those who have the money, the power, and the position, in short those who consider themselves to be the elite, make slaves and servants out of the rest of us.

Participation in franchises and "privileges" confers the equivalent of a "title of nobility" upon those who participate. Those who participate receive special favors and emoluments associated with participation that violates the notion of equal protection and equal treatment, thus destroying one of the main goals of the Constitution to implement equal protection.

In addition to the above provisions of the Constitution prohibiting "titles of nobility", one additional amendment was proposed to the United States Constitution that would have added further weight to the above by causing anyone who accepts privileges or franchises to be mandatorily expatriated and lose their citizenship. That amendment was the Original Thirteenth Amendment proposed in 1810 and officially adopted in 1812. However, news of its adoption has been silenced because it would undermine and destroy nearly everything that our present government does, which is implemented almost entirely using franchises and privileges. The Original Thirteenth Amendment reads as follows:

*"If any citizen of the United States shall accept, claim, receive, or retain any title of nobility or honour, or shall without the consent of Congress, accept and retain any present, pension, office, or emolument of any kind*

<sup>119</sup> Georgia R. & Power Co. v. Atlanta, 154 Ga. 731, 115 S.E. 263; Lippencott v. Allander, 27 Iowa 460; State ex rel. Hutton v. Baton Rouge, 217 La. 857, 47 So.2d. 665; Tower v. Tower & S. Street R. Co. 68 Minn 500, 71 N.W. 691.

<sup>120</sup> Georgia R. & Power Co. v. Atlanta, 154 Ga. 731, 115 S.E. 263; Lippencott v. Allander, 27 Iowa 460; State ex rel. Hutton v. Baton Rouge, 217 La. 857, 47 So.2d. 665; Tower v. Tower & S. Street R. Co. 68 Minn 500, 71 N.W. 691.

1                   *whatever, from any emperor, king, prince, or foreign power, such person shall cease to be a citizen of the united*  
2                   *States, and shall be incapable of holding any office of trust or profit under them, or either of them."*  
3                   *[Original 13th Amendment to the Constitution for the united states of America]*

4     The history behind the cover-up of the adoption of this amendment is described below, along with some very interesting  
5     political commentary. The analysis concludes that the phrase "attorney at law" is a title of nobility that is unlawful.

- 6     1. Although already prohibited by the Constitution, an additional "title of nobility" amendment was proposed in 1789, and  
7       again in 1810, known as the 13th Amendment. The Founding Fathers wanted an Amendment that provided a punishment  
8       for those who defied the Law. The 1810 Amendment was properly ratified by the States and thus became a part of the  
9       Constitution, and thereby the law of the land.
- 10    2. The founding fathers saw such a serious threat in "titles of nobility" and "honors" that anyone receiving them would  
11       forfeit their citizenship, and never again be able to hold any office in either the federal or State government. Since the  
12       government prohibited them several times over four decades, and went through the amending process (even though "titles  
13       of nobility" were already prohibited by the Constitution), the Amendment carries much more significance for our  
14       Founding Fathers than is readily apparent today.
- 15    3. In an attempt to unlawfully change the Constitution, the predecessors of the above listed individuals quietly removed a  
16       valid Amendment to the Constitution for the united States of America. Their actions were timed to coincide with the  
17       tumult and confusion of the War of 1812, when the Capital Building and many of the original records were destroyed by  
18       the British. The removal was completed following the Civil War. This Amendment, the 13th, was properly ratified in  
19       1812. It has never been reversed, and so, it is still the law of the land, Today. The 13th Amendment bars all individuals  
20       who claim a title of nobility from holding any office of honor or trust.

21                   *"If any citizen of the United States shall accept, claim, receive, or retain any title of nobility or honour, or shall*  
22                   *without the consent of Congress, accept and retain any present, pension, office, or emolument of any kind*  
23                   *whatever, from any emperor, king, prince, or foreign power, such person shall cease to be a citizen of the united*  
24                   *States, and shall be incapable of holding any office of trust or profit under them, or either of them."*  
25                   *[Original 13th Amendment to the Constitution for the united states of America]*

- 26    4. When the Proposed Amendment was passed by the Congress there were 17 States. Ratification requires  $\frac{3}{4}$  of the then  
27       existing States accept the Amendment. Thirteen States were required to Ratify the Amendment. The order of ratification  
28       is:
  - 29       4.1. December 25, 1810: Maryland ratifies the 13th Amendment, the 1st state.
  - 30       4.2. January 31, 1811: Kentucky ratifies the 13th Amendment, the 2nd state.
  - 31       4.3. January 31, 1811: Ohio unanimously ratifies the 13th Amendment, the 3rd state.
  - 32       4.4. February 2, 1811: Delaware ratifies the 13th Amendment, the 4th state.
  - 33       4.5. February 6, 1811 Pennsylvania ratifies the 13th Amendment, the 5th state.
  - 34       4.6. February 13, 1811: New Jersey ratifies the 13th Amendment, the 6th state.
  - 35       4.7. October 24, 1811: Vermont ratifies the 13th Amendment, the 7th state.
  - 36       4.8. November 21, 1811: Tennessee ratifies the 13th Amendment, the 8th state.
  - 37       4.9. November 22, 1811: Georgia ratifies the 13th Amendment, the 9th state.
  - 38       4.10. December 23, 1811: North Carolina ratifies the 13th Amendment, the 10th state.
  - 39       4.11. February 27, 1812: Massachusetts ratifies the 13th Amendment, the 11th state.
  - 40       4.12. March 12, 1812: New York fails ratification of the 13th Amendment.
  - 41       4.13. April 30, 1812: Louisiana becomes the 18th state in the Union, but is not consulted on the pending constitutional  
42           amendment.
  - 43       4.14. June 12, 1812: The War of 1812 begins.
  - 44       4.15. June 12, 1812: Governor Plumer of New Hampshire send letter to New Hampshire Legislature accompanied by  
45           letters from the Chief Executive Officers of Georgia, North Carolina, Tennessee, Virginia, and Vermont indicating  
46           ratification of the 13th Amendment by their State. Virginia thus is shown to be the 12th State to ratify the  
47           Amendment.
  - 48       4.16. December 9, 1812: New Hampshire ratifies the 13th Amendment, the 13th of the 13 states required.
- 49    5. On March 10, 1819, the Virginia legislature passed Act No. 280 (Virginia Archives of Richmond, "misc." file, p. 299 for  
50       micro-film):

51                   *"Be it enacted by the General Assembly, that there shall be published an edition of the Laws of this Commonwealth*  
52                   *in which shall be contained the following matters, that is to say: the Constitution of the united States and the*  
53                   *amendments thereto..."*

1 This act, by the Virginia General Assembly, was the specific legislated instructions on what was, by law, to be included  
2 in the re-publication (a special edition) of the Virginia Civil Code.

3  
4 The Virginia General Assembly had already agreed that all Acts were to go into effect on the day that the Act to re-  
5 publish the Civil Code was enacted. Therefore, if the 13th Amendment had not already been ratified, its official date of  
6 ratification would be as of the date of re-publication of the Virginia Civil Code: March 12, 1819.

7 6. However, there is evidence that the State of Virginia ratified the Amendment in 1812 and the documentation was either  
8 never forwarded to Washington or was lost when the Capital and records were burned in the War of 1812.

9 7. In 2003 -- A bill, House Concurrent Resolution 10, was placed before the New Hampshire legislature, to reaffirm New  
10 Hampshire's December 9, 1812 ratification of the 13th Amendment... Known as New Hampshire House Concurrent  
11 Resolution 10

12 8. February 2003 -- Representative Marple, prime sponsor of the New Hampshire Resolution 10 above, sent the 13th  
13 Amendment Committee copies of pages from the NH Journal of the Senate, Dated June 12, 1812, that has these surprising  
14 statements on pages 48 and 49:

15 Page 48:

16 "The following was received from His Excellency the Governor, by the Secretary.

17 To the Senate and House of Representatives.

18 I herewith communicate to the Legislature for their consideration, certain laws and resolutions passed by the  
19 Legislatures of Georgia, North-Carolina, Tennessee, Virginia and Vermont, upon the subject of amendments of  
20 the Constitution of the United States, together with letters from the executive officers of those States.

21 WILLIAM PLUMER"

22 June 12, 1812

23 Page 49:

24 "Voted, That Messers. Kimball and Ham, with such as the House of Representatives may join, be a committee to  
25 take into consideration certain laws and resolutions passed by the Legislatures of Georgia, North-Carolina,  
26 Tennessee, Virginia and Vermont, and other documents accompanying the same, communicated this day by His  
27 Excellency the Governor, and report thereon. Sent down for concurrence."

28 9. The above entry in the Senate Record for New Hampshire clearly shows that Virginia ratified the 13th Amendment prior  
29 to June 12, 1812. Early enough before that date that documents from Virginia reached New Hampshire evidencing their  
30 ratification of the Amendment. Governor Plumer, clearly states that he included copies of those documents with his  
31 transmittal letter to the New Hampshire Senate and House of Representatives.

32 10. The publication of the Constitution for the United States with the Laws of the Commonwealth of Virginia on March 12,  
33 1819 clearly indicates that the Amendment was properly ratified by Virginia. They also knew there were powerful forces  
34 allied against this ratification so they took extraordinary measures to make sure that it was published in sufficient quantity  
35 (4,000 copies were ordered, almost triple their usual order), and instructed the printer to send a copy to President James  
36 Monroe as well as James Madison and Thomas Jefferson. (The printer, Thomas Ritchie, was bonded. He was required  
37 to be extremely accurate in his research and his printing, or he would forfeit his bond.)

38 11. There is no Constitutional requirement that any notification be sent to the Secretary of State, or to any other individual,  
39 that they had ratified the 13th Amendment. The Constitution only requires that three-fourths of the states ratify so that  
40 an Amendment will be added to the Constitution. If three-quarters of the states ratify, the Amendment is passed. No  
41 provisions are stated concerning any announcement.

42 12. Printing the Constitution, with the 13th Amendment, by the Virginia Legislature is prima facie evidence of ratification.  
43 The 13th Amendment is now, and has been since 1812, the official Law of the Land and a valid part of the Constitution  
44 for the united States of America.

45 13. Following Virginia's publication of March 12, 1819, other states and territories quickly followed suit. Word of Virginia's  
46 publication quickly spread throughout the States and both Rhode Island and Kentucky published the new Amendment in  
47 1822. Ohio first published in 1824. Maine ordered 10,000 copies of the Constitution with the 13th Amendment to be  
48 printed for use in the schools in 1825, and again in 1831 for their Census Edition. Indiana Revised Laws of 1831 published  
49 the 13th Article on p. 20. Northwestern Territories published in 1833. Ohio published in 1831 and 1833. Then came the  
50 Wisconsin Territory in 1839; Iowa Territory in 1843; Ohio again, in 1848; Kansas Statutes in 1855; and Nebraska  
51 Territory six times in a row from 1855 to 1860.



14. The title "Esquire," which Attorneys have freely adopted and claim, is a "title of nobility or honor." They have no right to be a citizen of the united States, and cannot hold any office of trust or profit. All laws passed by a Senate, or a House of Representatives, that has a sitting member who claims the title of Esquire, or any other Title of Nobility, are null and void.
15. When an Attorney is admitted to the "Bar" they are granted the title "Esquire." In England a knight held the title of "Squire" and his armor bearer was granted the title "Esquire". King George, of Revolutionary War fame, established the International Bar Association (IBA) and authorized the IBA to grant the title of Attorney and the associated title, Esquire, to all Lawyers who joined the IBA. Because the International Bar Association, to which the other Bar Associations, ABA and State Bars belong, still grants the titles of "Attorney" and "Esquire" as approved and permitted by the King, or Queen of England the titles "Attorney" and "Esquire" are titles of nobility granted by the King or Queen of England.
16. Every Congress since 1812 has contained individuals who claim titles of nobility. Thus, every Congress since 1812 is unconstitutional. No valid laws have been passed, no valid Amendments to the U.S. Constitution have been adopted, no additional States have been properly created. All States formed since 1812 do not exist as valid States.
17. Every Federal and State Supreme Court is composed of Attorneys who claim the title of "Esquire." These Supreme Courts are unconstitutionally staffed. The constitution does not require that any specific learning or knowledge be had by anyone for any position. Any Sovereign can "sit" on the Supreme Court.
18. The constitutions of most states formed since 1812 require that the State Attorney General be a member of the Bar. The Attorney General is serving unlawfully and the provision in the State Constitution is unconstitutional.
19. In Colonial America, attorneys trained attorneys but most held no "title of nobility" or "honor". There was no requirement that one be a lawyer to hold the position of district attorney, attorney general, or judge; a citizen's "counsel of choice" was not restricted to a lawyer; there were no state or national bar associations. The only organization that certified lawyers was the International Bar Association (IBA), chartered by the King of England, headquartered in London, and closely associated with the international banking system. Lawyers admitted to the IBA received the rank "Esquire" -- a "title of nobility".
20. Just holding a Title of Nobility is not the basic problem. The problem lies in the Oath that accompanies the granting of the Title. You never get anything for nothing. The Oath requires strict allegiance to the codes of the "Bar" Association. Even today, an Attorney's first obligation is not to his, or her, client, but to the court. This creates a conflict of interest, because the Attorney has accepted payment from the client.

*No man can serve two masters: for either he will hate the one, and love the other; or else he will hold to the one, and despise the other. Ye cannot serve God and mammon.*  
[Matthew 6:24, Bible, NKJV]

21. All of the laws passed since 1812, are invalid.

*"The general rule is that an unconstitutional statute, though having the form and name of law, is in reality no law, but is wholly void, and ineffective for any purpose; since unconstitutionality dates from the time of its enactment, and not merely from the date of the decision so branding it. An unconstitutional law, in legal contemplation, is as inoperative as if it had never been passed. Such a statute leaves the question that it purports to settle just as it would be had the statute not been enacted.*

*"Since an unconstitutional law is void, the general principles follow that it imposes no duties, confers no rights, creates no office, bestows no power or authority on anyone, affords no protection, and justifies no acts performed under it. . .*

*A void act cannot be legally consistent with a valid one. An unconstitutional law cannot operate to supersede any existing valid law. Indeed, insofar as a statute runs counter to the fundamental law of the land, it is superseded thereby.*

*No one is bound to obey an unconstitutional law and no courts are bound to enforce it. "*  
[Black's Law Dictionary, Sixth Edition, p. 260]

Pursuant to the facts established, The 13th Amendment to the Constitution for the united States as originally passed in 1812, and as set forth to wit:

*"If any citizen of the United States shall accept, claim, receive, or retain any title of nobility or honour, or shall without the consent of Congress, accept and retain any present, pension, office, or emolument of any kind whatever, from any emperor, king, prince, or foreign power, such person shall cease to be a citizen of the united States, and shall be incapable of holding any office of trust or profit under them, or either of them."*  
[Original 13th Amendment to the Constitution for the united states of America]

is a true and valid Amendment to the said Constitution and must be recognized as the valid “Law of the Land” in all States and venues.

“Titles of nobility”, including the titles of:

1. “attorney at law”: Attorneys at law are the ONLY ones allowed to represent people. The term “assistance of counsel” found in the Sixth Amendment is misinterpreted by judges to EXCLUDE PRIVATE non-attorneys from helping others.
2. “taxpayer”: IRS refuses to recognize, correspond with, or help NON-taxpayers. You can’t even call them on the phone without admitting you are a “taxpayer”. They won’t talk to you until you provide a “TAXPAYER identification number”. What about simply an Account Number that doesn’t imply “taxpayer” status?
3. “United States government”: The de facto government asserts sovereign immunity in ALL cases except where they expressly waive it, and yet they deny the same capability to private human beings.
4. “IRS agent”: IRS agents use pseudo names officially for anonymity but private parties are accused of FRAUD when they do it.

. . .etc. are therefore prohibited by the United States Constitution. The U.S. Supreme Court has held that such “titles of nobility” deny equal protection that is the foundation of the United States Constitution:

Central both to the idea of the rule of law and to our own Constitution's guarantee of equal protection is the principle that government and each of its parts remain open on impartial terms to all who seek its assistance. "Equal protection of the laws is not achieved through indiscriminate imposition of inequalities." "Sweatt v. Painter, 339 U.S. 629, 635 (1950) (quoting Shelley v. Kraemer, 334 U.S. 1, 22 (1948)). Respect for this principle explains why laws singling out a certain class of citizens for disfavored legal status or general hardships are rare. A law declaring that in general it shall be more difficult for one group of citizens than for all others to seek aid from the government is itself a denial of equal protection of the laws in the most literal sense. "The guaranty of equal protection of the laws 634\*634 is a pledge of the protection of equal laws." "Skinner v. Oklahoma ex rel. Williamson, 316 U.S. 535, 541 (1942) (quoting Yick Wo v. Hopkins, 118 U.S. 356, 369 (1886)). [Romer v. Evans, 517 U.S. 620 (1996)]

The Court's method of analysis seems to ignore the strictures of JUSTICES DOUGLAS and WHITE, but the analysis is clear: the Court holds sua sponte that the Due Process Clause requires that Stanley, the unwed biological father, be accorded a hearing as to his fitness as a parent before his children are declared wards of the state court; the Court then reasons that, since Illinois recognizes such rights to due process in married fathers, it is required by the Equal Protection Clause to give such protection to unmarried fathers. This "method of analysis" is, of course, no more or less than the use of the Equal Protection Clause as a shorthand condensation of the entire Constitution: a State may not deny any constitutional right to some of its citizens without violating the Equal Protection Clause through its failure to deny such rights to all of its citizens. The limits on this Court's jurisdiction are not properly expandable by the use of such semantic devices as that. [405 U.S. 661] [Stanley v. Illinois, 405 U.S. 645 (1972)]

We have consistently held, however, that some objectives, such as "a bare . . . desire to harm a politically unpopular group," are not legitimate state interests. Department of Agriculture v. Moreno, supra, at 534. See also Cleburne v. Cleburne Living Center, supra, at 446-447; Romer v. Evans, supra, at 632. When a law exhibits such a desire to harm a politically unpopular group, we have applied a more searching form of rational basis review to strike down such laws under the Equal Protection Clause.

[. . .]

The Equal Protection Clause "neither knows nor tolerates classes among citizens." Id. at 623 (quoting Plessy v. Ferguson, 163 U.S. 537, 559 (1896) (Harlan, J. dissenting)). [Lawrence v. Texas, 539 U.S. 558, 123 S.Ct. 2472 (2003)]

The facts and conclusions in this section are carefully hidden by a corrupted legal profession using the following means:

1. The annotated version of the clauses within the Constitution which prohibit titles of nobility are nearly silent and irrelevant to the issues discussed herein. See:
  - 1.1. Article 1, Section 10

<http://caselaw.lp.findlaw.com/data/constitution/article01/>

1.2. Article I, Section 9, Clause 8

<http://caselaw.lp.findlaw.com/data/constitution/article01/>

2. The term “title of nobility” is not found in any law dictionary or regular dictionary that we could find.

3. Courts of justice deceive you into participating in the “attorney at law” franchise by fooling you into “representing yourself” as a “pro per” or a “pro se” litigant. You can’t “represent” anyone unless you are acting as a franchisee called an “attorney at law”. This is how they get the jurisdiction to regulate your conduct as a franchise court. Those who don’t want to participate in such franchise cannot claim to be “pro se” or “pro per”, but rather must claim to be “sui juris”. Note the phrase “for oneself” instead of “as oneself” in the definition of “pro se” and then compare that with the definition of “sui juris” below:

*“Pro se. **For one’s own behalf**; in person. Appearing for oneself, as in the case of one who does not retain a lawyer and appears **for himself** in court.”*  
[Black’s Law Dictionary, Sixth Edition, p. 1221]

*“Sui juris. Of his own right; **possessing full social and civil rights; not under any legal disability [e.g. “franchise”]**, or the power of another, or guardianship. Having capacity to manage one’s own affairs; not under legal disability to act for one’s self.”*  
[Black’s Law Dictionary, Sixth Edition, p. 1434]

If you would like to see legal evidence proving the ratification and existence of the Original Thirteenth Amendment, see:

<http://famguardian.org/Subjects/LawAndGovt/LegalEthics/Missing13thAmendment-1819-laws-of-virginia.pdf>

### **11.3 Legal mechanisms for kidnapping your identity and moving it unlawfully to federal territory and thereby enslave you to a franchise contract**

The states of the Union are legislatively but not constitutionally foreign and sovereign in respect to the national government. Maintaining that separation of legislative powers, in fact, is one of the main purposes of the United States Constitution:

*“We start with first principles. The Constitution creates a Federal Government of enumerated powers. See U.S. Const., Art. I, § 8. As James Madison wrote, “[t]he powers delegated by the proposed Constitution to the federal government are few and defined. Those which are to remain in the State governments are numerous and indefinite.” The Federalist No. 45, pp. 292-293 (C. Rossiter ed. 1961). **This constitutionally mandated division of authority “was adopted by the Framers to ensure protection of our fundamental liberties.” Gregory v. Ashcroft, 501 U.S. 452, 458 (1991) (internal quotation marks omitted). “Just as the separation and independence of the coordinate branches of the Federal Government serves to prevent the accumulation of excessive power in any one branch, a healthy balance of power between the States and the Federal Government will reduce the risk of tyranny and abuse from either front.” Ibid.***  
[U.S. v. Lopez, [514 U.S. 549](#) (1995)]

In order to break down this separation of powers and enact law that regulates the conduct of non-resident non-person parties domiciled in a legislatively foreign state such as a state of the Union, the national government has to use contracts and franchises to unlawfully reach outside of federal territory. It is a maxim of law that debt and contract know no place, meaning that they can be enforced anywhere.

*Debt and contract [franchise agreement, in this case] are of no particular place.*

*Locus contractus regit actum.*

*The place of the contract [franchise agreement, in this case] governs the act.*

[Bouvier’s Maxims of Law, 1856;

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

Those who are in a state of the Union, in order to acquire a “commercial existence”, identity, or right in a foreign jurisdiction such as the federal zone are mandatorily required to become privileged. Here is an explanation of this phenomenon by the U.S. Supreme Court. Note that legislatively foreign and alien inhabitants of states of the Union must be treated as possessing an “implied license” to do business in a foreign jurisdiction, which in this case is the national government, and therefore become privileged “resident aliens”:

*The reasons for not allowing to other aliens exemption 'from the jurisdiction of the country in which they are found' were stated as follows: **“When private individuals of one nation [states of the Unions are “nations” under***

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

11 In short, the judgment in the case of The Exchange declared, as incontrovertible principles, that the jurisdiction  
12 of every nation within its own territory is exclusive and absolute, and is susceptible of no limitation not imposed  
13 by the nation itself; that all exceptions to its full and absolute territorial jurisdiction must be traced up to its own  
14 consent, express or implied; that upon its consent to cede, or to waive the exercise of, a part of its territorial  
15 jurisdiction, rest the exemptions from that jurisdiction of foreign sovereigns or their armies entering its territory  
16 with its permission, and of their foreign ministers and public ships of war; and that the implied license, under  
17 which private individuals of another nation enter the territory and mingle indiscriminately with its inhabitants,  
18 for purposes of business or pleasure, can never be construed to grant to them an exemption from the  
19 jurisdiction of the country in which they are found. See, also, *Carlisle v. U.S.* (1872), 16 Wall. 147, 155; *Radich*  
20 *v. Hutchins* (1877), 95 U.S. 210; *Wildenhus' Case* (1887), 120 U.S. 1, 7 Sup.Ct. 385; *Chae Chan Ping v. U.S.*  
21 *(1889)* 130 U.S. 581, 603, 604, 9 Sup.Ct. 623.

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

23 The above is another way of expressing the operation of the Foreign Sovereign Immunities Act (F.S.I.A.), 28 U.S.C. Chapter  
24 97, in which 28 U.S.C. §1605 identifies the criteria by which foreign sovereigns such as states of the Union, and the  
25 inhabitants within them “waive sovereignty immunity” and become subject to the jurisdiction of otherwise foreign law. Those  
26 mechanisms imply that when one “purposefully avails” himself of commerce in a foreign jurisdiction, they are to be deemed  
27 “resident aliens” within that otherwise foreign jurisdiction.

28 [TITLE 28 > PART IV > CHAPTER 97 > § 1605](#)  
29 [§ 1605. General exceptions to the jurisdictional immunity of a foreign state](#)

30 (a) A foreign state shall not be immune from the jurisdiction of courts of the United States or of the States in any  
31 case—

32 (2) in which the action is based upon a commercial activity carried on in the United States by the foreign state;  
33 or upon an act performed in the United States in connection with a commercial activity of the foreign state  
34 elsewhere; or upon an act outside the territory of the United States in connection with a commercial activity of  
35 the foreign state elsewhere and that act causes a direct effect in the United States;

36 Below is how the courts describe this mechanism. When a foreign state explicitly (in writing) or implicitly (through their  
37 conduct) consents to the jurisdiction of a sister Forum or State, they are deemed to be “present” within that state legally, but  
38 not necessarily physically. Here is how the Ninth Circuit Court of Federal Appeals describes this concept:

39 *In International Shoe Co. v. Washington*, 326 U.S. 310 (1945), the Supreme Court held that a court may exercise  
40 personal jurisdiction over a defendant consistent with due process only if he or she has “certain minimum  
41 contacts” with the relevant forum “such that the maintenance of the suit does not offend ‘traditional notions of  
42 fair play and substantial justice.’ ” *Id.* at 316 (quoting *Milliken v. Meyer*, 311 U.S. 457, 463 (1940)). Unless a  
43 defendant's contacts with a forum are so substantial, continuous, and systematic that the defendant can be  
44 deemed to be “present” in that forum for all purposes, a forum may exercise only “specific” jurisdiction - that  
45 is, jurisdiction based on the relationship between the defendant's forum contacts and the plaintiff's claim.

46 [...]

47 In this circuit, we analyze specific jurisdiction according to a three-prong test:

- 48 (1) The non-resident defendant must purposefully direct his activities or consummate some transaction with the  
49 forum or resident thereof; or perform some act by which he purposefully avails himself of the privilege of  
50 conducting activities in the forum, thereby invoking the benefits and protections of its laws;  
51 (2) the claim must be one which arises out of or relates to the defendant's forum-related activities; and  
52 (3) the exercise of jurisdiction must comport with fair play and substantial justice, i.e. it must be reasonable.

53 *Schwarzenegger v. Fred Martin Motor Co.*, 374 F.3d. 797, 802 (9th Cir. 2004) (quoting *Lake v. Lake*, 817 F.2d.  
54 1416, 1421 (9th Cir. 1987)). The first prong is determinative in this case. We have sometimes referred to it, in  
55 shorthand fashion, as the “purposeful availment” prong. *Schwarzenegger*, 374 F.3d. at 802. Despite its label, this

prong includes both purposeful availment and purposeful direction. It may be satisfied by purposeful availment of the privilege of doing business in the forum; by purposeful direction of activities at the forum; or by some combination thereof.  
[*Yahoo! Inc. v. La. Ligue Contre Le Racisme Et L'Antisemitisme*, 433 F.3d. 1199 (9th Cir. 01/12/2006)]

The key is the phrase “purposeful availment”. If you did not consent to do business in the forum, and instead had your money stolen by an ignorant payroll clerk or financial institution and sent to the corrupt United States, then that government:

1. Becomes the custodian over STOLEN money.
2. Becomes a “bailee” and “transferee” in temporary possession of property rightfully belonging to the party who was the subject of unlawful withholding and/or reporting.
3. Is required to return the funds, even if no law or even the franchise agreement itself authorizes the return of funds. Hence, a statutory “tax return” available ONLY to statutory franchisees called “taxpayers” need not be filled out and a NON-statutory claim should suffice.

*“A claim against the United States is a right to demand money from the United States.”<sup>121</sup> Such claims are sometimes spoken of as gratuitous in that they cannot be enforced by suit without statutory consent.<sup>122</sup> **The general rule of non-liability of the United States does not mean that a citizen cannot be protected against the wrongful governmental acts that affect the citizen or his or her property.**<sup>123</sup> **If, for example, money or property of an innocent person goes into the federal treasury by fraud to which a government agent was a party, the United States cannot [lawfully] hold the money or property against the claim of the injured party.**<sup>124</sup>”  
[*American Jurisprudence 2d, United States*, §45 (1999)]*

*“When the Government has illegally received money which is the property of an innocent citizen and when this money has gone into the Treasury of the United States, there arises an implied contract on the part of the Government to make restitution to the rightful owner under the Tucker Act and this court has jurisdiction to entertain the suit.  
90 Ct.Cl. at 613, 31 F.Supp. at 769.”*  
[*Gordon v. U.S.*, 227 Ct.Cl. 328, 649 F.2d. 837 (Ct.Cl., 1981)]

California Civil Code  
Section 2224

*“One who gains a thing by fraud, accident, mistake, undue influence, the violation of a trust, or other wrongful act, is, unless he or she has some other and better right thereto, an involuntary trustee of the thing gained, for the benefit of the person who would otherwise have had it.”*

*“The United States, we have held, cannot, as against the claim of an innocent party, hold his money which has gone into its treasury by means of the fraud of its agent. While here the money was taken through mistake without element of fraud, the unjust retention is immoral and amounts in law to a fraud of the taxpayer's rights. What was said in the State Bank Case applies with equal force to this situation. ‘An action will lie whenever the defendant has received money which is the property of the plaintiff, and which the defendant is obligated by natural justice and equity to refund. The form of the indebtedness or the mode in which it was incurred is immaterial.’”*  
[*Bull v. United States*, 295 U.S. 247, 261, 55 S.Ct. 695, 700, 79 L.Ed. 1421]

4. May be sued in state court under a REPLEVIN action without invoking the franchise contract because the party whose funds were stolen did not consent to be a franchisee and therefore never “purposefully availed” themselves of the franchise or the commercial consequences of the franchise.

Here is how that process is described in the Foreign Sovereign Immunities Act (F.S.I.A.):

<sup>121</sup> *United States ex rel. Angarica v Bayard*, 127 U.S. 251, 32 L.Ed. 159, 8 S.Ct. 1156, 4 A.F.T.R. 4628 (holding that a claim against the Secretary of State for money awarded under a treaty is a claim against the United States); *Hobbs v McLean*, 117 U.S. 567, 29 L.Ed. 940, 6 S.Ct. 870; *Manning v Leighton*, 65 Vt. 84, 26 A. 258, motion dismd 66 Vt. 56, 28 A. 630 and (disapproved on other grounds by *Button's Estate v Anderson*, 112 Vt 531, 28 A.2d. 404, 143 A.L.R. 195).

<sup>122</sup> *Blagge v Balch*, 162 U.S. 439, 40 L.Ed. 1032, 16 S.Ct. 853.

<sup>123</sup> *Wilson v Shaw*, 204 U.S. 24, 51 L.Ed. 351, 27 S.Ct. 233.

<sup>124</sup> *Bull v. United States*, 295 U.S. 247, 79 L.Ed. 1421, 55 S.Ct. 695, 35-1 U.S.T.C. ¶ 9346, 15 A.F.T.R. 1069; *United States v. State Bank*, 96 U.S. 30, 96 Otto 30, 24 L.Ed. 647.



(a) A foreign state shall not be immune from the jurisdiction of courts of the United States or of the States in any case—

(3) in which rights in property taken in violation of international law are in issue and that property or any property exchanged for such property is present in the United States in connection with a commercial activity carried on in the United States by the foreign state; or that property or any property exchanged for such property is owned or operated by an agency or instrumentality of the foreign state and that agency or instrumentality is engaged in a commercial activity in the United States;

Below is the sequence of legal events that creates implied consent to the franchise, creates the legal “person”, “individual”, and “resident”, transports your identity to federal territory, and places it within the jurisdiction of a federal FRANCHISE court, and creates what the courts call a “federal question” to be heard ONLY in a federal court. In other words, the franchise agreement dictates choice of law that kidnaps your identity and moves it outside the protections of state law and the constitution and onto federal territory.

1. Through deceit, fraud, and adhesion contracts within financial account applications and employment withholding paperwork, you are illegally coerced to apply to receive and become a custodian of government property. The legal definition of “public office” confirms that a public officer is, in fact, someone who manages public property. The property you receive is the Social Security Card, Social Security Number, and the Taxpayer Identification Number. These numbers act as the equivalent of de facto license numbers giving permission from the state for you to engage in “the functions of a public office”. IRS Regulations at 26 C.F.R. §301.6109-1 confirm that the use of the number is ONLY mandatory in the case of those engaging in a “trade or business”, which is defined in 26 U.S.C. §7701(a)(26) as “the functions of a public office”.

*“Public office. The right, authority, and duty created and conferred by law, by which for a given period, either fixed by law or enduring at the pleasure of the creating power, an individual is invested with some portion of the sovereign functions of government for the benefit of the public. Walker v. Rich, 79 Cal.App. 139, 249 P. 56, 58. An agency for the state, the duties of which involve in their performance the exercise of some portion of the sovereign power, either great or small. Yaselli v. Goff, C.C.A., 12 F.2d. 396, 403, 56 A.L.R. 1239; Lacey v. State, 13 Ala.App. 212, 68 So. 706, 710; Curtin v. State, 61 Cal.App. 377, 214 P. 1030, 1035; Sheldmadine v. City of Elkhart, 75 Ind.App. 493, 129 N.E. 878. State ex rel. Colorado River Commission v. Frohmiller, 46 Ariz. 413, 52 P.2d. 483, 486. Where, by virtue of law, a person is clothed, not as an incidental or transient authority, but for such time as de- notes duration and continuance, with Independent power to control the property of the public, or with public functions to be exercised in the supposed interest of the people, the service to be compensated by a stated yearly salary, and the occupant having a designation or title, the position so created is a public office. State v. Brennan, 49 Ohio.St. 33, 29 N.E. 593. [Black’s Law Dictionary, Fourth Edition, p. 1235]*

2. The USE of said public property and de facto license and the number that goes with it constitutes “prima facie implied consent” to engage in the franchise and accept all of its terms and conditions. Hence, your implied consent makes you into a PRESUMED, DE FACTO public officer and transferee managing federal property. Any commercial transaction you connect the de facto license number to constitutes consent to donate the FRUITS of the transaction to a public purpose in order to receive the benefits of a government franchise.
3. Implied consent to the franchise contract creates “agency” on the part of the applicant. All contracts create agency, which as a bare minimum consists of delivering the “consideration” called for under the contract. The courts and the government illegally treat this agency as a public office as described in 26 U.S.C. §7701(a)(26). They do this unlawfully, because NO WHERE in the I.R.C. are the creation of any new public offices in the government authorized by the use of any tax form or any identifying number. The “consideration” they define by fiat as consisting of obedience to the laws and dictates of a legislatively foreign jurisdiction.
4. Third parties are LIED TO by the IRS into producing FALSE legal evidence that connects PRIVATE people with a public office. For instance, IRS FALSELY tells everyone that:
  - 4.1. Every payment IN A LEGISLATIVELY FOREIGN JURISDICTION AND OUTSIDE THEIR TERRITORY must be reported using information returns such as IRS Forms W-2, 1042-S, 1098, and 1099.
  - 4.2. The reports MUST contain Taxpayer Identification Numbers, Employer Identification Numbers, and Social Security Numbers, all of which are ONLY mandatory in the case of those lawfully occupying a public office in ONLY the District of Columbia and not elsewhere pursuant to 4 U.S.C. §72.This has the practical effect of “electing” third parties into a public office without their consent, and in most cases ALSO without even their knowledge. Since they aren’t aware how the SCAM works, they never bother to rebut the

FALSE evidence and hence, are compelled to act as a de facto public officer in criminal violation of 18 U.S.C. §912 and to satisfy all the obligations of the office WITHOUT any real compensation. See:

Correcting Erroneous Information Returns, Form #04.001

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

5. The public office (the “trade or business”) that is fraudulently created using your implied consent means that you:
- 5.1. Are acting in a representative capacity on behalf of a federal corporation, which in this case is the national government.
- 5.2. Are a statutory “U.S. citizen”, because the United States federal corporation you represent is a statutory but not constitutional citizen.

*“A corporation is a citizen, resident, or inhabitant of the state or country by or under the laws of which it was created, and of that state or country only.”*

*[19 Corpus Juris Secundum (C.J.S.), Corporations, §886 (2003)]*

6. Federal Rule of Civil Procedure 17(b) is used to transport your identity to the District of Columbia, because that is where “U.S. Inc.” is domiciled and located, who is the REAL party in interest for those acting in a representative capacity.

IV. PARTIES > Rule 17.

Rule 17. Parties Plaintiff and Defendant; Capacity

*(b) Capacity to Sue or be Sued.*

Capacity to sue or be sued is determined as follows:

(1) for an individual who is not acting in a representative capacity, by the law of the individual's domicile;

(2) for a corporation [the “United States”, in this case, or its officers on official duty representing the corporation], by the law under which it was organized [laws of the District of Columbia]; and

(3) for all other parties, by the law of the state where the court is located, except that:

*(A) a partnership or other unincorporated association with no such capacity under that state's law may sue or be sued in its common name to enforce a substantive right existing under the United States Constitution or laws; and*

*(B) 28 U.S.C. §§754 and 959(a) govern the capacity of a receiver appointed by a United States court to sue or be sued in a United States court.*

*[SOURCE: <http://www.law.cornell.edu/rules/frcp/Rule17.htm>]*

7. The franchise contract is then used to transport your identity against your will to the Domicile of “U.S. Inc.” in the District of Criminals. For example, 26 U.S.C. §7701(a)(39) and 26 U.S.C. §7408(d) are used to transport your identity to the District of Columbia under the I.R.C. The “citizen or resident” they are talking about is the PUBLIC OFFICE, and NOT the human being and OFFICER filling the office.

TITLE 26 > Subtitle F > CHAPTER 79 > § 7701  
§ 7701. Definitions

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

*(39) Persons residing outside United States*

*If any citizen or resident of the United States does not reside in (and is not found in) any United States judicial district, such citizen or resident **shall be treated as residing in the District of Columbia for purposes of any provision of this title** relating to—*

*(A) jurisdiction of courts, or*

*(B) enforcement of summons*

TITLE 26 > Subtitle F > CHAPTER 76 > Subchapter A > § 7408  
§ 7408. Actions to enjoin specified conduct related to tax shelters and reportable transactions

*(d) Citizens and residents outside the United States*

If any citizen or resident of the United States does not reside in, and does not have his principal place of business in, any United States judicial district, such citizen or resident shall be treated for purposes of this section as residing in the District of Columbia.

#### **11.4 How Deception, fraud, and “words of art” on government forms are abused by state and federal governments to illegally bypass the geographical restrictions on franchises**

Now that we understand where franchises may lawfully be offered, we can also answer the question of WHY both state and federal government statutes and forms and services do all the following:

1. Ask whether you are a statutory “U.S. citizen”, which implies you are a “person” or “U.S. person” (26 U.S.C. §7701(a)(30) ) domiciled on federal territory and NOT within the exclusive jurisdiction of any state of the Union. The term “U.S.” within that phrase means the national government and no part of any state of the Union. This is exhaustively proven in the following:

Why You are a “national”, “state national”, and Constitutional but not Statutory Citizen, Form #05.006  
<http://sedm.org/Forms/FormIndex.htm>

2. Forbid the issuance of licenses such as driver’s licenses to those who are not domiciled on federal territory and therefore not statutory “U.S. citizens” or “residents” (aliens).

*State of Virginia*

*Title 46.2 - MOTOR VEHICLES.*

*Chapter 3 - Licensure of Drivers*

*§46.2-328.1. Licenses, permits and special identification cards to be issued only to United States citizens, legal permanent resident aliens, or holders of valid unexpired nonimmigrant visas; exceptions; renewal, duplication, or reissuance.*

*A. Notwithstanding any other provision of this title, except as provided in subsection G of § 46.2-345, the Department shall not issue an original license, permit, or special identification card to any applicant who has not presented to the Department, with the application, valid documentary evidence that the applicant is either (i) a citizen of the United States, (ii) a legal permanent resident of the United States, or (iii) a conditional resident alien of the United States.*

3. Ask for a government identifying number that ties you to domicile on federal territory. 20 C.F.R. §422.104 says that Social Security Numbers may only lawfully be issued to persons domiciled on federal territory.

26 C.F.R. §301.6109-1(g)

*(g) Special rules for taxpayer identifying numbers issued to foreign persons—*

*(1) General rule—*

*(i) Social security number.*

*A social security number is generally identified in the records and database of the Internal Revenue Service as a number belonging to a U.S. citizen or resident alien individual. A person may establish a different status for the number by providing proof of foreign status with the Internal Revenue Service under such procedures as the Internal Revenue Service shall prescribe, including the use of a form as the Internal Revenue Service may specify. Upon accepting an individual as a nonresident alien individual, the Internal Revenue Service will assign this status to the individual's social security number.*

4. Unlawfully and prejudicially deprive those who do not fraudulently declare a domicile on federal territory or a connection with some public franchise of the ability to conduct commerce to support their family and this is a violation of the equal protection of the laws mandated by the Constitution. They do this by:
  - 4.1. Refusing to recognize the right of self-government declared in the Declaration of Independence to form your own government and issue your own private ID. No entity deserves to be called a “government” that refuses to recognize the EQUAL right of EVERYONE to peacefully govern themselves to the exclusion of others guaranteed by the Declaration of Independence without having to institute violence or force against anyone. The Declaration of Independence, in fact, makes it our DUTY to form our own government if the one we have does not meet our needs.

We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness.--That to secure these rights, Governments are instituted among Men, deriving their just powers from the consent of the governed, --That whenever any Form of Government becomes destructive of these ends, it is the Right of the People to alter or to abolish it, and to institute new [SELF] Government, laying its foundation on such principles and organizing its powers in such form, as to them shall seem most likely to effect their Safety and Happiness.  
[Declaration of Independence, Thomas Jefferson]

- 4.2. Refusing to recognize, permit, or protect private ID or ID issued by families, churches, or private groups not associated with the government.
- 4.3. Refusing to publish standards for the issuance of PRIVATE ID for use by financial institutions and employers.
- 4.4. Refusing to prosecute financial institutions and employers for discrimination who fail to recognize or accept private ID while acting as government officers called “withholding agents”.

For further details on this subject, see section 12 for the methods by which Americans are unlawfully compelled to fraudulently declare a domicile on federal territory that they have never visited:

Why Domicile and Becoming a “Taxpayer” Require Your Consent, Form #05.002  
<http://sedm.org/Forms/FormIndex.htm>

What they are trying to do is create the FALSE presumption that:

1. You are domiciled or resident on federal territory. For instance, those engaged in the “trade or business”/public officer franchise that forms the heart of Internal Revenue Code, Subtitles A through C have an effective residence on federal territory by virtue of simply engaging in the public office.

26 C.F.R. §301.7701-5 Domestic, foreign, resident, and nonresident persons. (4-1-04)

A domestic corporation is one organized or created in the United States, including only the States (and during the periods when not States, the Territories of Alaska and Hawaii), and the District of Columbia, or under the law of the United States or of any State or Territory. A foreign corporation is one which is not domestic. A domestic corporation is a resident corporation even though it does no business and owns no property in the United States. A foreign corporation engaged in trade or business within the United States is referred to in the regulations in this chapter as a resident foreign corporation, and a foreign corporation not engaged in trade or business within the United States, as a nonresident foreign corporation. A partnership engaged in trade or business within the United States is referred to in the regulations in this chapter as a resident partnership, and a partnership not engaged in trade or business within the United States, as a nonresident partnership. Whether a partnership is to be regarded as resident or nonresident is not determined by the nationality or residence of its members or by the place in which it was created or organized.

[T.D. 8813, Federal Register: February 2, 1999 (Volume 64, Number 21), P. 4967-4975]

2. Because you are domiciled on federal territory, you are not party to or protected by the United States Constitution.
3. You have no rights, but only Congressionally granted “privileges” and franchises. Everything that happens on federal territory is a privilege and not a right.
4. You are a government statutory “employee” pursuant to 5 U.S.C. §2105(a) or “public officer” on official business engaging in federal franchises. 5 U.S.C. §2105(a) identifies this statutory employee as an “officer AND individual”, meaning a public officer.

TITLE 5 > PART III > Subpart A > CHAPTER 21 > § 2105  
§ 2105. Employee

(a) For the purpose of this title, “employee”, except as otherwise provided by this section or when specifically modified, means an officer and an individual who is—

5. You are in receipt, custody, and control of government property, namely the Social Security Card and number, or the “Employer Identification Number” and are therefore a “public officer” and fiduciary over said public property and all the legal rights that attach to said property. Both numbers are property of the government and possession of government/public property is what creates the usually false presumption that the holder is a public officer.

Title 20: Employees' Benefits  
PART 422—ORGANIZATION AND PROCEDURES  
Subpart B—General Procedures

1                   § 422.103 Social security numbers.

2                   (d) Social security number cards.

3                   A person who is assigned a social security number will receive a social security number card from SSA within a  
4                   reasonable time after the number has been assigned. (See §422.104 regarding the assignment of social security  
5                   number cards to aliens.) **Social security number cards are the property of SSA and must be returned upon**  
6                   **request.**

7  
8                   **“Public office.** The right, authority, and duty created and conferred by law, by which for a given period, either  
9                   fixed by law or enduring at the pleasure of the creating power, an individual is invested with some portion of the  
10                  sovereign functions of government for the benefit of the public. Walker v. Rich, 79 Cal.App. 139, 249 P. 56, 58.  
11                  An agency for the state, the duties of which involve in their performance the exercise of some portion of the  
12                  sovereign power, either great or small. Yaselli v. Goff, C.C.A., 12 F.2d. 396, 403, 56 A.L.R. 1239; Lacey v. State,  
13                  13 Ala.App. 212, 68 So. 706, 710; Curtin v. State, 61 Cal.App. 377, 214 P. 1030, 1035; Shelmadine v. City of  
14                  Elkhart, 75 Ind.App. 493, 129 N.E. 878. State ex rel. Colorado River Commission v. Frohmiller, 46 Ariz. 413, 52  
15                  P.2d. 483, 486. **Where, by virtue of law, a person is clothed, not as an incidental or transient authority, but for**  
16                  **such time as de- notes duration and continuance, with Independent power to control the property of the public,**  
17                  or with public functions to be exercised in the supposed interest of the people, the service to be compensated by  
18                  a stated yearly salary, and the occupant having a designation or title, the position so created is a public office.  
19                  State v. Brennan, 49 Ohio.St. 33, 29 N.E. 593.  
20                  [Black’s Law Dictionary, Fourth Edition, p. 1235]

- 21       6. By virtue of being a public officer, you are a “trustee”, “fiduciary” (26 U.S.C. §6903), and “transferee” (26 U.S.C. §6901)  
22       of the national government who has no private earnings, and who has donated all of his formerly private earnings to a  
23       “public use” under the terms of a franchise contract in order to procure the “benefits” of government franchises.

24                   *“Men are endowed by their Creator with certain unalienable rights, -life, liberty, and the pursuit of happiness;’*  
25                   *and to ‘secure,’ not grant or create, these rights, governments are instituted. **That property [or income] which a***  
26                   **man has honestly acquired he retains full control of, subject to these limitations: First, that he shall not use it**  
27                   **to his neighbor's injury, and that does not mean that he must use it for his neighbor's benefit; second, that**  
28                   **if he devotes it to a public use, he gives to the public a right to control that**  
29                   **USE; and third, that whenever the public needs require, the public may take it upon payment of due**  
30                   **compensation.**  
31                   [Budd v. People of State of New York, [143 U.S. 517](#) (1892)]

- 32       7. You are NOT a human being, but a statutory but not common law “employee” (5 U.S.C. §2105(a)), public officer, and  
33       servant of the government.

34                   **“The restrictions that the Constitution places upon the government in its capacity as lawmaker, i.e., as the**  
35                   **regulator of private conduct, are not the same as the restrictions that it places upon the government in its**  
36                   **capacity as employer.** We have recognized this in many contexts, with respect to many different constitutional  
37                   guarantees. Private citizens perhaps cannot be prevented from wearing long hair, but policemen can. Kelley v.  
38                   Johnson, [425 U.S. 238, 247](#) (1976). Private citizens cannot have their property searched without probable cause,  
39                   but in many circumstances government employees can. O’Connor v. Ortega, [480 U.S. 709, 723](#) (1987) (plurality  
40                   opinion); id., at 732 (SCALIA, J., concurring in judgment). Private citizens cannot be punished for refusing to  
41                   provide the government information that may incriminate them, but government employees can be dismissed when  
42                   the incriminating information that they refuse to provide relates to the performance of their job. Gardner v.  
43                   Broderick, [497 U.S. 62, 95] [392 U.S. 273, 277](#) -278 (1968). With regard to freedom of speech in particular:  
44                   Private citizens cannot be punished for speech of merely private concern, but government employees can be fired  
45                   for that reason. Connick v. Myers, [461 U.S. 138, 147](#) (1983). Private citizens cannot be punished for partisan  
46                   political activity, but federal and state employees can be dismissed and otherwise punished for that reason. Public  
47                   Workers v. Mitchell, [330 U.S. 75, 101](#) (1947); Civil Service Comm’n v. Letter Carriers, [413 U.S. 548, 556](#) (1973);  
48                   Broadrick v. Oklahoma, [413 U.S. 601, 616](#) -617 (1973).”  
49                   [Rutan v. Republican Party of Illinois, [497 U.S. 62](#) (1990)]

50       **11.5 The criminal and unconstitutional consequences when governments are allowed to offer**  
51       **franchises outside of their territory and exclusive jurisdiction**

52       Another important thing to completely understand is what are all of the legal consequences of allowing any government to  
53       enforce civil franchises outside of its territory and exclusive or general jurisdiction? Many people might say something like  
54       the following when such a thing happens, which is what one person said in the forums of the Family Guardian Fellowship  
55       sister website when the Obama Healthcare Bill was passed in 2010:



1           It's my feeling that the Health Care Law is constitutional because it is consensual. Correct me if I'm wrong, but I  
2           believe a "nonresident alien" is allowed the option of not participating, while a "U.S. person" must participate.  
3           Therein lies the voluntary and consensual nature of the franchise.

4           1) Either claim your true and correct status as provided for in the Constitution -- "nonresident alien"

5           or,

6           2) Elect to be treated as a "lawful permanent resident," and thus, a "U.S. person" -- someone who is subject.

7           To such a statement, we can only say that the person who said it was PRESUMING that the people can consent to  
8           ANYTHING without violating the law. The fact is THEY CANNOT. When this was attempted with the first major franchise,  
9           Social Security the U.S. Supreme Court held that states of the Union are not allowed to consent to the enlargement of federal  
10          powers within their borders under the Constitution.

11           *"The people of the United States, by their Constitution, have affirmed a division of internal governmental powers*  
12           *between the federal government and the governments of the several states-committing to the first its powers by*  
13           *express grant and necessary implication; to the latter, or [301 U.S. 548, 611] to the people, by reservation, 'the*  
14           *powers not delegated to the United States by the Constitution, nor prohibited by it to the States.' The Constitution*  
15           *thus affirms the complete supremacy and independence of the state within the field of its powers. Carter v. Carter*  
16           *Coal Co., 298 U.S. 238, 295, 56 S.Ct. 855, 865. **The federal government has no more authority to invade that***  
17           ***field than the state has to invade the exclusive field of national governmental powers; for, in the oft-repeated***  
18           ***words of this court in Texas v. White, 7 Wall. 700, 725, 'the preservation of the States, and the maintenance of***  
19           ***their governments, are as much within the design and care of the Constitution as the preservation of the Union***  
20           ***and the maintenance of the National government.'** The necessity of preserving each from every form of*  
21           ***illegitimate intrusion or interference on the part of the other is so imperative as to require this court, when its***  
22           ***judicial power is properly invoked, to view with a careful and discriminating eye any legislation challenged as***  
23           ***constituting such an intrusion or interference.** See South Carolina v. United States, 199 U.S. 437, 448, 26 S.Ct.*  
24           *110, 4 Ann.Cas. 737."*  
25           *[Steward Machine Co. v. Davis, 301 U.S. 548 (1937)]*

26          And that same U.S. Supreme Court went so far as to say that the separation between the two must be indestructible and not  
27          subject to political whim, when it held just one year prior the following:

28           ***"The determination of the Framers Convention and the ratifying conventions to preserve complete and***  
29           ***unimpaired state self-government in all matters not committed to the general government is one of the plainest***  
30           ***facts which emerges from the history of their deliberations.** And adherence to that determination is incumbent*  
31           ***equally upon the federal government and the states. State powers can neither be appropriated on the one hand***  
32           ***nor abdicated on the other. As this court said in Texas v. White, 7 Wall. 700, 725, 'The preservation of the***  
33           ***States, and the maintenance of their governments, are as much within the design and care of the Constitution***  
34           ***as the preservation of the Union and the maintenance of the National government. The Constitution, in all its***  
35           ***provisions, looks to an indestructible Union, composed of indestructible States.** Every journey to a forbidden*  
36           ***end begins with the first step; and the danger of such a step by the federal government in the direction of taking***  
37           ***over the powers of the states is that the end of the journey may find the states so despoiled of their powers, or-***  
38           ***what may amount to the same thing-so [298 U.S. 238, 296] relieved of the responsibilities which possession of***  
39           ***the powers necessarily enjoins, as to reduce them to little more than geographical subdivisions of the national***  
40           ***domain. It is safe to say that if, when the Constitution was under consideration, it had been thought that any such***  
41           ***danger lurked behind its plain words, it would never have been ratified."***  
42           *[Carter v. Carter Coal Co., 298 U.S. 238 (1936) ]*

43          The people can't consent to an enlargement of federal power within the borders of their state either, because while they are  
44          in a state and participating in the affairs of state government as jurists and voters, they are part of the state government and  
45          hence, they cannot consent to give up their authority to the federal government. And, the rights of people in the states of the  
46          Union are, per the Declaration of Independence, inalienable, which means you cannot lawfully consent to give them away in  
47          relation to a real de jure government. So, even with their consent, it still cannot be done without destroying the constitutional  
48          separation of powers and therefore being unconstitutional.

49          It is unconstitutional to offer civil franchises to those domiciled outside of federal territory and within a state of the Union,  
50          because:

- 51          1. Franchises blur the line between what is public and private.
- 52          2. Franchises cause the de jure government to have to create "foreign agents" that are not part of the government and yet  
53          who fraudulently PRETEND to be part of the government. This includes:
  - 54          2.1. The Federal Reserve.

2.2. The Internal Revenue Service. See:

3. Franchises can't lawfully be offered to population protected by the constitution whose rights are unalienable. An unalienable right is a right that cannot be sold, bargained away, or transferred by any means, including a franchise. How do you "alienate" rights or make those who are the subject of them "resident aliens" under a franchise agreement?
4. Franchises create a conflict of interest in the people running the government. They will, on the one hand, be in charge of PROTECTING private rights, but on the other hand making a business out of destroying, taxing, and burdening those rights using franchises. They will simultaneously have to provide equal protection that is the foundation of the constitution, and yet also be in charge of destroying equality and replacing it with privilege, partiality, hypocrisy, and greed that is at the heart of all franchises. No man can serve two masters in this way.

*"No [public] servant [or biological person] can serve two masters; for either he will hate the one and love the other, or else he will be loyal to the one and despise the other. You cannot serve God and mammon [money, franchises, or government]."*  
[Luke 16:13, Bible, NKJV]

5. Franchises cause money changers and lobbyists who benefit financially from the franchises to hijack the civic temple called "government" for personal gain, not unlike how the money changers took over the church court described in Matt. 21:12-17. This kind of corruption was the ONLY thing that Jesus ever got angry at, and here we are institutionalizing and expanding it. Even the thieves in the District of Criminals themselves identify the capitol they serve in as a "civic temple" and refer to the trust that Americans have in their conduct as "faith", which is a kind of "civic religion".

*"Now, Mr. Speaker, **this Capitol is the civic temple of the people**, and we are here by direction of the people to reduce the tariff tax and enact a law in the interest of all the people. This was the expressed will of the people at the polls, and you promised to carry out that will, but **you have not kept faith with the American people**."*  
[44 Cong.Rec. 4420, July 12, 1909; Congressman Heflin talking about the enactment of the Sixteenth Amendment]

6. Franchises cause the commission of a crime of impersonating a statutory citizen under 18 U.S.C. §911, which is a public officer, by those domiciled outside of federal territory and within a state of the Union. Congress STILL cannot establish public offices within states of the Union under 4 U.S.C. §72.
7. Franchises put federal judges in a criminal conflict of interest in violation of 18 U.S.C. §208, because they are put in charge of protecting rights protected by the constitution of those domiciled outside their jurisdiction, and yet also puts them in charge of maximizing revenues from DESTROYING those same rights and forcing people to participate. Do YOU want judges who are criminals?
8. Franchises commercially entice judges to abuse sovereign immunity to protect and expand a government monopoly in a specific field of PRIVATE business, and thus give the government unfair advantage. This is a violation of 28 U.S.C. §§144, 455, and 18 U.S.C. §208.
9. Franchises result in crime by jurors in federal court and voters because many of those jurors and voters will be receiving the socialist "benefit" and yet will also be ruling on cases relating to the benefit or voting for candidates based on promises to INCREASE the benefit. That is the same problem the income tax has. It is a CRIME to rule on any issue you have a financial interest in (18 U.S.C. §208) and it is a CRIME to bribe a voter (18 U.S.C. §201). And by the way: all jurors and voters are public officers in their STATE governments as well. See 18 U.S.C. §201, which describes jurors as public officers. BOTH will be happening if everyone receiving ANY kind of federal benefit is not disqualified from serving as a jurist or a voter. Personally, I think it ought to be against the law to be a jurist or a voter if one receives ANY government benefit for this very reason. The original Articles of Confederation refused to count "paupers and vagabonds" as voters, and they were smart for this. That corruption will cause EVERYONE to be compelled to participate. Do you REALLY want to have to go in front of a WHOLE ROOM full of tax consumers on the jury and the bench and tell them that you don't want to subsidize their activities or bribe them? How do you think that is going to turn out?

*"And you shall take no bribe, for a bribe blinds the discerning and perverts the words of the righteous."*  
[Exodus 23:8, Bible, NKJV]

*"He who is greedy for gain troubles his own house,  
But he who hates bribes will live."*

[Prov. 15:27, Bible, NKJV]

"Surely oppression destroys a wise man's reason.  
And a bribe debases the heart."  
[Ecclesiastes 7:7, Bible, NKJV]

10. Franchises are based on fraud, because you can't call yourself a statutory "citizen" or "resident" in a place you have never physically lived in on federal territory. By this we mean that you as a person domiciled in a constitutional state of the Union can't truthfully call yourself a statutory citizen because you are domiciled outside the statutory but not constitutional "United States".
11. Franchises are based on fraud because the people participating still think they are private parties, and the courts lie about their status. Then, when you realize the fraud and correct your status as described in pleadings, the government tries to hide that fact by calling the litigant "frivolous", which really means you are a heretic who refuses to join the state sponsored religion of socialism.
12. Franchises are based on fraud because it is being offered as a government program, and yet cannot be offered by a de jure government to a people who cannot give up rights. A private corporation that is not a government is the only thing that can offer such a franchise, and that corporation cannot and should not use sovereign immunity to expand its program, and yet it does. It is fraud because they won't describe it as it REALLY is: Private business activity that can lawfully be refused and which a REAL de jure government would and should defend your right NOT to participate in.
13. Franchises are unconstitutional because people domiciled in states of the Union and serving within state governments will have to violate their state constitutions, most of which forbid simultaneously serving in federal office and state office at the same time. State judges, legislators, and employees who sign up for this FEDERAL program and become federal public officers will be committing TREASON. For a list of states with this constitutional prohibition, see:

[SEDM Jurisdictions Database](http://sedm.org/Forms/FormIndex.htm), Litigation Tool #09.003  
<http://sedm.org/Forms/FormIndex.htm>

For more examples of the above, see section 23.1 later.

There are MANY things that even if it is lawful under man's law to consent to, that Christians CANNOT consent to without committing mutiny against God under HIS trust indenture called the Bible. This is exhaustively proven in:

[Delegation of Authority Order from God to Christians](http://sedm.org/Forms/FormIndex.htm), Form #13.007  
<http://sedm.org/Forms/FormIndex.htm>

We believers are God's trustees under the Bible trust indenture and covenant and we have a duty to faithfully execute it. Jesus did not repeal the old testament and we still have to obey it. We must CARE at all times about what God's law says about what we are supposed to do.

The only place it is constitutional is where the constitution doesn't apply: Federal territory. Offering it to those domiciled in states of the Union and protected by the constitution is unconstitutional and violates the separation of powers doctrine. All it does is magnify corruption that is already rampant and is caused by a violation of the separation of powers. That doesn't help and it certainly doesn't "protect" anyone or anything.

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

All government franchises are civil law, and civil statutory federal law cannot be enforced outside of federal territory or against those not domiciled on federal territory without violating the separation of powers doctrine. Enforcing "health insurance franchises" within a state of the Union is unconstitutional for the same reasons that enforcing the "trade or business" franchise within a state of the Union is unconstitutional, as documented in:

[The "Trade or Business" Scam](http://sedm.org/Forms/FormIndex.htm), Form #05.001, Section 14  
<http://sedm.org/Forms/FormIndex.htm>

The only way to MAKE it constitutional is to authorize private companies to do it or to create private corporation that will do it and seed it with government money initially, but privatize it IMMEDIATELY.

"Congress cannot authorize a trade or business [INCLUDING a health insurance business] within a State in order to tax it."  
[License Tax Cases, 72 U.S. 462, 18 L.Ed. 497, 5 Wall. 462, 2 A.F.T.R. 2224 (1866)]

The above case has NEVER been overruled. They STILL cannot lawfully establish franchises WITHIN states of the Union. They tip toe around this by refusing to call it a franchise, but that is the ONLY way they can reach inside states and outside their territory to begin with: Contracts, of which franchises are a type of contract. Therefore, they CANNOT contract with people in a state to create public offices. That is why everyone who occupies said offices has to physically MOVE to the District of Columbia and work on the king's land to begin with. Because that is the only way they can lawfully reach these people under civil law.

## **11.6 How “comity” has been redefined to allow franchises to be unconstitutionally extended outside the territory of the granting power**

The main method of extending franchises outside the territory of the granting power is through the concept called “comity”. Comity is the process by which courts voluntarily recognize the laws of a legislatively foreign jurisdiction that do not otherwise have the “force of law”. At the founding of America, franchises were not allowed to be enforced outside the territory of the granting powers. This is also clear from the original definition of Comity in Bouvier’s Law Dictionary, 1856:

*COMITY. Courtesy; a disposition to accommodate.*

*2. Courts of justice in one state will, out of comity, enforce the laws of another state, when by such enforcement they will not violate their laws or inflict an injury on some one of their own citizens; as, for example, the discharge of a debtor under the insolvent laws of one state, will be respected in another state, where there is a reciprocity in this respect.*

*3. It is a general rule that the municipal laws of a country do not extend beyond its limits, and cannot be enforced in another, except on the principle of comity. But when those laws clash and interfere with the rights of citizens, or the laws of the countries where the parties to the contract seek to enforce it, as one or the other must give way, those prevailing where the relief is sought must have the preference. 2 Mart. Lo. Rep. N. S. 93; S. C. 2 Harr. Cond. Lo. Rep. 606, 609; 2 B. & C. 448, 471; 6 Binn. 353; 5 Cranch, 299; 2 Mass. 84; 6 Mass. 358; 7 Mart.Lo.R. 318. See Conflict of Laws; Lex loci contractus.*

[Bouvier’s Law Dictionary, 1856; SOURCE: <http://famguardian.org/Publications/Bouviers/bouviere.txt>]

As time progressed and courts became corrupted, comity was unilaterally and unconstitutionally and illegally redefined by the legal profession as the main means of protecting and expanding franchises outside of federal territory. They did this because it enhanced the importance of lawyers and judges. Judges did this by expanding the definition of “comity” to add to the definition the phrase “a willingness to grant a privilege”:

*COMITY. Courtesy; complaisance; respect; a willingness to grant a privilege [FRANCHISE], not as a matter of right, but out of deference and good will. Dow v. Lillie, 26 N.D. 512, 144 N.W. 1082, 1088, L.R.A. 1915D, 754; Cox v. Terminal R. Ass’n of St. Louis, 331 Mo. 910, 55 S.W.2d. 685.*

**Comity of Nations**  
(Lat. comitas gentium)

*The most appropriate phrase to express the true foundation and extent of the obligation of the laws of one nation within the territories of another. Story, Confl.Laws, §38. That body of rules which states observe towards one another from courtesy or mutual convenience, although they do not form part of international law. Holtz. Enc. s. v. Hilton v. Guyot, 159 U.S. 113, 16 S.Ct. 139, 40 L.Ed. 95; People v. Rushworth, 294 Ill. 455, 128 N.E. 555, 558; Second Russian Ins. Co. v. Miller, C.C.A.N.Y., 297 F. 404, 409.*

*It is derived altogether from the voluntary consent of the latter; and it is inadmissible when it is contrary to its known policy, or prejudicial to its interests. In the silence of any positive rule affirming or denying or restraining the operation of foreign laws, courts of justice presume the tacit adoption of them by their own government, unless repugnant to its policy, or prejudicial to its interests. It is not the, comity of the courts, but the comity of the nation, which is administered and ascertained in the same way, and guided by the same reasoning, by which all other principles of the municipal law are ascertained and guided.*

*The recognition which one nation allows within its territory to the legislative, executive, or judicial acts of another nation, having due regard both to international duty and convenience and to the rights of its own citizens or of*

other persons who are under the protection of its laws. *State ex rel. National Surety Corporation v. Price*, 129 Neb. 433, 261 N.W. 884.

**"The use of the word 'comity' as expressing the basis of jurisdiction has been criticized. It is, however, a mere question of definition. The principles lying behind the word are recognized. \* \* \* The truth remains that jurisdiction depends upon the law of the forum, and this law in turn depends upon the public policy disclosed by the acts and declarations of the political departments of the government."** *Russian Socialist Federated Soviet Republic v. Cibrario*, 235 N.Y. 255, 139 N.E. 259, 260.

#### **Judicial Comity**

The principle in accordance with which the courts of one state or jurisdiction will give effect to the laws and judicial decisions of another, not as a matter of obligation, but out of deference and respect. *Franzen v. Zimmer*, 35 N.Y.S. 612, 90 Hun. 103; *Stowe v. Bank*, C.C.Me., 92 F. 96; *Strawn Mercantile Co. v. First Nat. Bank, Tex.* Civ.App., 279 S.W. 473, 474; *Bobala v. Bobala*, 68 Ohio.App. 63, 33 N.E.2d. 845, 849.

**There is no statute or common-law rule by which one court is bound to abide by the decisions of another court of equal rank. It does so simply for what may be called comity among judges. There is no common law or statutory rule to oblige a court to bow to its own decisions; it does so on the ground of judicial comity. (1884) 9 P.D. 98, per Brett. M. R.**

Of such a use of the word, however, Dicey says: "The term 'comity' \* \* \* is open to the charge of implying that the judge, when he applies foreign law to a particular case, does so as a matter of caprice or favor."

**Comity is not a rule of law, but one of practice, convenience and expediency.** It is something more than mere courtesy, which implies only deference to the opinion of others, since it has a substantial value in securing uniformity of decision, and discouraging repeated litigation of the same question. But its obligation is not imperative. Comity persuades; but it does not command. It declares not how a case shall be decided, but how it may with propriety be decided. *Mast, Foos & Co. v. Mfg. Co.*, 177 U.S. 485, 488, 20 S.Ct. 708, 44 L.Ed. 856; *National Electric Signaling Co. v. Telefunken Wireless Telegraph Co. of United States*, C.C.A.N.Y., 221 F. 629, 632; *Lauer v. Freudenthal*, 96 Wash. 394, 165 P. 98, 99.

#### **Comity of States**

Simply a phrase designating the practice by which the courts of one state follow the decision of another on a like question, though not bound by law of precedents to do so. *Larrick v. Walters*, 39 Ohio.App. 363, 177 N.E. 642, 645.

[Black's Law Dictionary, Fourth Edition, p. 334]

Important principles emerge from the above which need to be emphasized:

1. **"Comity is not a rule of law, but one of practice, convenience and expediency."**
  - 1.1. They don't define WHO'S convenience it is for, but the implication is obvious: It is for the convenience and profit of the GOVERNMENT, and NOT the people that the government was created to PROTECT and SERVE. Hence, it creates an unequal and prejudicial relationship between the governed and the governors.
  - 1.2. The opportunity for a judge to exercise this type of discretion obviously cannot coexist with obligations under the constitution to protect PRIVATE rights. This would create a criminal conflict of interest in violation of 18 U.S.C. §208, 28 U.S.C. §144, and 28 U.S.C. §455. Hence, no judge who exercises this kind of discretion can or should ALSO hear constitutional issues not involving franchises. Anyone who consents to the jurisdiction of a judge who wears TWO hats, "franchise" and "constitutional", is aiding and abetting crime.
2. **"The truth remains that jurisdiction depends upon the law of the forum, and this law in turn depends upon the public policy disclosed by the acts and declarations of the political departments of the government."** Comity therefore is the means by which judges act in a POLITICAL rather than LEGAL manner and implement "public policy" by caprice, rather than law. A true constitutional court cannot lawfully enforce public policy and therefore, only legislative franchises courts in the Executive Branch of the government can lawfully exercise this kind of comity. See:

*Political Jurisdiction*, Form #05.004  
<http://sedm.org/Forms/FormIndex.htm>
3. **"...they do not form part of international law."** This means that they are judge made law, not statutory law. That is why courts hearing franchise issues such as tax issues frequently will make their rulings "unpublished" so that they cannot be cited as precedence: Because they are not law but essentially an edict or command from the judge personally to a litigant before the court. Judges recognize that such unconstitutional and fraudulent commands cannot and do not have the "force of law", which is why they are published as "opinions" or "memorandum opinions" instead of



“ORDERS”. Under the Federal Rule of Evidence 610, “opinions” are inadmissible as evidence of ANYTHING, including an obligation. This is a sign that they are operating in a POLITICAL rather than LEGAL capacity AND that their “opinion” need not be obeyed.

3.1. The only people they can issue “memorandums” to are OTHER public officers within the government.

3.2. They can’t issue civil commands to public officers in any branch of the government outside the judicial branch without violating the separation of powers. That’s why FRANCHISE judges and FRANCHISEES have to BOTH be in the Executive Branch of the government, as the U.S. Supreme Court indirectly referenced in Freytag v. Commissioner, 501 U.S. 868 (1991).

4. “There is no statute or common-law rule by which one court is bound to abide by the decisions of another court of equal rank. It does so simply for what may be called comity among judges.”. This means that the mere will of the judge is the sole arbiter of whether the foreign law is enforced. The U.S. Supreme Court defined the exercise of this type of discretion as “the essence of slavery itself”:

**“And the law is the definition and limitation of power.** It is, indeed, quite true that there must always be lodged somewhere, and in some person or body, the authority of final decision; and in many cases of mere administration, the responsibility is purely political, no appeal lying except to the ultimate tribunal of the public judgment, exercised either in the pressure of opinion, or by means of the suffrage. But the fundamental rights to life, liberty, and the pursuit of happiness, considered as individual possessions, are secured by those maxims of constitutional law which are the monuments showing the victorious progress of the race in securing to men the blessings of civilization under the reign of just and equal laws, so that, in the famous language of the Massachusetts bill of rights, the government of the commonwealth ‘may be a government of laws and not of men.’ **For the very idea that one man may be compelled to hold his life, or the means of living, or any material right essential to the enjoyment of life, at the mere will of another, seems to be intolerable in any country where freedom prevails, as being the essence of slavery itself.**”  
[Yick Wo v. Hopkins, [118 U.S. 356](#) (1886)]

In conclusion, it ought to be obvious to the reader that:

1. The exercise of “comity” as it is currently defined turns a “society of law” into a “society of men”.
2. Lodging the kind of discretion exercised by judges that is described above is extremely dangerous.

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

3. Franchises and franchise courts ought to be avoided entirely, because the conflict of interest, greed, and covetousness by the government that they create and perpetuate are a severe threat to one’s liberty.
4. It is a violation of the separation of powers for franchise judges to hear matters not involving those who are not lawfully appointed or elected to public offices within the federal and not state government. All such cases MUST be dismissed or the constitute an unconstitutional Bill of Attainder.

## **11.7 Summary**

The profound implications of this section are the following:

1. De jure constitutional governments are established to protect private rights by keeping what is “public” separate from what is “private”.
2. The rights of those protected by the Constitution are “unalienable”, which means that they cannot be bargained away through any commercial process in relation to the government.
3. Franchises are a commercial process, and therefore they may not lawfully be offered to human beings protected by the Constitution.
4. The purpose of franchises is to tax, regulate and DESTROY rights, not protect them.
5. Franchises may only be offered to persons domiciled on federal territory where rights do not exist. Offering them any other place or within a state of the Union is a violation of the Constitution.
6. Rights and franchises compete with each other and destroy each other. They cannot coexist in any truly free de jure government. Any attempt to mix them inevitably will cause every single private right to be gobbled up by Pac Man franchises and turned into “public rights” and publici juris because the love of money by politicians is without end and without scruples. That conversion will occur primarily by manufacturing legal ignorance in the public schools,

STEALING ordinary words and converting them into “words of art”, and abusing unconstitutional presumption to deceive the ignorant into volunteering for these franchises. See:

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

7. We cannot have a “Dr. Jekyll” and “Mr. Hyde” government or court that on the one hand is in charge of protecting private rights, and on the other hand and at the same time, is running profitable businesses or “franchises” that can tax, destroy, and regulate rights! For instance:

7.1. It is a conflict of interest for a judge to rule on any matter that he has either a direct or an indirect pecuniary financial interest in. See 18 U.S.C. §208, 28 U.S.C. §144.

7.2. It is a conflict of interest for a voter to vote on any measure that might produce a financial benefit for himself at the expense of another nonconsenting party. See 18 U.S.C. §597.

*“The government that robs Peter to pay Paul can always depend on the support of Paul.”*  
[George Bernard Shaw]

*“A democracy cannot exist as a permanent form of government. It can only exist until the voters discover that they can vote themselves money from the Public Treasury. From that moment on, the majority always votes for the candidate promising the most benefits from the Public Treasury with the result that a democracy always collapses over loose fiscal policy always followed by dictatorship.”*  
[“The Decline and Fall of the Athenian Republic”, Alexander Fraser Tytler]

*“A tax, in the general understanding of the term and as used in the constitution, signifies an exaction for the support of the government. The word has never thought to connote the expropriation of money from one group for the benefit of another.”*  
[U.S. Supreme Court in *United States v. William M. Butler*, 297 U.S. 1 (1936)]

7.3. It is a conflict of interest for a jurist who receives government “benefits” to rule on any matter involving the payment of taxes for those benefits. 18 U.S.C. §201 makes it a crime to bribe a “public officer” and it also describes jurists as “public officers”:

[TITLE 18 > PART 1 > CHAPTER 11 > § 201](#)  
[§ 201. Bribery of public officials and witnesses](#)

(a) For the purpose of this section—

(1) the term “public official” means Member of Congress, Delegate, or Resident Commissioner, either before or after such official has qualified, or an officer or employee or person acting for or on behalf of the United States, or any department, agency or branch of Government thereof, including the District of Columbia, in any official function, under or by authority of any such department, agency, or branch of Government, or a juror;

What we have is Dr. Jekyll and Mr. Hyde government. On the one hand, it claims to champion freedom and rights throughout the world but behind the scenes and on government forms, it is secretly undermining those same rights and making everyone into a government statutory “employee” (5 U.S.C. §2105(a)) or “public officer” and servant without compensation who is called by any one of the following names:

1. Statutory “taxpayer” as defined at 26 U.S.C. §§7701(a)(14) and 1313. A federal business trust that earns “income” as defined in 26 U.S.C. §643(b). This trust is wholly owned by a federal corporation, the “United States” pursuant to 28 U.S.C. §3002(15)(A). All federal corporations are “citizens” under the law they were incorporated, which in the case of the “U.S. Inc.” is the District of Columbia. By signing and submitting SSA Form SS-5, you created this trust and agreed to become surety for it as a “public officer”. Possession of the Social Security Card and use of the number constitutes prima facie evidence that you consent to act as the “trustee” and custodian of public property. The card and number are “public property” pursuant to 20 C.F.R. §422.103(d) and you can’t use public property for a private use. If you did, you would be guilty of conversion pursuant to 18 U.S.C. §654. In that sense, the number acts as a prima facie license to act as a “public officer” engaged in federal franchises. See:

*Resignation of Compelled Social Security Trustee*, Form #06.002  
<http://sedm.org/Forms/FormIndex.htm>

2. Statutory “person” as defined at 26 U.S.C. §6671(b) and 7343. All such “persons” are officers or employees of federal corporations or federal partnerships contractually engaged with the government as “public officers”.

3. Statutory “individual” as defined at 26 C.F.R. §1.1441-1(c)(3). This is an alien who signed up for a Taxpayer Identification Number or provided a Social Security Number as a substitute for a Taxpayer Identification Number. He

or she or it is engaged in any one of the following franchises. All of these franchises are described in the instructions for IRS Form 1042-S:

- 3.1. Any recipient whose income is effectively connected with the conduct of a trade or business in the United States.
- 3.2. Any foreign person claiming a reduced rate of, or exemption from, tax under a tax treaty between a foreign country and the United States, unless the income is an unexpected payment (as described in Regulations, 26 C.F.R. §1.1441-6(g)) or consists of dividends and interest from stocks and debt obligations that are actively traded; dividends from any redeemable security issued by an investment company registered under the Investment Company Act of 1940 (mutual fund); dividends, interest, or royalties from units of beneficial interest in a unit investment trust that are (or were, upon issuance) publicly offered and are registered with the Securities and Exchange Commission under the Securities Act of 1933; and amounts paid with respect to loans of any of the above securities.
- 3.3. Any nonresident alien individual claiming exemption from tax under section 871(f) for certain annuities received under qualified plans.
- 3.4. A foreign organization claiming an exemption from tax solely because of its status as a tax-exempt organization under I.R.C. §501(c) or as a private foundation.
- 3.5. Any QL.
- 3.6. Any WP or WT.
- 3.7. Any nonresident alien individual claiming exemption from withholding on compensation for independent personal services [services connected with a “trade or business”].
- 3.8. Any foreign grantor trust with five or fewer grantors.
- 3.9. Any branch of a foreign bank or foreign insurance company that is treated as a U.S. person.
4. Statutory “Voter” as referred to at 18 U.S.C. §201(a)(1). All voters are “public officers”.
5. Statutory “Employee” as defined at 26 U.S.C. §3401(c), 26 C.F.R. §31.3401(c)-1, and 5 U.S.C. §2105. Defined as an officer or employee of the national government and NOT a private business.
6. Statutory “U.S. citizen” as defined at 8 U.S.C. §1401 and 26 C.F.R. §1.1-1(c) and 26 U.S.C. §3121(e).
7. Statutory “U.S. resident” as defined at 26 U.S.C. §7701(b)(A). A statutory “U.S. citizen” temporarily abroad and coming under an income tax treaty with a foreign country pursuant to 26 U.S.C. §911. Under the treaty and in relation to the foreign country, he or she is an “alien”. Pursuant to 26 U.S.C. §911(d)(3), this “resident alien” has an “abode”, which means domicile, in the District of Columbia.
8. Statutory “Federal personnel” as defined at 5 U.S.C. §552a(a)(13). A Social Security Trust that you created by filling out an SSA Form SS-5 and agreeing to act as a trustee over said trust.

Of the above hypocrisy and the “Pharisees”, meaning lawyers who propagate it, Jesus Himself said the following:

*“But woe to you, scribes and Pharisees, hypocrites! For you shut up the kingdom of heaven against men; for you neither go in yourselves, nor do you allow those who are entering to go in.”*

[...]

***Woe to you, scribes and Pharisees, hypocrites! For you pay tithe of mint and anise and cummin, and have neglected the weightier matters of the law: justice and mercy and faith. These you ought to have done, without leaving the others undone.***

[...]

***Woe to you, scribes and Pharisees, hypocrites! For you are like whitewashed tombs which indeed appear beautiful outwardly, but inside are full of dead men’s bones and all uncleanness.***

***Even so, you also outwardly appear righteous to men, but inside you are full of hypocrisy and lawlessness.***

[...]

1 *Fill up, then, the measure of your fathers' guilt. Serpents, brood of vipers! How can you escape the condemnation*  
2 *of hell? Therefore, indeed, I send you prophets, wise men, and scribes: some of them you will kill and crucify,*  
3 *and some of them you will scourge in your synagogues and persecute from city to city, that on you may come all*  
4 *the righteous bloodshed on the earth..."*  
5 *[Matthew 23:13-36, Bible, NKJV]*

## 6 **12 Parties who may lawfully engage in franchises**

7 Next, we will analyze what specific parties may lawfully engage in franchises. Below is a list of all the possible candidate  
8 legal persons who might be able to participate and each will be analyzed individually to determine if they can lawfully be  
9 engaged in a franchise:

- 10 1. Private human beings domiciled in states of the Union and protected by the Constitution.
- 11 2. Private human beings domiciled on federal territory and not within any state of the Union.
- 12 3. States of the Union mentioned in the United States Constitution.
- 13 4. Federal territories and possessions as defined in 4 U.S.C. §110(d), which is the Buck Act. These are the only "States"  
14 mentioned in most federal statutes.
- 15 5. The national government.
- 16 6. Public officers and employees who work for the government.

### 17 **12.1 EXCLUDED: Private parties (items 1 and 2 above)**

18 In regards to the ability of private individuals identified in items 1 and 2 above to engage in franchises, the Declaration of  
19 Independence says that our rights are "unalienable".

20 *"We hold these truths to be self-evident, that **all men are created equal, that they are endowed by their Creator***  
21 ***with certain unalienable Rights**, that among these are Life, Liberty and the pursuit of Happiness.--That to secure*  
22 *these rights, Governments are instituted among Men, deriving their just powers from the consent of the governed,*  
23 *--"*  
24 *[Declaration of Independence]*

25 The term "unalienable" is defined as follows:

26 *"Unalienable. Inalienable; incapable of being aliened, that is, sold and transferred."*  
27 *[Black's Law Dictionary, Fourth Edition, p. 1693]*

28 So in other words, the rights recognized and protected by the Constitution within the Bill of Rights (first ten amendments to  
29 the Constitution) cannot lawfully be aliened, sold, or transferred by any commercial process. These rights also only have an  
30 existence within the context of the relationship between the federal government and the people in states of the Union. Since  
31 all government franchises are the subject of a contract and are a commercial process, then no one with Constitutionally  
32 protected rights can lawfully participate in a franchise and thereby "bargain away" those rights in relation to the government  
33 in exchange for privileges. To conclude otherwise would be to sanction a violation of the oaths that all public officers take  
34 to "support and defend the constitution". The minute the government starts bribing a select group or class of people within  
35 society using public monies, it is violating the notion of equal protection if it doesn't provide the same amount of money to  
36 everyone equally.

37 It is worth emphasizing here that rights attach ONLY to the land you are standing on and NOT to the person. That land is  
38 only the 50 states of the Union. Here is what silver tongued President William Howard Taft, the author of the Sixteenth  
39 Amendment and the only President to serve as a Chief Justice in the Supreme Court said on this very subject after he got the  
40 Sixteenth Amendment FRAUDULENTLY ratified by a lame duck Secretary of State Philander Knox:

41 *"It is locality that is determinative of the application of the Constitution, in such matters as judicial procedure,*  
42 *and not the status of the people who live in it."*  
43 *[Balzac v. Porto Rico, 258 U.S. 298 (1922)]*

44 The Bill of Rights, however, does NOT protect persons domiciled on or physically present within federal territory, as the  
45 U.S. Supreme Court admitted:

46 *"Indeed, the practical interpretation put by Congress upon the Constitution has been long continued and uniform*  
47 *to the effect [182 U.S. 244, 279] that **the Constitution is applicable to territories acquired by purchase or***

1 conquest, only when and so far as Congress shall so direct. Notwithstanding its duty to 'guarantee to every  
2 state in this Union a republican form of government' (art. 4, 4), by which we understand, according to the  
3 definition of Webster, 'a government in which the supreme power resides in the whole body of the people, and  
4 is exercised by representatives elected by them,' Congress did not hesitate, in the original organization of the  
5 territories of Louisiana, Florida, the Northwest Territory, and its subdivisions of Ohio, Indiana, Michigan,  
6 Illinois, and Wisconsin and still more recently in the case of Alaska, to establish a form of government bearing  
7 a much greater analogy to a British Crown colony than a republican state of America, and to vest the legislative  
8 power either in a governor and council, or a governor and judges, to be appointed by the President. It was not  
9 until they had attained a certain population that power was given them to organize a legislature by vote of the  
10 people. In all these cases, as well as in territories subsequently organized west of the Mississippi, Congress  
11 thought it necessary either to extend to Constitution and laws of the United States over them, or to declare that  
12 the inhabitants should be entitled to enjoy the right of trial by jury, of bail, and of the privilege of the writ of  
13 habeas corpus, as well as other privileges of the bill of rights."  
14 [Downes v. Bidwell, [182 U.S. 244](#) (1901)]

15 Consequently, private persons domiciled on federal territory have no rights protected by the Constitution and instead only  
16 enjoy legislatively granted "privileges". Domiciliaries of the federal zone, unlike persons domiciled in states of the Union,  
17 therefore are the ONLY private persons who may lawfully engage in federal franchises without violating the organic law,  
18 consisting of the Declaration of Independence and the Constitution.

19 The other thing we wish to emphasize in this section is that the foundation of the Constitution is equal protection and the  
20 purpose of franchises is to destroy equal protection. Where franchises exist, there can be no equal protection, but only  
21 privilege induced slavery. Anyone who offers you government franchises as a person standing on land protected by the  
22 constitution is:

- 23 1. Trying to acquire, destroy, or otherwise limit your God given rights.

24 "The rights of individuals and the justice due to them, are as dear and precious as those of states. Indeed the  
25 later are founded upon the former; and the great end and object of them must be to secure and support the rights  
26 of individuals, or else vain [worthless and HARMFUL] is government."  
27 [Chisholm v. Georgia, 2 U.S. (2 Dall.) 419, 1 L.Ed. 440 (1793)]

- 28 2. Trying to steal from you under the color of office and the color of law in criminal violation of [18 U.S.C. §872](#).  
29 3. Trying to replace a government based on equal protection with a government based on franchises, privileges, bribes,  
30 favors, and unequal protection:

31 The fourteenth amendment prohibits a State from denying to any person within its jurisdiction the equal protection  
32 of the laws; but this provision does not, any more than the one which precedes it, and which we have just  
33 considered, add any thing \*555 to the rights which one citizen has under the Constitution against another. **The**  
34 **equality of the rights of citizens is a principle of republicanism. Every republican government is in duty bound**  
35 **to protect all its citizens in the enjoyment of this principle, if within its power. That duty was originally assumed**  
36 **by the States; and it still remains there. The only obligation resting upon the United States is to see that the**  
37 **States do not deny the right. This the amendment guarantees, but no more. The power of the national**  
38 **government is limited to the enforcement of this guaranty.**  
39 [U.S. v. Cruikshank, 92 U.S. 542, 1875 WL 17550 (U.S.,1875)]

- 40 4. Converting a government that is a public trust into a private, for profit corporation that becomes your employer but  
41 doesn't pay you anything.

42 For thus says the LORD:  
43 "You have sold yourselves for nothing [and federal employees called statutory "U.S. citizens"].  
44 And you shall be redeemed without money."  
45 [[Isaiah 52:3](#), Bible, NKJV]

46 See:

[Corporatization and Privatization of the Government](#), Form #05.024  
<http://sedm.org/Forms/FormIndex.htm>

- 47 5. Violating their oath of office, which requires them to protect, not destroy, your PRIVATE rights.  
48 6. Violating the purpose for establishing a government, which is the protection of PRIVATE, and not public rights.  
49 7. Engaging in a coup d'etat to overthrow constitutional, limited government based on republican principles and replace it  
50 with a socialist government democracy where the rulers and the collective and not the people INDIVIDUALLY are the  
51 sovereigns:



"While sovereign powers are delegated to ... the government, sovereignty itself remains with the people..."  
[Yick Wo v. Hopkins, [118 U.S. 356](#) (1886)]

"There is no such thing as a power of inherent sovereignty in the government of the United States .... In this country sovereignty resides in the people, and Congress can exercise no power which they have not, by their Constitution entrusted to it: All else is withheld."  
[Juilliard v. Greenman, 110 U.S. 421 (1884)]

"In the United States\*\*\*, sovereignty resides in the people who act through the organs established by the Constitution. [cites omitted] The Congress as the instrumentality of sovereignty is endowed with certain powers to be exerted on behalf of the people in the manner and with the effect the Constitution ordains. **The Congress cannot invoke the sovereign power of the people to override their will as thus declared.**"  
[Perry v. United States, [294 U.S. 330](#), 353 (1935)]

## **12.2 INCLUDED: Statutory but not Constitutional States and National Government (items 3 through 5 above)**

Next, we examine whether Constitutional states may bargain away any of the sovereignty they retain under the Tenth Amendment to the Constitution of the United States, which says:

*United States Constitution, Tenth Amendment*

*The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people.*

The Tenth Amendment is a reservation of rights to the states of those powers not expressly delegated to the national government by the Constitution. With respect to these reserved rights, the U.S. Supreme Court has held:

*"To the contrary, the Constitution divides authority between federal and state governments for the protection of individuals. State sovereignty is not just an end in itself: "Rather, federalism secures to citizens the liberties that derive from the diffusion of sovereign power." Coleman v. Thompson, [501 U.S. 722, 759 \(1991\)](#) (BLACKMUN, J., dissenting). "Just as the separation and independence of the coordinate branches of the Federal Government serve to prevent the accumulation of excessive power in any one branch, a healthy balance of power between the States and the Federal Government will reduce the risk of tyranny and abuse from either front." Gregory v. Ashcroft, [501 U.S., at 458](#). See The Federalist No. 51, p. 323. (C. Rossiter ed. 1961).*

*Where Congress exceeds its authority relative to the States, therefore, the departure from the constitutional plan cannot be ratified by the "consent" of state officials. An analogy to the separation of powers among the branches of the Federal Government clarifies this point. The Constitution's division of power among the three branches is violated where one branch invades the territory of another, whether or not the encroached-upon branch approves the encroachment. In Buckley v. Valeo, [424 U.S. 1, 118](#)-137 (1976) , for instance, the Court held that Congress had infringed the President's appointment power, despite the fact that the President himself had manifested his consent to the statute that caused the infringement by signing it into law. See National League of Cities v. Usery, [426 U.S., at 842](#), n. 12. In INS v. Chadha, [462 U.S. 919, 944](#) -959 (1983), we held that the legislative veto violated the constitutional requirement that legislation be presented to the President, despite Presidents' approval of hundreds of statutes containing a legislative veto provision. See id., at 944-945. The constitutional authority of Congress cannot be expanded by the "consent" of the governmental unit whose domain is thereby narrowed, whether that unit is the Executive Branch or the States.*

*State officials thus cannot consent to the enlargement of the powers of Congress beyond those enumerated in the Constitution. Indeed, the facts of this case raise the possibility that powerful incentives might lead both federal and state officials to view departures from the federal structure to be in their personal interests. Most citizens recognize the need for radioactive waste disposal sites, but few want sites near their homes. As a result, while it would be well within the authority of either federal or state officials to choose where the disposal sites will be, it is likely to be in the political interest of each individual official to avoid being held accountable to the voters for the choice of location. If [505 U.S. 144, 183] a federal official is faced with the alternatives of choosing a location or directing the States to do it, the official may well prefer the latter, as a means of shifting responsibility for the eventual decision. If a state official is faced with the same set of alternatives - choosing a location or having Congress direct the choice of a location - the state official may also prefer the latter, as it may permit the avoidance of personal responsibility. The interests of public officials thus may not coincide with the Constitution's intergovernmental allocation of authority. Where state officials purport to submit to the direction of Congress in this manner, federalism is hardly being advanced. "*  
[New York v. United States, [505 U.S. 144](#) (1992)]

1 "The determination of the Framers Convention and the ratifying conventions to preserve complete and  
2 unimpaired state [and personal] self-government in all matters not committed to the general government is  
3 one of the plainest facts which emerges from the history of their deliberations. And adherence to that  
4 determination is incumbent equally upon the federal government and the states. State powers can neither be  
5 appropriated on the one hand nor abdicated on the other. As this court said in Texas v. White, 7 Wall. 700,  
6 725, 'The preservation of the States, and the maintenance of their governments, are as much within the design  
7 and care of the Constitution as the preservation of the Union and the maintenance of the National government.  
8 The Constitution, in all its provisions, looks to an indestructible Union, composed of indestructible States.' Every  
9 journey to a forbidden end begins with the first step; and the danger of such a step by the federal government in  
10 the direction of taking over the powers of the states is that the end of the journey may find the states so despoiled  
11 of their powers, or-what may amount to the same thing-so [298 U.S. 238, 296] relieved of the responsibilities  
12 which possession of the powers necessarily enjoins, as to reduce them to little more than geographical  
13 subdivisions of the national domain. It is safe to say that if, when the Constitution was under consideration, it  
14 had been thought that any such danger lurked behind its plain words, it would never have been ratified."  
15 [Carter v. Carter Coal Co., 298 U.S. 238 (1936)]

16 In other words, federalism requires:

- 17 1. Strict, unchanging separation of powers between the states and the federal government.
- 18 2. That no Constitutional state may delegate any of its reserved powers to the federal government.

19 "Where Congress exceeds its authority relative to the States, therefore, the departure from the constitutional  
20 plan cannot be ratified by the "consent" of state officials. An analogy to the separation of powers among the  
21 branches of the Federal Government clarifies this point."

22 [...]

23 "State officials thus cannot consent to the enlargement of the powers of Congress beyond those enumerated in  
24 the Constitution. Indeed, the facts of this case raise the possibility that powerful incentives might lead both federal  
25 and state officials to view departures from the federal structure to be in their personal interests."  
26 [New York v. United States, 505 U.S. 144 (1992)]

- 27 3. That the federal government may not delegate any of its powers to the states.
- 28 4. That federal courts may not entertain cases that overlap with state sovereignty, as required by the Eleventh Amendment.

29 Therefore, the states of the Union mentioned in the Constitution are FORBIDDEN from entering into any agreements with  
30 the national government or in delegating any of their powers, and especially their police powers:

31 "Whatever differences of opinion,' said the court, [in the case of Beer Co. v. Massachusetts, 97 U.S. 28.] 'may  
32 exist as to the extent and boundaries of the police power, and however difficult it may be to render a satisfactory  
33 definition of it, there seems to be no doubt that it does extend to the protection of the lives, health, and property  
34 of the citizens, and to the preservation of good order and public morals. The legislature cannot by any contract  
35 [including any FRANCHISE CONTRACT] divest itself of the power to provide for these objects. They belong  
36 emphatically to that class of objects which demand the application of the maxim, salus populi suprema lex,  
37 and they are to be attained and provided for by such appropriate means as the legislative discretion may devise.  
38 That discretion can no more be bargained away than the power itself.'

39 [...]

40 "In the still more recent case of Stone v. Mississippi, 101 U.S. 814, the whole subject is reviewed in the opinion  
41 delivered [111 U.S. 746, 753] by the chief justice. That also was a case of a chartered lottery, whose charter was  
42 repealed by a constitution of the state subsequently adopted. It came here for relief, relying on the clause of the  
43 federal constitution against impairing the obligation of contracts. The question is therefore presented, (says the  
44 opinion,) whether, in view of these facts, the legislature of a state can, by the charter of a lottery company, defeat  
45 the will of the people authoritatively expressed, in relation to the further continuance of such business in their  
46 midst. We think it cannot. No legislature can bargain away the public health or the public morals. The people  
47 themselves cannot do it, much less their servants. The supervision of both these subjects of governmental power  
48 is continuing in its nature, and they are to be dealt with as the special exigencies of the moment may require.  
49 Government is organized with a view to their preservation, and cannot divest itself of the power to provide for  
50 them. For this purpose the legislative discretion is allowed, and the discretion cannot be parted with any more  
51 than the power itself.' "  
52 [Butcher's Union Co. v. Crescent City Co., 111 U.S. 746 (1884)]

53 The U.S. Supreme Court also held that the national government cannot enter into "compacts" or agreements that would  
54 restrict the entrance of states into the Union. The implication is that AFTER the states have joined, they continue to be

UNABLE to constitutionally delegate away any of their powers through a franchise or “compact”, as the Supreme Court holding below indicates:

*The most dangerous of the efforts to employ a geographical political power, to perpetuate a geographical preponderance in the Union, is to be found in the deliberations upon the act of the 6th of March, 1820, before cited. The attempt consisted of a proposal to exclude Missouri from a place in the Union, unless her people would adopt a Constitution containing a prohibition upon the subject of slavery, according to a prescription of Congress. The sentiment is now general, if not universal, that Congress had no constitutional power to impose the restriction. This was frankly admitted at the bar, in the course of this argument. The principles which this court have pronounced condemn the pretension then made on behalf of the legislative department. In Groves v. Slaughter, (15 Pet.,) the Chief Justice said: ‘The power over this subject is exclusively with the several States, and each of them has a right to decide for itself whether it will or will not allow persons of this description to be brought within its limits.’ Justice McLean said: ‘The Constitution of the United States operates alike in all the States, and one State has the same power over the subject of slavery as every other State.’ In Pollard’s Lessee v. Hagan, (3 How., 212,) the court say: ‘The United States have no constitutional capacity to exercise municipal \*509 jurisdiction, sovereignty, or eminent domain, within the limits of a State or elsewhere, except in cases where it is delegated, and the court denies the faculty of the Federal Government to add to its powers by treaty or compact.’*

*This is a necessary consequence, resulting from the nature of the Federal Constitution, which is a federal compact among the States, establishing a limited Government, with powers delegated by the people of distinct and independent communities, who reserved to their State Governments, and to themselves, the powers they did not grant. This claim to impose a restriction upon the people of Missouri involved a denial of the constitutional relations between the people of the States and Congress, and affirmed a concurrent right for the latter, with their people, to constitute the social and political system of the new States. A successful maintenance of this claim would have altered the basis of the Constitution. The new States would have become members of a Union defined in part by the Constitution and in part by Congress. They would not have been admitted to ‘this Union.’ Their sovereignty would have been restricted by Congress as well as the Constitution. The demand was unconstitutional and subversive, but was prosecuted with an energy, and aroused such animosities among the people, that patriots, whose confidence had not failed during the Revolution, began to despair for the Constitution.*<sup>FN4</sup> *Amid the utmost violence of this extraordinary contest, the expedient contained in the eighth section of this act was proposed, to moderate it, and to avert the catastrophe it menaced. It was not seriously debated, nor were its constitutional aspects severely scrutinized by Congress. For the first time, in the history of the country, has its operation been embodied in a case at law, and been presented to this court for their judgment. The inquiry is, whether there are conditions in the Constitutions of the Territories which subject the capacity and status of persons within their limits to the direct action of Congress. Can Congress determine the condition and status of persons who inhabit the Territories?*

[ . . . ]

Whatever these Constitutions and laws validly determine to be property, it is the duty of the Federal Government, through the domain of jurisdiction merely Federal, to recognize to be property.

And this principle follows from the structure of the respective Governments, State and Federal, and their reciprocal relations. They are different agents and trustees of the people of the several States, appointed with different powers and with distinct purposes, but whose acts, within the scope of their respective jurisdictions, are mutually obligatory. They are respectively the depositories of such powers of legislation as the people were willing to surrender, and their duty is to co-operate within their several jurisdictions to maintain the rights of the same citizens under both Governments unimpaired. \*516 A proscription, therefore, of the Constitution and laws of one or more States, determining property, on the part of the Federal Government, by which the stability of its social system may be endangered, is plainly repugnant to the conditions on which the Federal Constitution was adopted, or which that Government was designed to accomplish. Each of the States surrendered its powers of war and negotiation, to raise armies and to support a navy, and all of these powers are sometimes required to preserve a State from disaster and ruin. The Federal Government was constituted to exercise these powers for the preservation of the States, respectively, and to secure to all their citizens the enjoyment of the rights which were not surrendered to the Federal Government. The provident care of the statesmen who projected the Constitution was signalized by such a distribution of the powers of Government as to exclude many of the motives and opportunities for promoting provocations and spreading discord among the States, and for guarding against those partial combinations, so destructive of the community of interest, sentiment, and feeling, which are so essential to the support of the Union. The distinguishing features of their system consist in the exclusion of the Federal Government from the local and internal concerns of, and in the establishment of an independent internal Government within, the States. And it is a significant fact in the history of the United States, that those controversies which have been productive of the greatest animosity, and have occasioned most peril to the peace of the Union, have had their origin in the well-sustained opinion of a minority among the people, that the Federal Government had overstepped its constitutional limits to grant some exclusive privilege, or to disturb the legitimate distribution of property or power among the States or individuals. Nor can a more signal instance of this be found than is furnished by the act before us. No candid or rational man can hesitate to believe, that if the subject

of the eighth section of the act of March, 1820, had never been introduced into Congress and made the basis of legislation, no interest common to the Union would have been seriously affected. And, certainly, the creation, within this Union, of large confederacies of unfriendly and frowning States, which has been the tendency, and, to an alarming extent, the result, produced by the agitation arising from it, does not commend it to the patriot or statesman. This court have determined that the intermigration of slaves was not committed to the jurisdiction or control of Congress. Wherever a master is entitled to go within the United States, his slave may accompany him, without any impediment from, or fear of, Congressional \*517 legislation or interference. The question then arises, whether Congress, which can exercise no jurisdiction over the relations of master and slave within the limits of the Union, and is bound to recognize and respect the rights and relations that validly exist under the Constitutions and laws of the States, can deny the exercise of those rights, and prohibit the continuance of those relations, within the Territories.”  
[Dred Scott v. Sandford, 60 U.S. 393 (1856)]

Note that the federal government was trying to turn entrance into the Union into a franchise, whereby a territory would only be rewarded with said entrance IF they did some particular thing. In that sense, they were attempting to make new states unequal in relation to states already admitted, which was a violation of equal protection. Note the language about how “exclusive privileges” produce animosity among the states:

“And it is a significant fact in the history of the United States, that those controversies which have been productive of the greatest animosity, and have occasioned most peril to the peace of the Union, have had their origin in the well-sustained opinion of a minority among the people, that the Federal Government had overstepped its constitutional limits to grant some exclusive privilege, or to disturb the legitimate distribution of property or power among the States or individuals.”  
[Dred Scott v. Sandford, 60 U.S. 393 (1856)]

The term “compact” as used in the Dred Scott case above, means “contract”. As we demonstrated earlier in section 5, all government franchises are the subject of a “contract” or agreement between the government grantor and the PRIVATE franchisee.

“Compact, n. An agreement or contract between persons, nations, or states. Commonly applied to working agreements between and among states concerning matters of mutual concern. A contract between parties, which creates obligations and rights capable of being enforced and contemplated as such between the parties, in their distinct and independent characters. A mutual consent of parties concerned respecting some property or right that is the object of the stipulation, or something that is to be done or forborne. See also Compact clause; Confederacy; Interstate compact; Treaty.”  
[Black’s Law Dictionary, Sixth Edition, p. 281]

Consistent with the analysis so far in this section, the legal encyclopedia says the following:

“Congress, in admitting a state, cannot restrict such state by bargain. The state, by so contracting with Congress, is in no way bound by such a contract [compact], however irrevocable it is stated to be. It is said that subject to the restraint and limitations of the Federal Constitution, the states have all the sovereign powers of independent nations over all persons and things within their respective territorial limits.”  
[16 American Jurisprudence 2d, Constitutional Law, §281 (1999)]

Since the power of internal taxation has always been reserved to the states and its object funds the police power of the state, no state can contract away its power to tax or authorize the federal government to collect a tax within its own borders that relates to anything OTHER than commerce with foreign nations, which the constitution calls “imposts and excises”. To wit:

“The Congress shall have Power To lay and collect Taxes, Duties, Imposts and Excises, to pay the Debts and provide for the common Defence and general Welfare of the United States; but all Duties, Imposts and Excises shall be uniform throughout the United States;”  
[United States Constitution, Article 1, Section 8, Clause 1]

“No Tax or Duty shall be laid on Articles exported from any State.”  
[United States Constitution, Article 1, Section 9, Clause 5]

“Two governments acting independently of each other cannot exercise the same power for the same object [or person].”  
[Fox v. The State of Ohio, 46 U.S. 410, 5 Howard 410, 12 L.Ed. 213 (1847)]



1       *"The States, after they formed the Union, continued to have the same range of taxing power which they had*  
2 *before, barring only duties affecting exports, imports, and on tonnage. 2 Congress, on the other hand, to lay*  
3 *taxes in order 'to pay the Debts and provide for the common Defence and general Welfare of the United States',*  
4 *Art. 1, Sec. 8, U.S.C.A.Const., can reach every person and every dollar in the land with due regard to*  
5 *Constitutional limitations as to the method of laying taxes."*  
6 *[Graves v. People of State of New York, 306 U.S. 466 (1939)]*

7       The first federal income tax was enacted in 1862 to fund the Civil War and it included licenses and franchises within states  
8 of the Union. Shortly after it was enacted in 1866, the U.S. Supreme Court in 1866 forcefully declared such legislation  
9 unconstitutional. Note that the activity being licensed was even called a "trade or business", which is exactly the same activity  
10 that is taxed within the Internal Revenue Code today!:

11       *"Thus, Congress having power to regulate commerce with foreign nations, and among the several States, and*  
12 *with the Indian tribes, may, without doubt, provide for granting coasting licenses, licenses to pilots, licenses to*  
13 *trade with the Indians, and any other licenses necessary or proper for the exercise of that great and extensive*  
14 *power; and the same observation is applicable to every other power of Congress, to the exercise of which the*  
15 *granting of licenses may be incident. All such licenses confer authority, and give rights to the licensee.*

16       *But very different considerations apply to the internal commerce or domestic trade of the States. Over this*  
17 *commerce and trade Congress has no power of regulation nor any direct control. This power belongs*  
18 *exclusively to the States. No interference by Congress with the business of citizens transacted within a State is*  
19 *warranted by the Constitution, except such as is strictly incidental to the exercise of powers clearly granted to*  
20 *the legislature. The power to authorize a business within a State is plainly repugnant to the exclusive power of*  
21 *the State over the same subject. It is true that the power of Congress to tax is a very extensive power. It is given*  
22 *in the Constitution, with only one exception and only two qualifications. Congress cannot tax exports, and it must*  
23 *impose direct taxes by the rule of apportionment, and indirect taxes by the rule of uniformity. Thus limited, and*  
24 *thus only, it reaches every subject, and may be exercised at discretion. But, it reaches only existing subjects.*  
25 *Congress cannot authorize [e.g. "license"] a trade or business within a State in order to tax it."*  
26 *[License Tax Cases, 72 U.S. 462, 18 L.Ed. 497, 5 Wall. 462, 2 A.F.T.R. 2224 (1866) ]*

27       Consequently, states of the Union and the people domiciled therein may NOT lawfully participate in any federal franchise or  
28 license, because doing so would be a re-delegation of powers that are expressly reserved within the Constitution to the states  
29 and the people under the Tenth Amendment.

30       The only "States" that can enter into federal franchises are federal territories and possessions who are statutory "States" but  
31 not the "States" mentioned in the Constitution. These statutory "States" are the equivalent of corporate subdivisions of the  
32 national government, over which the national government has absolute and exclusive sovereignty, and which do not enjoy  
33 the protections of the Bill of Rights because they are not the "States" mentioned in the United States Constitution.

34       *At common law, a "corporation" was an "artificial perso[n] endowed with the legal capacity of perpetual*  
35 *succession" consisting either of a single individual (termed a "corporation sole") or of a collection of several*  
36 *individuals (a "corporation aggregate"). 3 H. Stephen, Commentaries on the Laws of England 166, 168 (1st Am.*  
37 *ed. 1845). The sovereign was considered a corporation. See id., at 170; see also 1 W. Blackstone, Commentaries*  
38 *\*467. Under the definitions supplied by contemporary law dictionaries, Territories would have been classified*  
39 *as "corporations" (and hence as "persons") at the time that 1983 was enacted and the Dictionary Act*  
40 *recodified. See W. Anderson, A Dictionary of Law 261 (1893) ("All corporations were originally modeled upon*  
41 *a state or nation"); 1 J. Bouvier, A Law Dictionary Adapted to the Constitution and Laws of the United States of*  
42 *America 318-319 (11th ed. 1866) ("In this extensive sense the United States may be termed a corporation"); Van*  
43 *Brocklin v. Tennessee, 117 U.S. 151, 154 (1886) ("The United States is a . . . great corporation . . . ordained and*  
44 *established by the American people") (quoting United [495 U.S. 182, 202] States v. Maurice, 26 F.Cas. 1211,*  
45 *1216 (No. 15,747) (CC Va. 1823) (Marshall, C. J.)); Cotton v. United States, 11 How. 229, 231 (1851) (United*  
46 *States is "a corporation"). See generally Trustees of Dartmouth College v. Woodward, 4 Wheat. 518, 561-562*  
47 *(1819) (explaining history of term "corporation").*  
48 *[Ngiraingas v. Sanchez, 495 U.S. 182 (1990)]*

49       These statutory federal corporation "States" are defined below:

50       TITLE 4 - FLAG AND SEAL, SEAT OF GOVERNMENT, AND THE STATES  
51       CHAPTER 4 - THE STATES  
52       Sec. 110. Same; definitions

53       (d) The term "State" includes any Territory or possession of the United States.

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55       TITLE 26 > Subtitle F > CHAPTER 79 > § 7701  
56       § 7701. Definitions  
57



(a) Definitions

(10) State

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

Because constitutional states are not expressly included within the statutory definition of "State" in ordinary acts of Congress, then Constitutional states:

1. Are purposefully excluded under the rules of statutory construction.

*"When a statute includes an explicit definition, we must follow that definition, even if it varies from that term's ordinary meaning. Meese v. Keene, 481 U.S. 465, 484-485 (1987) ("It is axiomatic that the statutory definition of the term excludes unstated meanings of that term"); Colautti v. Franklin, 439 U.S. at 392-393, n. 10 ("As a rule, 'a definition which declares what a term 'means' . . . excludes any meaning that is not stated"); Western Union Telegraph Co. v. Lenroot, 323 U.S. 490, 502 (1945); Fox v. Standard Oil Co. of N.J., 294 U.S. 87, 95-96 (1935) (Cardozo, J.); see also 2A N. Singer, Sutherland on Statutes and Statutory Construction, §47.07, p. 152, and n. 10 (5th ed. 1992) (collecting cases). That is to say, the statute, read "as a whole," post at 998 [530 U.S. 943] (THOMAS, J., dissenting), leads the reader to a definition. That definition does not include the Attorney General's restriction -- "the child up to the head." Its words, "substantial portion," indicate the contrary." [Stenberg v. Carhart, 530 U.S. 914 (2000)]*

2. May not be ADDED to any definition within federal law by judicial fiat without committing an unconstitutional act and destroying the separation of powers between the states and the national government.
3. May not unilaterally CONSENT to enlarge federal jurisdiction by:
  - 3.1. Agreeing to act as or accept the responsibilities of a statutory state.
  - 3.2. Litigating in any federal court as a statutory state.
  - 3.3. Accepting any grants or "benefits" from the national government under any federal franchise, INCLUDING Social Security. The Social Security Act, similarly does NOT include constitutional states within the definition of "State". See 42 U.S.C. §1301(a)(1).
4. Are violating their constitutional charter to place any condition on their services to those domiciled within their protection that might cause those protected to acquire a domicile on federal territory or a public office in the national government by virtue of signing up for or participating in federal franchises. This is a violation of fiduciary duty and constitutes a BRIBE to procure public offices and enslave those who are under their protection.

A failure to observe the above LEGAL limitations upon the authority of the national government has been identified in the laws of Congress as COMMUNISM:

[TITLE 50 > CHAPTER 23 > SUBCHAPTER IV > Sec. 841.](#)  
[Sec. 841. – Findings and declarations of fact](#)

*The Congress finds and declares that the Communist Party of the United States [consisting of the IRS, DOJ, and a corrupted federal judiciary], although purportedly a political party, is in fact an instrumentality of a conspiracy to overthrow the [de jure] Government of the United States [and replace it with a de facto government ruled by the judiciary]. It constitutes an authoritarian dictatorship [IRS, DOJ, and corrupted federal judiciary in collusion] within a [constitutional] republic, demanding for itself the rights and [FRANCHISE] privileges [including immunity from prosecution for their wrongdoing in violation of Article 1, Section 9, Clause 8 of the Constitution] accorded to political parties, but denying to all others the liberties [Bill of Rights] guaranteed by the Constitution [Form #10.002]. Unlike political parties, which evolve their policies and programs through public means, by the reconciliation of a wide variety of individual views, and submit those policies and programs to the electorate at large for approval or disapproval, the policies and programs of the Communist Party are secretly [by corrupt judges and the IRS in complete disregard of, Form #05.014, the tax franchise "codes", Form #05.001] prescribed for it by the foreign leaders of the world Communist movement [the IRS and Federal Reserve]. Its members [the Congress, which was terrorized to do IRS bidding by the framing of Congressman Traficant] have no part in determining its goals, and are not permitted to voice dissent to party objectives. Unlike members of political parties, members of the Communist Party are recruited for indoctrination [in the public FOOL system by homosexuals, liberals, and socialists] with respect to its objectives and methods, and are organized, instructed, and disciplined [by the IRS and a corrupted judiciary] to carry into action slavishly the assignments given them by their hierarchical chieftains. Unlike political parties, the Communist Party [thanks to a corrupted federal judiciary] acknowledges no constitutional or statutory limitations upon its conduct or upon that of its members [ANARCHISTS!, Form #08.020]. The Communist Party is relatively small numerically, and gives scant indication of capacity ever to attain its ends by lawful political means. The peril inherent in its operation arises not from its numbers, but from its failure to acknowledge any limitation as to the nature of its activities, and its dedication to the proposition that the present constitutional Government of the United States*

ultimately must be brought to ruin by any available means, including resort to; force and violence [or using income taxes]. Holding that doctrine, its role as the agency of a hostile foreign power [the Federal Reserve and the American Bar Association (ABA)] renders its existence a clear present and continuing danger to the security of the United States. It is the means whereby individuals are seduced [illegally KIDNAPPED via identity theft!, Form #05.046] into the service of the world Communist movement [using FALSE information returns and other PERJURIOUS government forms, Form #04.001], trained to do its bidding [by FALSE government publications and statements that the government is not accountable for the accuracy of, Form #05.007], and directed and controlled [using FRANCHISES illegally enforced upon NONRESIDENTS, Form #05.030] in the conspiratorial performance of their revolutionary services. Therefore, the Communist Party should be outlawed

We allege that because the restrictions upon Constitutional but not statutory “States” and the separation of powers documented in this section have not been enforced by the courts, the de jure sovereign constitutionally states of the Union have unlawfully signed up for federal franchises such as the Buck Act and the income tax and thereby brought about the very result so prophetically predicted by the U.S. Supreme Court below:

“Every journey to a forbidden end begins with the first step; and the danger of such a step by the federal government in the direction of taking over the powers of the states is that the end of the journey may find the states so despoiled of their powers, or-what may amount to the same thing-so [298 U.S. 238, 296] relieved of the responsibilities which possession of the powers necessarily enjoins, as to reduce them to little more than geographical subdivisions of the national domain.”  
[Carter v. Carter Coal Co., 298 U.S. 238 (1936)]

The collusion of officials of both the States and the Federal government to destroy the separation of powers that protects our rights and thereby bring about precisely the end documented above is exhaustively documented in the memorandum of law below on our website:

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

### **12.3 INCLUDED: Public officers and employees who work for the government (items 6 above)**

Public officers are by nature ALREADY participants in franchises. In the context of public offices, there are two components to consider:

1. The office.
2. The natural man or woman or artificial entity filling said office.

The question is, what happens to the natural man or woman in item 2 above after they accept elected or appointed public office in the national government? Here are the facts we have discovered that describe the impact of the office upon the officer.

1. The officer while on official duty is acting in a representative capacity on behalf of the national government.
2. All governments are corporations, and all those representing said corporation become “officers of a corporation”.

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

3. While acting in a representative capacity as “public officers”, the civil laws which apply are the place of incorporation of the corporation, which is the District of Columbia in the case of the federal government:

*Federal Rules of Civil Procedure*

1 [IV. PARTIES](#) > Rule 17.  
2 [Rule 17. Parties Plaintiff and Defendant; Capacity](#)

3 (b) Capacity to Sue or be Sued.

4 Capacity to sue or be sued is determined as follows:

5 (1) for an individual who is not acting in a representative capacity, by the law of the individual's domicile;

6 **(2) for a corporation [a federal corporation called the “United States”, in this case], by the law under which it**  
7 **was organized; and**

8 (3) for all other parties, by the law of the state where the court is located, except that:

9 (A) a partnership or other unincorporated association with no such capacity under that state's law may sue or be  
10 sued in its common name to enforce a substantive right existing under the United States Constitution or laws;  
11 and

12 (B) [28 U.S.C. §§754](#) and [959\(a\)](#) govern the capacity of a receiver appointed by a United States court to sue or be  
13 sued in a United States court.

14 4. The officer qualifies as an “officer of a corporation” within the meaning of [26 U.S.C. §7343](#) and [26 U.S.C. §6671\(b\)](#) .

15 [TITLE 26](#) > [Subtitle F](#) > [CHAPTER 68](#) > [Subchapter B](#) > [PART I](#) > § 6671  
16 [§ 6671. Rules for application of assessable penalties](#)

17 (b) Person defined

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

21 5. The officer has a fiduciary duty to the public at large:

22 “As expressed otherwise, the powers delegated to a public officer are held in trust for the people and are to be  
23 exercised in behalf of the government or of all citizens who may need the intervention of the officer.<sup>125</sup>  
24 **Furthermore, the view has been expressed that all public officers, within whatever branch and whatever level**  
25 **of government, and whatever be their private vocations, are trustees of the people, and accordingly labor under**  
26 **every disability and prohibition imposed by law upon trustees relative to the making of personal financial gain**  
27 **from a discharge of their trusts.**<sup>126</sup> **That is, a public officer occupies a fiduciary relationship to the political**  
28 **entity on whose behalf he or she serves.**<sup>127</sup> **and owes a fiduciary duty to the public.**<sup>128</sup> **It has been said that**  
29 **the fiduciary responsibilities of a public officer cannot be less than those of a private individual.**<sup>129</sup>  
30 Furthermore, it has been stated that any enterprise undertaken by the public official which tends to weaken public  
31 confidence and undermine the sense of security for individual rights is against public policy.<sup>130</sup>”  
32 [63C American Jurisprudence 2d, Public Officers and Employees, §247 (1999)]

<sup>125</sup> State ex rel. Nagle v. Sullivan, 98 Mont. 425, 40 P.2d. 995, 99 A.L.R. 321; Jersey City v. Hague, 18 N.J. 584, 115 A.2d. 8.

<sup>126</sup> Georgia Dep’t of Human Resources v. Sistrunk, 249 Ga. 543, 291 S.E.2d. 524. A public official is held in public trust. Madlener v. Finley (1st Dist) 161 Ill.App.3d. 796, 113 Ill.Dec. 712, 515 N.E.2d. 697, app gr 117 Ill.Dec. 226, 520 N.E.2d. 387 and revd on other grounds 128 Ill.2d. 147, 131 Ill.Dec. 145, 538 N.E.2d. 520.

<sup>127</sup> Chicago Park Dist. v. Kenroy, Inc., 78 Ill.2d. 555, 37 Ill.Dec. 291, 402 N.E.2d. 181, appeal after remand (1st Dist) 107 Ill.App.3d. 222, 63 Ill.Dec. 134, 437 N.E.2d. 783.

<sup>128</sup> United States v. Holzer (CA7 Ill), 816 F.2d. 304 and vacated, remanded on other grounds 484 U.S. 807, 98 L.Ed. 2d 18, 108 S.Ct. 53, on remand (CA7 Ill) 840 F.2d. 1343, cert den 486 U.S. 1035, 100 L.Ed. 2d 608, 108 S.Ct. 2022 and (criticized on other grounds by United States v. Osser (CA3 Pa) 864 F.2d. 1056) and (superseded by statute on other grounds as stated in United States v. Little (CA5 Miss) 889 F.2d. 1367) and (among conflicting authorities on other grounds noted in United States v. Boylan (CA1 Mass), 898 F.2d. 230, 29 Fed.Rules.Evid.Serv. 1223).

<sup>129</sup> Chicago ex rel. Cohen v. Keane, 64 Ill.2d. 559, 2 Ill.Dec. 285, 357 N.E.2d. 452, later proceeding (1st Dist) 105 Ill.App.3d. 298, 61 Ill.Dec. 172, 434 N.E.2d. 325.

<sup>130</sup> Indiana State Ethics Comm’n v. Nelson (Ind App), 656 N.E.2d. 1172, reh gr (Ind App) 659 N.E.2d. 260, reh den (Jan 24, 1996) and transfer den (May 28, 1996).

6. Only within the context of the official duties of the constitutionally authorized public office can any tax liability result. The tax is on “the functions of the office” and not the officer as a private person. The office, as a corporate artificial person, is capable of action. The officer, while on official duty, does nothing of his own right or in a private capacity, but works as an agent representing the office and on behalf of the office. Therefore, anything that the officer does in representing the office is legally the action of the office. Furthermore, it is a CRIMINAL act pursuant to 18 U.S.C. §912 for those NOT lawfully elected or appointed to a public office BEFORE they became “taxpayers” to exercise “the functions of a public office”.

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

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

7. Excise taxes upon the exercise of the “public office”/“trade or business” franchise can only occur where the office can lawfully be exercised, which in the case of the United States Constitution is ONLY the District of Columbia and not elsewhere. Nowhere does the Internal Revenue Code or any other enactment of Congress authorize the exercise of the official duties of the office within any state of the Union.

TITLE 4 > CHAPTER 3 > § 72  
§ 72. Public offices; at seat of Government

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

We might then logically inquire about whether a person elected to a public office in the United States government has unlawfully or unconstitutionally bargained away their rights in exchange for a franchise by accepting such an office. The amazing answer is NO! Why? Because:

1. Constitutional rights attach to the LAND and not to the PERSON or the STATUS of the person.

*“It is locality that is determinative of the application of the Constitution, in such matters as judicial procedure, and not the status of the people who live in it.”*  
*[Balzac v. Porto Rico, 258 U.S. 298 (1922)]*

2. The office they elected to occupy is exercised on federal territory not protected by the Bill of Rights in the District of Columbia, pursuant to 4 U.S.C. §72 above.

3. To exercise their public office, they must transport themselves physically from a state of the Union where they usually live to a place where rights do not exist: federal territory in the District of Columbia. The IRS KIDNAPS their identity but not their body against their will and in criminal violation of 18 U.S.C. §1201 by making the following prejudicial PRESUMPTION not expressly authorized by the I.R.C. itself. In effect, they are treating those who engage in the activity as consenting federal contractors who unilaterally and ILLEGALLY elect or appoint THEMSELVES into public office by consenting to engage in the privileged activity.

26 C.F.R. §301.7701-5 Domestic, foreign, resident, and nonresident persons. (4-1-04)

*A domestic corporation is one organized or created in the United States, including only the States (and during the periods when not States, the Territories of Alaska and Hawaii), and the District of Columbia, or under the law of the United States or of any State or Territory. A foreign corporation is one which is not domestic. A domestic corporation is a resident corporation even though it does no business and owns no property in the United States. A foreign corporation engaged in trade or business within the United States is referred to in the regulations in this chapter as a resident foreign corporation, and a foreign corporation not engaged in trade or business within the United States, as a nonresident foreign corporation. A partnership engaged in trade or business within the United States is referred to in the regulations in this chapter as a resident partnership, and a partnership not engaged in trade or business within the United States, as a nonresident partnership. Whether a partnership is to be regarded as resident or nonresident is not determined by the nationality or residence of its members or by the place in which it was created or organized.*  
*[T.D. 8813, Federal Register: February 2, 1999 (Volume 64, Number 21), P. 4967-4975]*

Next, we consider the plight of public employees who are NOT “public officers”. A legal treatise on public officers says the following of public employees in relation to “public officers”:

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

§2 How Office Differs from Employment.-A public office differs in material particulars from a public employment, for, as was said by Chief Justice MARSHALL, "although an office is an employment, it does not follow that every employment is an office. A man may certainly be employed under a contract, express or implied, to perform a service without becoming an officer."<sup>131</sup>

"We apprehend that the term 'office,'" said the judges of the supreme court of Maine, "implies a delegation of a portion of the sovereign power to, and the possession of it by, the person filling the office; and the exercise of such power within legal limits constitutes the correct discharge of the duties of such office. The power thus delegated and possessed may be a portion belonging sometimes to one of the three great departments and sometimes to another; still it is a legal power which may be rightfully exercised, and in its effects it will bind the rights of others and be subject to revision and correction only according to the standing laws of the state. An employment merely has none of these distinguishing features. A public agent acts only on behalf of his principal, the public, whose sanction is generally considered as necessary to give the acts performed the authority and power of a public act or law. And if the act be such as not to require subsequent sanction, still it is only a species of service performed under the public authority and for the public good, but not in the exercise of any standing laws which are considered as roles of action and guardians of rights."<sup>132</sup>

"The officer is distinguished from the employee," says Judge COOLEY, "in the greater importance, dignity and independence of his position; in being required to take an official oath, and perhaps to give an official bond; in the liability to be called to account as a public offender for misfeasance or non-feasance in office, and usually, though not necessarily, in the tenure of his position. In particular cases, other distinctions will appear which are not general."<sup>133</sup>

[A Treatise on the Law of Public Offices and Officers, Floyd Russell Mechem, 1890, pp. 3-4, §2;

SOURCE: <http://books.google.com/books?id=g-I9AAAAIAAJ&printsec=titlepage/>]

Of public employees rather than officers, the following characteristics and restrictions apply:

1. Their actions do not adversely affect the constitutional rights of others.
2. They are not acting in a representative capacity, but rather as an agent of their immediate supervisor, which the above calls his "principal".
3. The civil laws which apply therefore continue to be the place of their domicile. Income taxes are associated with their domicile as a "citizen".
4. If they are a constitutional "citizen" born with the United States and have a domicile within a state of the Union on other than federal territory, the only entity they can owe income taxes to is the state and NOT the federal government. Because they are constitutional citizens, then they cannot be "aliens" or "residents" in relation to the federal government. Therefore, they cannot also simultaneously have a "residence" within the United States and therefore also be a "taxpayer" under federal law.
5. If they are a foreign national born in another country and therefore an alien, and they have a domicile within the state of the Union on other than federal territory, then they are "aliens" but not "residents" in relation to the federal government. They would need to change their domicile to federal territory in order to become "residents" as defined in [26 U.S.C. §7701\(b\)\(1\)\(A\)](#) and therefore "taxpayers" who have a tax liability.

Finally, here is what the U.S. Supreme Court says about the effect upon one's constitutional rights of participating in federal employment as a statutory "employee" AND "public officer" per 5 U.S.C. §2105(a):

"The restrictions that the Constitution places upon the government in its capacity as lawmaker, i.e., as the regulator of private conduct, are not the same as the restrictions that it places upon the government in its capacity as employer. We have recognized this in many contexts, with respect to many different constitutional guarantees. Private citizens perhaps cannot be prevented from wearing long hair, but policemen can. [Kelley v. Johnson, 425 U.S. 238, 247 \(1976\)](#). Private citizens cannot have their property searched without probable cause, but in many circumstances government employees can. [O'Connor v. Ortega, 480 U.S. 709, 723 \(1987\)](#) (plurality opinion); *id.*, at 732 (SCALIA, J., concurring in judgment). Private citizens cannot be punished for refusing to provide the government information that may incriminate them, but government employees can be dismissed when the incriminating information that they refuse to provide relates to the performance of their job. [Gardner v. Broderick, \[497 U.S. 62, 95\] 392 U.S. 273, 277-278 \(1968\)](#). With regard to freedom of speech in particular:

<sup>131</sup> United States v. Maurice, 2 Brock. (U.S.C.C.) 96.

<sup>132</sup> Opinion of Judges, 8 Greenl. (Me.) 481.

<sup>133</sup> Throop v. Langdon, 40 Mich. 678, 682; "An office is a public position created by the constitution or law, continuing during the pleasure of the appointing power or for a fixed term with a successor elected or appointed. An employment is an agency for a temporary purpose which ceases when that purpose is accomplished." Cons. Ill., 1870, Art. 5, §24.



Private citizens cannot be punished for speech of merely private concern, but government employees can be fired for that reason. *Connick v. Myers*, [461 U.S. 138, 147](#) (1983). Private citizens cannot be punished for partisan political activity, but federal and state employees can be dismissed and otherwise punished for that reason. *Public Workers v. Mitchell*, [330 U.S. 75, 101](#) (1947); *Civil Service Comm'n v. Letter Carriers*, [413 U.S. 548, 556](#) (1973); *Broadrick v. Oklahoma*, [413 U.S. 601, 616-617](#) (1973)."  
[*Rutan v. Republican Party of Illinois*, [497 U.S. 62](#) (1990) ]

In other words, Uncle Sam as an employer has the same kind of control over its employees as every other private employer. They can create work rules, dress codes, and even snoop on or monitor the calls and interactions of their employees without violating their privacy.

## 12.4 Summary

In summary:

1. The ONLY parties who may lawfully enter into franchises offered by the national government are those who don't have any **rights** because:
  - 1.1. They are domiciled on federal territory not protected by the Bill of Rights.
  - 1.2. They are consensually acting in a representative capacity as participants in the "public office" franchise and therefore have effectively waived all their rights in relation to the government.
2. **Parties which MAY lawfully engage in federal franchises include the following:**
  - 2.1. Private individuals domiciled on federal territory and not within any state of the Union.
  - 2.2. Public officers and employees in the context of their EXISTING employment with the national government.
  - 2.3. Federal territories and possessions as defined in [4 U.S.C. §110\(d\)](#), which is part of the Buck Act.
3. **Parties which are PROHIBITED from engaging in federal franchises include the following:**
  - 3.1. Private individuals domiciled in states of the Union and not within any federal area or enclave.
  - 3.2. States of the Union mentioned in the United States Constitution.
4. It is an unconstitutional encroachment of the separation of powers between the state and federal government for a state to behave or act like a federal territory in order to procure the benefits of any federal franchise. For instance:
  - 4.1. The Buck Act, 4 U.S.C. §105 through 113, is the authority for federal "State" income taxes and the term "State" as defined in the Act nowhere includes states of the Union. See 4 U.S.C. §110(d):

TITLE 4 - FLAG AND SEAL, SEAT OF GOVERNMENT, AND THE STATES  
CHAPTER 4 - **THE STATES**  
[Sec. 110. Same](#); definitions

(d) The term "State" includes any [Territory](#) or possession of the United States.

- 4.2. States of the Union that have personal income taxes have violated the Buck Act by engaging in Agreements on Coordination of Tax Administration (ACTA) with the Secretary of the Treasury. They have violated the Buck Act because only the federal "States", meaning territories and possessions of the United States, may lawfully participate in or benefit from these acts. The fact that states of the Union have chosen to engage in the ACTA agreements is evidence that they have become federal territorial states and not the de jure states contemplated in the United States Constitution. Senator Buck, who introduced the Buck Act in 1940 was MYSTERIOUSLY MURDERED before the act he authored was enacted into law. This may have been due to fact he became aware of how the act was going to be abused to destroy the separation of powers between the states and federal government.
- 4.3. [5 U.S.C. §5517](#), which was enacted under the Buck Act, delegates authority to "States", meaning federal territories and possessions and NOT states of the Union within the Constitution, to tax public employees. States impose their personal income taxes under the authority of this act. In every state that has a personal income tax, you cannot have a state tax liability without ALSO having a federal tax liability FIRST, which means a domicile on federal territory and a "public office" within the U.S. government.
- 4.4. Under most state constitutions, officers within the state may not serve in a dual capacity as an officer of a federal territory, because this creates a conflict of interest. This means, for instance, that state courts cannot have a Federal Tax ID Number (EIN) and judges within them cannot have a Social Security Number (SSN) or Taxpayer Identification Number (TIN) because then they would also acting simultaneously as public officers of the federal government and can immediately be removed from office because of conflict of interest. Below is an example from the California Constitution to illustrate the provision which is violated by those serving as state officers who also participate in the federal income tax "scheme" as "public officers" engaged in a "trade or business" ([26 U.S.C. §7701\(a\)\(26\)](#)) within the United States government:

SEC. 7. **A person holding a lucrative office under the United States or other power may not hold a civil office of profit.** A local officer or postmaster whose compensation does not exceed 500 dollars per year or an officer in the militia or a member of a reserve component of the armed forces of the United States except where on active federal duty for more than 30 days in any year is not a holder of a lucrative office, nor is the holding of a civil office of profit affected by this military service.

5. Anyone who violates the above rules by offering franchises to or enforcing franchises against persons domiciled in states of the Union who are protected by the Constitution therefore is:
- 5.1. Violating their oath as public officers to support and defend the Constitution.
  - 5.2. Engaging in a conspiracy against rights in violation of [18 U.S.C. §241](#).
  - 5.3. Attempting to destroy equal protection and replace it with unequal privilege.

*"It has long been established that a State may not impose a penalty upon those who exercise a right guaranteed by the Constitution." Frost & Frost Trucking Co. v. Railroad Comm'n of California, 271 U.S. 583. "Constitutional rights would be of little value if they could be indirectly denied," Smith v. Allwright, 321 U.S. 649, 644, or manipulated out of existence,' Gomillion v. Lightfoot, 364 U.S. 339, 345."*

*[Harman v. Forssenius, 380 U.S. 528 at 540, 85 S.Ct. 1177, 1185 (1965)]*

- 5.4. Engaging in a conspiracy to destroy the separation of powers between the state and federal government. The techniques for doing this are described later in section 23.13.
- 5.5. Destroying a society of law and replacing it with a society of men. Those who administer the franchise have so much discretion that they can abuse presumption to destroy people's rights by assuming that the person they don't like is engaging in a franchise.
- 5.6. Elevating public servants to the equivalent of godhood and creating a dulocracy:

**"Dulocracy.** A government where servants and slaves have so much license and privilege that they domineer."  
*[Black's Law Dictionary, Sixth Edition, p. 501]*

## 12.5 Application and illustration: Internal Revenue Code

More specifically in the context of the Internal Revenue Code, it is ILLEGAL for a person not domiciled on federal territory and domiciled instead within the exclusive jurisdiction of a state of the Union to:

1. File IRS Form 1040. That form is only for "citizens and residents of the United States", both of whom have in common a domicile on federal territory and who collectively are called "U.S. persons" in [26 U.S.C. §7701\(a\)\(30\)](#).

**1040A 11327A Each**  
**U.S. Individual Income Tax Return**

Annual income **tax return filed by citizens and residents of the United States**. There are separate instructions available for this item. The catalog number for the instructions is 12088U.

W:CAR:MP:FP:F:I Tax Form or Instructions  
[[2003 IRS Published Products Catalog](#), p. F-15;  
SOURCE: <http://famguardian.org/TaxFreedom/Forms/IRS/IRSDoc7130.pdf/>]

2. Declare themselves to be a "resident" unless married to a statutory "U.S. citizen" as defined in [8 U.S.C. §1401](#) who is domiciled on federal territory. See [26 U.S.C. §7701\(b\)\(4\)\(B\)](#) and [26 U.S.C. §6013\(g\)](#) and (h).

The IRS Form 1040 Booklet very conveniently doesn't tell the reader any of the above, because they don't want people who file the form to know that most of them are committing perjury under penalty of perjury to use that form because they instead are supposed to file the IRS Form 1040NR as nonresident aliens. The closest they come is on page 15 of the 2001 version of the booklet, which says:

### **Filing Requirements**

*These rules apply to all U.S. citizens, regardless of where they live, and resident aliens.*  
*[IRS 1040 Instruction Booklet (2001), p. 15;*

What they don't tell you in the above is that those who are neither "citizens" nor "residents" as described above, such as a nonresident alien domiciled within a state of the Union who is not the "individual" described in 26 C.F.R. §1.6012-1(b) has NO REQUIREMENT TO FILE A TAX RETURN and is not a "taxpayer". You must have a domicile on federal territory to be subject to the civil laws contained within the I.R.C. Why don't they mention the above in BIG RED LETTERS at the beginning of the booklet and clarify that the "U.S. citizen" they reference is the statutory citizen described in 8 U.S.C. §1401 and who is domiciled on federal territory and NOT the "Citizen" mentioned in the United States Constitution? Because they want to ENCOURAGE false presumption and the violation of the internal revenue laws by exploiting your legal ignorance manufactured in the public (school) FOOL system to recruit innocent people who are not in fact liable into becoming unwitting "taxpayers" and surety for an endless mountain of irresponsible federal debt.

***"For the mystery of lawlessness is already at work; only He [God] who now restrains will do so until He is taken out of the way. And then the lawless one [Satan] will be revealed, whom the Lord will consume with the breath of His mouth and destroy with the brightness of His coming. The coming of the lawless one [Satan] is according to the working of Satan, with all power, signs, and lying wonders, and with all unrighteous deception among those who perish, because they did not receive the love of the truth, that they might be saved [don't be one of them!]. And for this reason God will send them strong delusion [from their own government], that they should believe a lie, that they all may be condemned who did not believe the truth but had pleasure in unrighteousness."***  
[2 Thess. 2:3-17, Bible, NKJV]

*"Getting treasures by a lying tongue Is the fleeting fantasy of those who seek death."*  
[Prov. 21:6, Bible, NKJV]

The end result is that nonresident aliens domiciled in states of the Union are deceived and thereby recruited into violating the following federal criminal laws using the deliberately vague language and carefully engineered omissions within the IRS 1040 Instruction Booklet. It isn't what they SAY, but what they very carefully DON'T say that injures you:

1. Impersonating a "public officer" in criminal violation of 18 U.S.C. §912. All "taxpayers" are statutory "citizens" engaged in a "trade or business", which is defined in 26 U.S.C. §7701(a)(26) as "the functions of a public office". You cannot lawfully be a "taxpayer" without being a "public officer" engaged in a "trade or business", and you cannot be engaged in a "trade or business" without a domicile on federal territory, which the I.R.C. defines as the "United States" within 26 U.S.C. §7701(a)(9) and (a)(10). See:

The "Trade or Business" Scam, Form #05.001  
<http://sedm.org/Forms/FormIndex.htm>

2. Impersonating a "U.S. citizen" in criminal violation of 18 U.S.C. §911. The only persons who can lawfully act as a "public officer" are statutory "U.S. citizens" as defined in 8 U.S.C. §1401. This was clarified by the following:

*"4. Lack of Citizenship*

*§74. Aliens cannot hold Office. - **It is a general principle that an alien can not hold a public office [e.g. "trade or business"]**. In all independent popular governments, as is said by Chief Justice Dixon of Wisconsin, "it is an acknowledged principle, which lies at the very foundation, and the enforcement of which needs neither the aid of statutory nor constitutional enactments or restrictions, that the government is instituted by the citizens for their liberty and protection, and that it is to be administered, and its powers and functions exercised only by them and through their agency."*

*In accordance with this principle it is held that an alien can not hold the office of sheriff."*  
[A Treatise on the Law of Public Offices and Officers, Floyd Russell Mechem, 1890, p. 27, §74;  
SOURCE: <http://books.google.com/books?id=g-I9AAAAIAAJ&printsec=titlepage>]

For further information about why people domiciled within states of the Union are nonresident aliens who CANNOT and SHOULD NOT file IRS Form 1040, see:

Non-Resident Non-Person Position, Form #05.020  
<http://sedm.org/Forms/FormIndex.htm>

We further allege that you cannot be an "individual" under the Internal Revenue Code unless and until you are a "U.S. person" with a domicile on federal territory AND also work for the national government. This is confirmed by 5 U.S.C. §552a(a)(2),

which defines an “individual” as either a statutory “U.S. citizen” ([8 U.S.C. §1401](#)) or permanent resident. Note that the Title 5 of the U.S. Code describes “Government Organization and Employees”.

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

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

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

The “individual” mentioned above, incidentally, is the SAME “individual” described in the Internal Revenue Code, because the above statute is the authority used by the IRS for protecting the privacy of tax records. The ability to regulate or legislate for private conduct, as opposed to the conduct of “public officers” and government employees, the U.S. Supreme Court has held, is “repugnant to the constitution”. You therefore can’t become a “person” or an “individual” within government statutes unless or until you voluntarily engage in “public conduct” as a “public officer” within the civil law or criminal conduct that injures the equal rights of other fellow sovereigns!:

*“The power to “legislate generally upon” life, liberty, and property, as opposed to the “power to provide modes of redress” against offensive state action, was “repugnant” to the Constitution. Id., at 15. See also United States v. Reese, 92 U.S. 214, 218 (1876); United States v. Harris, 106 U.S. 629, 639 (1883); James v. Bowman, 190 U.S. 127, 139 (1903). Although the specific holdings of these early cases might have been superseded or modified, see, e.g., Heart of Atlanta Motel, Inc. v. United States, 379 U.S. 241 (1964); United States v. Guest, 383 U.S. 745 (1966), their treatment of Congress’ §5 power as corrective or preventive, not definitional, has not been questioned.”*  
*[City of Boerne v. Flores, Archbishop of San Antonio, 521 U.S. 507 (1997)]*

*“Since in common usage, the term person does not include the sovereign, statutes not employing the phrase are ordinarily construed to exclude it.”*  
*[United States v. Cooper Corporation, 312 U.S. 600 (1941); See also U.S. v. United Mine Workers, 330 U.S. 258 (1947)]*

As a private person and a sovereign domiciled within a state of the Union and who has no employment or office within the government, it is impossible and unlawful to be a statutory “U.S. citizen” pursuant to [8 U.S.C. §1401](#), resident alien pursuant to [26 U.S.C. §7701\(b\)\(1\)\(A\)](#), “U.S. person” pursuant to [26 U.S.C. §7701\(a\)\(30\)](#), or “individual” pursuant to [5 U.S.C. §552a\(a\)\(2\)](#). See:

1. Why You are a “national”, “state national”, and Constitutional but not Statutory Citizen, Form #05.006  
<http://sedm.org/Forms/FormIndex.htm>
2. You’re not a STATUTORY “citizen” under the Internal Revenue Code, Family Guardian Fellowship:  
<http://famguardian.org/Subjects/Taxes/Citizenship/NotACitizenUnderIRC.htm>
3. You’re not a STATUTORY “resident” under the Internal Revenue Code, Family Guardian Fellowship:  
<http://famguardian.org/Subjects/Taxes/Citizenship/Resident.htm>

Once again, the main implication of the separation of powers between the state and federal governments is that a statutory “U.S. citizen” pursuant to [8 U.S.C. §1401](#) and a constitutional “Citizen” as mentioned in Section 1 of the Fourteenth Amendment are two mutually exclusive groups of people. You can be one or the other but NOT both, because you can only have a domicile in ONE PLACE at a time, and federal and state legislative jurisdiction are mutually exclusive, separate, sovereign, and “foreign” with respect to each other. The federal government handles EXTERNAL affairs only in relation to the states and the only “internal” affairs it can manage are those within community property of the states called federal territory that is not part of any state of the Union:

*“Domicile: [ . . . ] A person may have more than one residence but only one domicile. The legal domicile of a person is important since it, rather than the actual residence, often controls the jurisdiction of the taxing authorities and determines where a person may exercise the privilege of voting and other legal rights and privileges.”*  
*[Black’s Law Dictionary, Sixth Edition, p. 485]*

*“It is no longer open to question that the general government, unlike the states, Hammer v. Dagenhart, 247 U.S. 251, 275, 38 S.Ct. 529, 3 A.L.R. 649, Ann.Cas.1918E 724, possesses no inherent power in respect of the internal affairs of the states; and emphatically not with regard to legislation.”*

## 13 Effects of participation in franchises

### 13.1 Franchises cause a surrender of sovereignty and sovereign immunity<sup>134</sup>

A subject closely related to both the requirement for consent and to federalism is the judicial doctrine known as “sovereign immunity”. States of the Union are sovereign in respect to the federal government and the people within them are sovereign in respect to their respective state governments. These principles are reflected in a judicial doctrine known as “sovereign immunity”.

*The exemption of the United States from being impleaded without their consent is, as has often been affirmed by this court, as absolute as that of the crown of England or any other sovereign. In Cohens v. Virginia, 6 Wheat. 264, 411, Chief Justice MARSHALL said: 'The universally-received opinion is that [106 U.S. 196, 227] no suit can be commenced or prosecuted against the United States.' In Beers v. Arkansas, 20 How. 527, 529, Chief Justice TANEY said: 'It is an established principle of jurisprudence, in all civilized nations, that the sovereign cannot be sued in its own courts, or in any other, without its consent and permission; but it may, if it thinks proper, waive this privilege, and permit itself to be made a defendant in a suit by individuals, or by another state. And as this permission is altogether voluntary on the part of the sovereignty, it follows that it may prescribe the terms and conditions on which it consents to be sued, and the manner in which the suit shall be conducted, and may withdraw its consent whenever it may suppose that justice to the public requires it.' In the same spirit, Mr. Justice DAVIS, delivering the judgment of the court in Nichols v. U.S., 7 Wall. 122, 126, said: 'Every government has an inherent right to protect itself against suits, and if, in the liberality of legislation they are permitted, it is only on such terms and conditions as are prescribed by statute. The principle is fundamental, applies to every sovereign power, and, but for the protection which it affords, the government would be unable to perform the various duties for which it was created.' See, also, U.S. v. Clarke, 8 Pet. 436, 444; Cary v. Curtis, 3 How. 236, 245, 256; U.S. v. McLeMore, 4 How. 286, 289; Hill v. U.S. 9 How. 386, 389; Recside v. Walker, 11 How. 272, 290; De Groot v. U.S., 5 Wall. 419, 431; U.S. v. Eckford, 6 Wall. 484, 488; The Siren, 7 Wall. 152, 154; The Davis, 10 Wall. 15, 20; U.S. v. O'Keefe, 11 Wall. 178; Case v. Terrell, 11 Wall. 199, 201; Carr v. U.S. 98 U.S. 433, 437; U.S. v. Thompson, 98 U.S. 486, 489; Railroad Co. v. Tennessee, 101 U.S. 337; Railroad Co. v. Alabama, 101 U.S. 832; U.S. v. Lee, 106 U.S. 196 (1882)]*

Only either by the consent of the sovereign or by the state electing to engage in “private business concerns” is the sovereign immunity of the state explicitly or implicitly waived, respectively:

*When a State engages in ordinary commercial ventures, it acts like a private person, outside the area of its "core" responsibilities, and in a way unlikely to prove essential to the fulfillment of a basic governmental obligation. A Congress that decides to regulate those state commercial activities rather than to exempt the State likely believes that an exemption, by treating the State differently from identically situated private persons, would threaten the objectives of a federal regulatory program aimed primarily at private conduct. Compare, e.g., 12 U.S.C. §1841(b) (1994 ed., Supp. III) (exempting state companies from regulations covering federal bank holding companies); 15 U.S.C. §77c(a)(2) (exempting state-issued securities from federal securities laws); and 29 U.S.C. §652(5) (exempting States from the definition of "employer[s]" subject to federal occupational safety and health laws), with 11 U.S.C. §106(a) (subjecting States to federal bankruptcy court judgments); 15 U.S.C. §1122(a) (subjecting States to suit for violation of Lanham Act); 17 U.S.C. §511(a) (subjecting States to suit for copyright infringement); 35 U.S.C. §271(h) (subjecting States to suit for patent infringement). And a Congress that includes the State not only within its substantive regulatory rules but also (expressly) within a related system of private remedies likely believes that a remedial exemption would similarly threaten that program. See Florida Prepaid Postsecondary Ed. Expense Bd. v. College Savings Bank, ante, at \_\_\_\_ (Stevens, J., dissenting). It thereby avoids an enforcement gap which, when allied with the pressures of a competitive marketplace, could place the State's regulated private competitors at a significant disadvantage.*

*These considerations make Congress' need to possess the power to condition entry into the market upon a waiver of sovereign immunity (as "necessary and proper" to the exercise of its commerce power) unusually strong, for to deny Congress that power would deny Congress the power effectively to regulate private conduct. Cf. California v. Taylor, 353 U.S. 553, 566 (1957). At the same time they make a State's need to exercise sovereign immunity unusually weak, for the State is unlikely to have to supply what private firms already supply, nor may it fairly demand special treatment, even to protect the public purse, when it does so. Neither can one easily imagine what the Constitution's founders would have thought about the assertion of sovereign immunity in this special context. These considerations, differing in kind or degree from those that would support a general congressional "abrogation" power, indicate that Parden's holding is sound, irrespective of this Court's decisions in Seminole Tribe of Fla. v. Florida, 517 U.S. 44 (1996), and Alden v. Maine, ante, p. \_\_\_\_.*

*[College Savings Bank v. Florida Prepaid Postsecondary Education Expense, 527 U.S. 666 (1999)]*

<sup>134</sup> Adapted from *Sovereignty Forms and Instructions Manual, Form #10.005, Section 1.11* with permission.



Below is a definition of “sovereign immunity” from Black’s Law Dictionary, Fifth Edition:

Sovereign immunity. Doctrine precludes litigant from asserting an otherwise meritorious cause of action against a sovereign or a party with sovereign attributes unless sovereign consents to suit. *Principe Compania Naviera, S. A. v. Board of Com’rs of Port of New Orleans, D.C.La., 333 F.Supp. 353, 355.* Historically, the federal and state governments, and derivatively cities and towns, were immune from tort liability arising from activities which were governmental in nature. Most jurisdictions, however, have abandoned this doctrine in favor of permitting tort actions with certain limitations and restrictions. See Federal Tort Claims Act; Governmental immunity; Tort Claims Acts.  
[Black’s Law Dictionary, Fifth Edition, p. 1252]

Notice the phrase above “unless the sovereign consents to the suit”. The inherent legal presumption that all courts and governments must operate under is that all human beings, natural persons, artificial persons, “associations”, “states” or “political groups”:

1. Are inherently sovereign.

*“The rights of sovereignty extend to all persons and things not privileged, that are within the territory. They extend to all strangers resident therein; not only to those who are naturalized, and to those who are domiciled therein, having taken up their abode with the intention of permanent residence, but also to those whose residence is transitory. All strangers are under the protection of the sovereign while they are within his territory and owe a temporary allegiance in return for that protection.”*  
[*Carlisle v. United States*, 83 U.S. 147, 154 (1873)]

2. Have a right to be “left alone” by the government and their neighbor:

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

3. Can only surrender a portion of their sovereignty and the rights that inhere in that sovereignty through their explicit (in writing) or implicit (by their behavior) consent in some form.

*Quod meum est sine me auferri non potest.*  
What is mine cannot be taken away without my consent. Jenk. Cent. 251. Sed vide Eminent Domain.

*Id quod nostrum est, sine facto nostro ad alium transferi non potest.*  
What belongs to us cannot be transferred to another without our consent. Dig. 50, 17, 11. But this must be understood with this qualification, that the government may take property for public use, paying the owner its value. The title to property may also be acquired, with the consent of the owner, by a judgment of a competent tribunal.  
[Bouvier’s Maxims of Law, 1856;  
SOURCE: <http://famguardian.org/Publications/BouvierMaximsOfLaw/BouviersMaxims.htm>]

4. Possess EQUAL sovereignty. The foundation of our Constitution is equal protection. No group of men or “state” or government can have any more rights than a single man, because all of their powers are delegated to them by the people they serve and were created to protect:

*“But arbitrary selection can never be justified by calling it classification. The equal protection demanded by the fourteenth amendment forbids this. No language is more worthy of frequent and thoughtful consideration than these words of Mr. Justice Matthews, speaking for this court, in *Yick Wo v. Hopkins*, 118 U.S. 356, 369, 6 S.Supp.Ct. 1064, 1071: ‘When we consider the nature and the theory of our institutions of government, the principles upon which they are supposed to rest, and review the history of their development, we are constrained to conclude that they do not mean to leave room for the play and action of purely personal and arbitrary power.’ The first official action of this nation declared the foundation of government in these words: ‘We hold these truths to be self-evident, [165 U.S. 150, 160] that all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness.’ While such declaration of principles may not have the force of organic law, or be made the basis of judicial decision as to the limits of right and duty, and while in all cases reference must be had to the organic law of the nation for such limits, yet the latter is but the body and the letter of which the former is the thought and the spirit, and it is always safe to read the letter of the constitution in the spirit of the Declaration of Independence. No duty rests more*

imperatively upon the courts than the enforcement of those constitutional provisions intended to secure that equality of rights which is the foundation of free government."  
[Gulf, C. & S.F.R. Co. v. Ellis, [165 U.S. 150](#) (1897)]

In other words, everyone has a natural, inherent right of ownership over their own life, liberty, and property granted by the Creator which can only be taken away by their own consent. The Declaration of Independence recognizes this natural right, when it says:

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

The purpose for the establishment of all governments is therefore to protect these natural, God-given rights or what the U.S. Supreme Court calls "liberty interests". Neither the Constitution, nor any enactment of Congress passed in furtherance of it confers these rights, but simply recognizes and protects these natural, God-given rights. The U.S. Supreme Court admitted this when it said:

"Men are endowed by their Creator with certain unalienable rights, -life, liberty, and the pursuit of happiness; and to 'secure,' not grant or create, these rights, governments are instituted. That property [or income] which a man has honestly acquired he retains full control of . . ."  
[Budd v. People of State of New York, [143 U.S. 517](#) (1892)]

In law, all rights are identified as "property". This is confirmed by the definition of "property" in Black's Law Dictionary, which says that "It extends to every species of valuable right":

"Property. That which is peculiar or proper to any person; that which **belongs exclusively to one. In the strict legal sense, an aggregate of rights which are guaranteed and protected by the government.** *Fulton Light, Heat & Power Co. v. State*, 65 Misc.Rep. 263, 121 N.Y.S. 536. The term is said to extend to every species of valuable right and interest. More specifically, ownership; **the unrestricted and exclusive right to a thing;** the right to dispose of a thing in every legal way, to possess it, to use it, and to exclude everyone else from interfering with it. That dominion or indefinite right of particular things or subjects. The exclusive right of possessing, enjoying, and disposing of a thing. The highest right a man can have to anything; being used to refer to that right which one has to lands or tenements, goods or chattels, which no way depends on another man's courtesy.

The word is also commonly used to denote everything which is the subject of ownership; corporeal or incorporeal, tangible or intangible, visible or invisible, real or personal; everything that has an exchangeable value or which goes to make up wealth or estate. **It extends to every species of valuable right and interest, and includes real and personal property, easements, franchises, and incorporeal hereditaments, and includes every invasion of one's property rights by actionable wrong.** *Labberton v. General Cas. Co. of America*, 53 Wash.2d. 180, 332 P.2d. 250, 252, 254.

[. . .]

**Property within constitutional protection, denotes group of rights inhering in citizen's relation to physical thing, as right to possess, use and dispose of it.** *Cereghino v. State By and Through State Highway Commission*, 230 Or. 439, 370 P.2d. 694, 697."  
[Black's Law Dictionary, Sixth Edition, p. 1216]

Sovereign immunity can apply just as readily to governments as it can to individuals. A person who doesn't consent to any aspect of government civil jurisdiction and who has no legal "domicile" or "residence" within that government's jurisdiction is called a "foreign sovereign", and he or she or it is protected by the Foreign Sovereign Immunities Act found at 28 U.S.C. Part IV, Chapter 97:

**Foreign Sovereign Immunities Act (F.S.I.A.), 28 U.S.C. Part IV, Chapter 97**  
[http://assembler.law.cornell.edu/uscode/html/uscode28/usc\\_sup\\_01\\_28\\_10\\_IV\\_20\\_97.html](http://assembler.law.cornell.edu/uscode/html/uscode28/usc_sup_01_28_10_IV_20_97.html)

Under the principles of sovereign immunity, it is internationally and nearly universally recognized by every country and nation and court on earth that every nation or state or individual or group are entitled to sovereign immunity and may only surrender a portion of that sovereignty or natural right over their property by committing one or more acts within a list of specific qualifying acts. Any one of these acts then constitute the equivalent of "constructive or implicit consent" to the

jurisdiction of the courts within that forum or state. These qualifying acts include any of the following, which are a summary of those identified in the Foreign Sovereign Immunities Act above:

1. Being a “citizen” or “domiciliary” of the Forum or State in question. See [28 U.S.C. §1603\(b\)\(3\)](#).

*An “agency or instrumentality of a foreign state” means any entity—which is neither a citizen of a State of the United States as defined in section [1332](#) (c) and (d) of this title, nor created under the laws of any third country.*  
*[28 U.S.C. §1603(b)(3)]*

2. Foreign state has waived its immunity either explicitly or by implication, notwithstanding any withdrawal of the waiver which the foreign state may purport to effect except in accordance with the terms of the waiver. See [28 U.S.C. §1605\(b\)\(1\)](#).
3. Commercial Activity within the Forum or State. See [28 U.S.C. §1605\(b\)\(2\)](#).
  - 3.1. Action based upon a commercial activity carried on in the Forum or State by the foreign state; or
  - 3.2. Upon an act performed in the Forum or State in connection with a commercial activity of the foreign state elsewhere; or upon an act outside the territory of the Forum or State in connection with a commercial activity of the foreign state elsewhere and that act causes a direct effect in the Forum or State .
4. Rights to property taken in violation of international law. See [28 U.S.C. §1605\(b\)\(3\)](#).
  - 4.1. Rights in property taken in violation of international law are in issue and that property or any property exchanged for such property is present in the Forum or State in connection with a commercial activity carried on in the Forum or State by the foreign state; or
  - 4.2. That property or any property exchanged for such property is owned or operated by an agency or instrumentality of the foreign state and that agency or instrumentality is engaged in a commercial activity in the Forum or State.
5. Rights in property in the Forum or State acquired by succession or gift or rights in immovable property situated in the Forum or State are in issue. See [28 U.S.C. §1605\(b\)\(4\)](#).
6. Money damages for official acts of officials of foreign state which cause injury, death, damage, loss of property in the Forum or State. Not otherwise encompassed in paragraph 3 above in which money damages are sought against a foreign state for personal injury or death, or damage to or loss of property, occurring in the Forum or State and caused by the tortious act or omission of that foreign state or of any official or employee of that foreign state while acting within the scope of his office or employment. See [28 U.S.C. §1605\(b\)\(4\)](#). Except this paragraph shall not apply to:
  - 6.1. any claim based upon the exercise or performance or the failure to exercise or perform a discretionary function regardless of whether the discretion be abused, or
  - 6.2. any claim arising out of malicious prosecution, abuse of process, libel, slander, [misrepresentation](#), [deceit](#), or interference with contract rights;
7. Contracts between private party and foreign state: See [28 U.S.C. §1605\(b\)\(6\)](#). Action is brought, either to enforce an agreement made by the foreign state with or for the benefit of a private party to submit to arbitration all or any differences which have arisen or which may arise between the parties with respect to a defined legal relationship, whether contractual or not, concerning a subject matter capable of settlement by arbitration under the laws of the Forum or State, or to confirm an award made pursuant to such an agreement to arbitrate, if:
  - 7.1. The arbitration takes place or is intended to take place in the Forum or State,
  - 7.2. The agreement or award is or may be governed by a treaty or other international agreement in force for the Forum or State calling for the recognition and enforcement of arbitral awards,
  - 7.3. The underlying claim, save for the agreement to arbitrate, could have been brought in a Forum or State court under this section or section [1607](#), or (D) paragraph (1) of this subsection is otherwise applicable; or
8. Money damages for acts of terrorism by foreign state: Not otherwise covered by paragraph 3 in which money damages are sought against a foreign state for personal injury or death that was caused by an act of torture, extrajudicial killing, aircraft sabotage, hostage taking, or the provision of material support or resources (as defined in section [2339A](#) of title [18](#)) for such an act if such act or provision of material support is engaged in by an official, employee, or agent of such foreign state while acting within the scope of his or her office, employment, or agency. See [28 U.S.C. §1605\(b\)\(7\)](#). Except that the court shall decline to hear a claim under this paragraph:
  - 8.1. If the foreign state was not designated as a state sponsor of terrorism under section 6(j) of the Export Administration Act of 1979 ([50 App. U.S.C. 2405 \(j\)](#)) or section 620A of the Foreign Assistance Act of 1961 ([22 U.S.C. 2371](#)) at the time the act occurred, unless later so designated as a result of such act or the act is related to Case Number 1:00CV03110(EGS) in the Forum or State District Court for the District of Columbia; and
  - 8.2. Even if the foreign state is or was so designated, if—
    - 8.2.1. The act occurred in the foreign state against which the claim has been brought and the claimant has not afforded the foreign state a reasonable opportunity to arbitrate the claim in accordance with accepted international rules of arbitration; or

8.2.2. Neither the claimant nor the victim was a national of the Forum or State (as that term is defined in Section 101(a)(22) of the Immigration and Nationality Act) when the act upon which the claim is based occurred.

From the above list, two items are abused by your public servants more frequently than any others in order to unwittingly destroy your sovereignty, your inherent sovereign immunity, and to unlawfully expand their jurisdiction beyond the clear limits described by the United States Constitution:

1. Item 1: How they or you describe your citizenship and domicile. The federal government abuses their authority to write laws and print forms by writing them in such a vague way that they appear to create a presumption that you are a “citizen” with a legal domicile within their jurisdiction. They do this by:

1.1. Only offering you one option to describe your citizenship on their forms, which is a “U.S. citizen”. This creates a presumption that you are a statutory “U.S. citizen” pursuant to [8 U.S.C. §1401](#) who is domiciled within their exclusive jurisdiction. Since they don’t offer you the option to declare yourself a state citizen or state national, then most people wrongfully presume that there is no such thing or that they are not one, even though they are. See:

*Why You are a “national”, “state national”, and Constitutional but not Statutory Citizen*, Form #05.006  
<http://sedm.org/Forms/FormIndex.htm>

1.2. Using citizenship terms on their forms which are not described in any federal statute, such as “U.S. citizen”. This term is nowhere used in Title 8 of the U.S. Code. The only similar term is “citizen and national of the United States”, which is defined in [8 U.S.C. §1401](#).

2. Item 3: The government connects you to commerce within their legislative jurisdiction. They do this by:

2.1. Presuming that you are connected to commerce by virtue of using a Social Security Number or Taxpayer Identification Number.

2.2. Terrorizing and threatening banks and financial institutions to unlawfully coerce their customers insist on Social Security Numbers in criminal violation of [42 U.S.C. §408](#). Any financial account that has a federally issued number associated with it is presumed to be private properly donated to a public use in order to procure a privilege from the government, whether it be a tax deduction associated with a “trade or business” (public office) as described in [26 U.S.C. §162](#), or “social insurance” in the case of Socialist Security.

2.3. Making false, prejudicial, and unconstitutional presumptions about the meaning of the term “United States”, which is defined in [26 U.S.C. §7701](#)(a)(9) and (a)(10) as the District of Columbia in the context of Subtitle A of the Internal Revenue Code and nowhere expanded to include any area within the exclusive jurisdiction of a state of the Union. See:

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

Why are the above methods of waiving sovereign immunity and the rights of sovereignty associated with them nearly universally recognized by every country, court, and nation on earth? Because:

1. These rights come from God, and God is universally recognized by people and cultures all over the world.
2. Everyone deserves, needs, and wants as much authority, autonomy, and control over their own life and property as they can get, consistent with the equal rights of others. In other words, they have a right of being self-governing. Of this subject, one of our most revered Presidents, Teddy Roosevelt, said:

*“We of this mighty western Republic have to grapple with the dangers that spring from popular self-government tried on a scale incomparably vaster than ever before in the history of mankind, and from an abounding material prosperity greater also than anything which the world has hitherto seen.*

*As regards the first set of dangers, it behooves us to remember that men can never escape being governed. Either they must govern themselves or they must submit to being governed by others. If from lawlessness or fickleness, from folly or self-indulgence, they refuse to govern themselves then most assuredly in the end they will have to be governed from the outside. They can prevent the need of government from without only by showing they possess the power of government from within. A sovereign cannot make excuses for his failures; a sovereign must accept the responsibility for the exercise of power that inheres in him; and where, as is true in our Republic, the people are sovereign, then the people must show a sober understanding and a sane and steadfast purpose if they are to preserve that orderly liberty upon which as a foundation every republic must rest.”*

*[President Theodore Roosevelt; Opening of the Jamestown Exposition; Norfolk, VA, April 26, 1907]*

3. You cannot deserve or have a “right” to what you are not willing to give in equal measure to others. This is the essence of what Christians call “The Golden Rule”, which Jesus Himself revealed as follows:

1 "Therefore, whatever you want men to do to you, do also to them, for this is the Law and the Prophets."  
2 [Matt. 7:12, Bible, NKJV]

3 Everyone understands the concept of "explicit consent", because everyone understands the idea of exercising your right to  
4 contract in order to exchange some of your rights to obtain something you deem valuable. Usually, explicit consent requires  
5 a written contract of some kind in order to be enforceable against an otherwise "foreign sovereign". The part of the consent  
6 equation that most people have trouble with is the idea of "implied consent".

7 "Implied consent. That manifested by signs, actions, or facts, or by inaction or silence, which raise a presumption  
8 that the consent has been given. For example, when a corporation does business in a state it impliedly consents  
9 to be subject to the jurisdiction of that state's courts in the event of tortious conduct, even though it is not  
10 incorporated in that state. Most every state has a statute implying the consent of one who drives upon its highways  
11 to submit to some type of scientific test or tests measuring the alcoholic content of the driver's blood. In addition  
12 to implying consent, these statutes usually provide that if the result of the test shows that the alcohol content  
13 exceeds a specified percentage, then a rebuttable presumption of intoxication arises."  
14 [Black's Law Dictionary, Fifth Edition, pp. 276-277]

15 Below are some examples of "implied consent", to help illustrate this concept.

- 16 1. When a person in the course of business affairs or a nation in the presence of a treaty with another nation willingly  
17 tolerates a breach of contract or treaty, they give their silent consent to the violation and thereby surrender any rights  
18 which might have been encroached thereby.

19 Supposing this not to be a tax for inspection purposes, has Congress consented to its being laid? It is certain  
20 that Congress has not expressly consented. But is express consent necessary? There is nothing in the  
21 Constitution which says so. There is nothing in the practice of men, or in the Municipal Law of men, or in the  
22 practice of nations, or the Law of nations that says so. Silence gives consent, is the rule of business life. A  
23 tender of bank bills is as good as one of coin, unless the bills are objected to. To stand by, in silence, and see  
24 another sell your property, binds you. These are mere instances of the use of the maxim in the Municipal Law. In  
25 the Law of Nations, it is equally potent. Silent acquiescence in the breach of a treaty binds a Nation. ( Vattel,  
26 ch. 16, sec. 199, book 1. See book 2, sec. 142, et seq. as to usucaption and prescription, and sec. 208 as to  
27 ratification.

28 Express consent, then, not being necessary, is there any thing from which consent may be implied? There is-  
29 length of time. The Ordinance was passed the 24th of January, 1842, and has been in operation ever since. If  
30 Congress had been opposed to the Ordinance, it had but to speak, to be obeyed. It spoke not-it has never spoken:  
31 therefore, it has not been opposed to the Ordinance, but has been consenting to it.

32 4. Say, however, that Congress has not consented to the Ordinance, then the most that can be maintained is, that  
33 the Ordinance stands subject to "the revision and control of Congress." It stands a Law-a something susceptible  
34 of revision and control-not a something unsusceptible of revision and control as a void thing would be.  
35 [Padelford, Fay & Co. v. Mayor and Aldermen of City of Savannah, 14 Ga. 438, WL 1492 (1854)]

- 36 2. When a person drives in state, he consents to a blood-alcohol test if required by a police officer who has some probable  
37 cause to believe that he is intoxicated.
- 38 3. When a person commits a crime (violation of a criminal or penal code) on the territory of a foreign state and thereby  
39 injures the equal rights of fellow sovereigns, they are deemed implicitly consent to a surrender of their own rights. They  
40 do not need a domicile or residence on the territory of the sovereign in order to become subject to the criminal laws of  
41 that sovereign. This is because every nation, state, or foreign sovereign has an inherent and natural right of self-defense.  
42 Implicit in this right is the God-given authority to use whatever force is necessary to prevent an injury to their person,  
43 property, or liberty from the malicious or harmful acts of others.
- 44 4. When a man sticks his pecker in a hole, he is presumed by voluntarily engaging in such an act to consent to all the  
45 obligations arising out of such a "privilege". This includes implied consent to pay all child support obligations that might  
46 accrue in the future by virtue of such an act. Marriage licenses are the state's vain attempt to protect the owner of the  
47 hole from being injured by either irresponsible visitors or their poor discretion in choosing or allowing visitors, and not  
48 a whole lot more. In this context, as in nearly all other contexts, the government offers a privilege or "license" which  
49 essentially amounts to a form of "liability insurance". You can only benefit from the insurance program by voluntarily  
50 "signing up" when you make application to procure the license.
- 51 5. When a person avails themselves of a benefit or "privilege" offered by the government, they implicitly consent to be  
52 bound by all the obligations arising out of it.

53 CALIFORNIA CIVIL CODE  
54 DIVISION 3. OBLIGATIONS



PART 2. CONTRACTS  
CHAPTER 3. CONSENT  
Section 1589

1589. A voluntary acceptance of the benefit of a transaction is equivalent to a consent to all the obligations arising from it, so far as the facts are known, or ought to be known, to the person accepting.

Below are some examples of “benefits” that might fit this description, all of which amount to the equivalent of private insurance offered by what amounts to a for profit, government-owned corporation :

5.1. Social Security.

5.2. Medicare.

5.3. Unemployment insurance.

5.4. Federal employment. Anyone who exercises their right to contract in order to procure federal employment implicitly agrees to be bound by all of Title 5 of the United States Code.

5.5. Registering a vehicle. You are not required to register your vehicle in a state. Most people do it to provide added protection of their ownership over the vehicle. When they procure this privilege, they also confer upon the state the right to require those who drive the vehicle to use a license. A vehicle that is not so registered, and especially by a non-domiciled person, can lawfully be driven by such a person without the need for a driver’s license.

5.6. Professional licenses. A “license” is legally defined as permission by the state to do that which is otherwise illegal. A professional licenses is simply an official recognition of a person’s professional status. It is illegal to claim the benefits of that recognition unless you possess the license. The government has moral and legal authority to prevent you only from engaging in criminal and harmful behaviors, not ALL behaviors. Therefore, the only thing they can lawfully “license” are potentially harmful activities, such as manufacturing or selling alcohol, drugs, medical equipment, or toxic substances. Any other type of license, such as an attorney license, is a voluntary privilege that they cannot prosecute you for refusing to engage in.

5.7. Driver’s licenses. All states can only issue or require driver’s licenses of those domiciled in federal areas or territory within the exterior limit of the state. They cannot otherwise regulate the free exercise of a right. Since federal territory or federal areas are the only place where these legal rights do NOT exist, then this is the only place they can lawfully regulate the right to travel.

5.8. Statutory marriage. Most states have outlawed common law marriage. Consequently, the only way you can become subject to the family code in your state is to voluntarily procure a government license to marry.

When a foreign state explicitly (in writing) or implicitly (through their conduct) consents to the jurisdiction of a sister Forum or State, they are deemed to be “present” within that state legally, but not necessarily physically. Here is how the Ninth Circuit Court of Federal Appeals describes this concept:

*In International Shoe Co. v. Washington, 326 U.S. 310 (1945), the Supreme Court held that a court may exercise personal jurisdiction over a defendant consistent with due process only if he or she has "certain minimum contacts" with the relevant forum "such that the maintenance of the suit does not offend 'traditional notions of fair play and substantial justice.' " Id. at 316 (quoting Milliken v. Meyer, 311 U.S. 457, 463 (1940) ). Unless a defendant's contacts with a forum are so substantial, continuous, and systematic that the defendant can be deemed to be "present" in that forum for all purposes, a forum may exercise only "specific" jurisdiction - that is, jurisdiction based on the relationship between the defendant's forum contacts and the plaintiff's claim.*

[ . . . ]

*In this circuit, we analyze specific jurisdiction according to a three-prong test:*

- (1) The non-resident defendant must purposefully direct his activities or consummate some transaction with the forum or resident thereof; or perform some act by which he purposefully avails himself of the privilege of conducting activities in the forum, thereby invoking the benefits and protections of its laws;*
- (2) the claim must be one which arises out of or relates to the defendant's forum-related activities; and*
- (3) the exercise of jurisdiction must comport with fair play and substantial justice, i.e. it must be reasonable.*

*Schwarzenegger v. Fred Martin Motor Co., 374 F.3d. 797, 802 (9th Cir. 2004) (quoting Lake v. Lake, 817 F.2d. 1416, 1421 (9th Cir. 1987)). The first prong is determinative in this case. We have sometimes referred to it, in shorthand fashion, as the "purposeful availment" prong. Schwarzenegger, 374 F.3d. at 802. Despite its label, this prong includes both purposeful availment and purposeful direction. It may be satisfied by purposeful availment of the privilege of doing business in the forum; by purposeful direction of activities at the forum; or by some combination thereof.*

*[Yahoo! Inc. v. La. Ligue Contre Le Racisme Et L'Antisemitisme, 433 F.3d. 1199 (9th Cir. 01/12/2006)]*

Understanding the above concept is the key to unlocking what many freedom lovers instinctively regard as “the fraud of the income tax”. Most freedom lovers understand that the federal government has no territorial jurisdiction within states of the Union, but they simply do not understand where the lawful authority of federal courts derives to treat them as either “residents” as defined in [26 U.S.C. §7701\(b\)\(1\)\(A\)](#) or “U.S. persons” as defined in [26 U.S.C. §7701\(a\)\(30\)](#). The key to unraveling this puzzle is to understand that the courts are silently “presuming” that at some time in the past, you voluntarily availed yourself of a commercial federal “privilege” and thereby waived your sovereign immunity under [28 U.S.C. §1605\(a\)\(2\)](#). An example of how this waiver occurred is by signing up for the Social Security program on an SSA Form SS-5. When you signed up for that program:

1. You made a decision to conduct “commerce” within the legislative jurisdiction of the sovereign.
2. Pursuant to [28 U.S.C. §1605\(a\)\(2\)](#), you surrendered or “waived” sovereign immunity.
3. Your status changed from that of a “nonresident alien” as defined in [26 U.S.C. §7701\(b\)\(1\)\(B\)](#) to a “resident alien” as defined in [26 U.S.C. §7701\(b\)\(1\)\(A\)](#).
4. You became a legal “resident” who is “present” within the forum. A “resident” is a “res”, which is a legal thing, which is “identified” within the forum. You in essence “procured” a legal identity within the forum that the forum recognizes in the courts, even though you may never have been physically present or domiciled in the federal zone.
5. You made a decision to act in a representative capacity as a “public official” engaged in a “trade or business”. This person is a “trustee” of a Social Security Trust that is domiciled in the District of Columbia. Pursuant to [Federal Rule of Civil Procedure 17\(b\)](#), [26 U.S.C. §7701\(a\)\(39\)](#), and [26 U.S.C. §7408\(d\)](#), your effective domicile under the terms of the Social Security Franchise Agreement as an “agent” acting in a representative capacity for the “trust” that it creates then becomes the District of Columbia, regardless of where you physically reside.
6. You consented to the jurisdiction of the federal courts to supervise and administer the benefit for all.
7. You implicitly agreed to waive all rights that might otherwise have been injured in complying with the obligations arising out of the program:

*“The Government urges that **the Power Company is estopped to question the validity of the Act creating the Tennessee Valley Authority**, and hence that the stockholders, suing in the right of the corporation, cannot [297 U.S. 323] maintain this suit. .... **The principle is invoked that one who accepts the benefit of a statute cannot be heard to question its constitutionality. Great Falls Manufacturing Co. v. Attorney General, 124 U.S. 581; Wall v. Parrot Silver & Copper Co., 244 U.S. 407; St. Louis Casting Co. v. Prendergast Construction Co., 260 U.S. 469.**”*  
[Ashwander v. Tennessee Valley Auth., 297 U.S. 288 (1936)]

*“...when a State willingly accepts a substantial benefit from the Federal Government, it waives its immunity under the Eleventh Amendment and consents to suit by the intended beneficiaries of that federal assistance.”*  
[Papasan v. Allain, 478 U.S. 265 (1986)]

Use of a Social Security Number, in most cases, is all the evidence that the courts will usually need in order to conclude that you “voluntarily consent” to participate in the program. Consequently, either using an SSN or TIN or allowing others to use one against you without objecting constitutes what the courts would say is “prima facie evidence of consent” to be bound by the Social Security Act as well as all the provisions of the Internal Revenue Code, Subtitle A. These two “codes” form the essence of a “federal employment agreement” or “contract”, which all who receive government benefits become bound by. In essence, failure to deny evidence of consent creates a presumption of consent. This process is described in the legal field by the following names and you can also find it in Federal Rule of Civil Procedure 8(b)(6), which says that a failure to deny constitutes an admission for the purposes of meeting the burden of proving a fact:

1. Implied consent.
2. Constructive consent.
3. Tacit procurement.

*“**Procuration**.. Agency; proxy; the act of constituting another one’s attorney in fact. The act by which one person gives power to another to act in his place, as he could do himself. Action under a power of attorney or other constitution of agency. Indorsing a bill or note “by procuration” is doing it as proxy for another or by his authority. The use of the word *procuration* (usually, *per procuratione*, or abbreviated to *per proc.* or *p. p.*) on a promissory note by an agent is notice that the agent has but a limited authority to sign.*

*An express procuration is one made by the express consent of the parties. An implied or tacit procuration takes place when an individual sees another managing his affairs and does not interfere to prevent it. Procurations are also divided into those which contain absolute power, or a general authority, and those which give only a limited power. Also, the act or offence of procuring women for lewd purposes. See also *Proctor*.”*  
[Black’s Law Dictionary, Fifth Edition, pp. 1086-1087]

Notice the above phrase “act or offense of procuring women for lewd purposes”. This describes basically the act of hiring a WHORE, and that is EXACTLY what you become if condone or allow the government to do this to you, folks! This fact explains EXACTLY who Babylon the Great Harlot is as described in the Bible Book of Revelation. Babylon the Great Harlot is a symbol or metaphor for all those who are willing to trade their virtue, allegiance, or control over their property or liberty over to a government in exchange for a life of pleasure, ignorance, luxury, and irresponsibility. She is fornicating with “The Beast”, which is described in Revelation 19:19 as “the kings of the earth”, who today are our modern corrupted political rulers.

4. Retraxis by tacit procuration. This is where you withdraw your standing to claim rights in any matter as Plaintiff.

*“Retraxit. Lat. He has withdrawn. A retraxit is a voluntary renunciation by plaintiff in open court of his suit and cause thereof, and by it plaintiff forever loses his action. Virginia Concrete Co. v. Board of Sup'rs of Fairfax County, 197 Va. 821, 91 S.E.2d. 415, 419. It is equivalent to a verdict and judgment on the merits of the case and bars another suit for the same cause between the same parties. Datta v. Staab, 343 P.2d. 977, 982, 173 C.A.2d. 613. Under rules practice, this is accomplished by a voluntary dismissal. Fed.R.Civil P. 41(a).”*  
[Black's Law Dictionary, Fifth Edition, pp. 1183-1185]

The courts won't document and will vociferously avoid explaining or justifying these prejudicial presumptions about the use of government identifying numbers because if they did, then you would understand where their jurisdiction derives and withdraw yourself from it and destroy the only source of their jurisdiction. The courts also know that all “presumption” is a violation of due process that is unconstitutional if it undermines your Constitutional rights so they will never call it what it is because it will destroy most of their authority and importance. This is exhaustively explained in the following pamphlet:

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

Therefore, the above is just something you have to know and practical experience has taught us that this is the truth. If you would like to learn more about how the above process of how social security is used to lawfully deceive and enslave the legally ignorant and unsuspecting American “sheep” public at large, read the following fascinating and very enlightening document:

*Resignation of Compelled Social Security Trustee*, Form #06.002  
<http://sedm.org/Forms/FormIndex.htm>

Courts are not reluctant at all to recognize the principle of sovereign immunity in the context of foreign governments whose existence they officially recognize. They must do this because if they don't, they won't get any cooperation from these governments, which they frequently need in dealing with international problems. However, they are frequently *much less willing* to recognize the equally inherent and divinely inspired sovereignty of human beings because they don't want to interfere with their ability to con these people or entities into volunteering for their commercial insurance, license, franchise, and other scams described above. Earlier courts, however, were much more honorable and therefore willing to recognize this inherent sovereignty of human beings. Below is one often quoted example used within the freedom community:

*“The individual may stand upon his constitutional rights as a citizen. He is entitled to carry on his private business in his own way. **His power to contract is unlimited.** He owes no duty to the State or to his neighbor to divulge his business, or to open his doors to an investigation, so far as it may tend to criminate him. He owes no such duty to the State, since he receives nothing therefrom, beyond the protection of his life and property. His rights are such as existed by the law of the land long antecedent to the organization of the State, and can only be taken from him by due process of law, and in accordance with the Constitution. Among his rights are a refusal to incriminate himself, and the immunity of himself and his property from arrest or seizure except under a warrant of the law. He owes nothing to the public so long as he does not trespass upon their rights.”*  
[Hale v. Henkel, 201 U.S. 43, 74 (1906)]

Notice the sentence above: “His power to contract is unlimited.” The court is mistaken on this point. There is one area where this individual CANNOT contract, which is that he cannot contract with the government to surrender any of his rights. The Declaration of Independences says his rights are “unalienable”, which means they can't be bargained away in relation to the government through any commercial process, including a franchise agreement with the government:

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

1                   *"Unalienable. Inalienable; **incapable of being aliened, that is, sold and transferred.**"*  
2                   *[Black's Law Dictionary, Fourth Edition, p. 1693]*

3       Because the courts are self-interestedly engaging in a refusal to recognize the sovereignty, the sovereign immunity of We the  
4       People as human beings, and their inability to surrender or contract away their God given rights to the government, sometimes  
5       we have to twist their arms by using some of the following principles as the equivalent of "legal rhetoric", which principles  
6       are both rational and indisputable by all but possibly insane or STUPID people:

- 7       1.   In the United States, ALL sovereignty resides not in the government, but in the people.

8                   *"There is no such thing as a power of inherent sovereignty in the government of the United States...In this country*  
9                   *sovereignty resides in the people, and Congress can exercise no power which they have not, by their Constitution*  
10                  *entrusted to it. All else is withheld."*  
11                  *[Juilliard v. Greenman, 110 U.S. 421 (1884): ]*

12                  *"In the United States, sovereignty resides in the people...the Congress cannot invoke sovereign power of the*  
13                  *People to override their will as thus declared."*  
14                  *[Perry v. U.S., 294 U.S. 330 (1935)]*

- 15       2.   All powers of the federal and state governments derive from and are delegated by We the People through our state and  
16       federal constitutions.

17                  *"Sovereignty itself is, of course, not subject to law, for it is the author and source of law...While sovereign powers*  
18                  *are delegated to...the government, sovereignty itself remains with the people."*  
19                  *[Yick Wo v. Hopkins, 118 U.S. 356 (1886): ]*

20                  *"In common usage, the term 'person' does not include the sovereign, and statutes employing the word are*  
21                  *ordinarily construed to exclude it."*  
22                  *[Wilson v. Omaha Indian Tribe, [442 U.S. 653](#), 667 (1979)]*

- 23       3.   Every species of legislative power and authority that the government possesses is therefore explicitly delegated to it by  
24       We the People. This concept is called "enumerated powers" by the courts.  
25       4.   The People cannot delegate an authority that they themselves do not inherently possess.

26                  *"Derivativa potestas non potest esse major primitiva."<sup>135</sup>*  
27                  *The power which is derived cannot be greater than that from which it is derived."*  
28                  *[Bouvier's Law Dictionary Unabridged, 8<sup>th</sup> Edition, p. 2131]*

29                  *"Quod per me non possum, nec per alium."<sup>136</sup>*  
30                  *What I cannot do in person, I cannot do through the agency of another."*  
31                  *[Bouvier's Law Dictionary Unabridged, 8<sup>th</sup> Edition, pg. 2159]*

- 32       5.   The method by which people voluntarily consent to municipal civil laws is by choosing a domicile within the state or  
33       government and thereby nominating a "protector" who now has a legal right to enforce the payment of "tribute" or  
34       "protection money" in order to sustain the protection that was asked for.  
35       6.   Those who have not nominated a protector by voluntarily choosing a domicile within the state thereby reserve ALL their  
36       natural rights.  
37       7.   Since governments inherently possess "sovereign immunity", then We the People must also possess that authority,  
38       because the government cannot have any authority that the people did not, by their Constitution and their choice of  
39       domicile, delegate to it.  
40       8.   The foundation of the Constitution is the notion of equal protection of the law, whereby all are equal under the law. This  
41       concept is documented, for instance, in section 1 of the Fourteenth Amendment. This notion carries with it the  
42       requirement that every "person" has equal rights under the law:  
43       8.1. The only way that rights can be "unequal" within any given population is for you to consensually give up some of  
44       them, for instance, by procuring some government "privilege".  
45       8.2. If the government is treating you differently than someone else, by, for instance, making you pay more money for  
46       the same service that someone else is paying for, then it is engaging in unequal protection. Therefore, it is safe to

<sup>135</sup> Wing. Max. 36: Pinch. Law, b. 1. c. 3, p. 11.

<sup>136</sup> 4 Co. 24 b: 11 id. 87 a.

conclude that this service has nothing to do with protection and is a private, for-profit government business not authorized by the Constitution.

If you would like to learn more about the above summation, we enthusiastically endorse the following excellent FREE electronic book which exhaustively and constitutionally analyzes all of these concepts:

*Treatise on Government*, Joel Tiffany, 1867  
<http://famguardian.org/Publications/TreatiseOnGovernment/TreatOnGovt.pdf>

The notion of sovereign immunity also provides a way to explain how the principle of federalism works:

1. States of the Union qualify as “foreign states” and “foreign sovereigns” in relation to the federal government.
2. “Citizens” and municipalities within these foreign states” and “foreign sovereigns” may be described as “instrumentalities of a foreign state”, by virtue of the fact that they directly administer the affairs of the foreign state they occupy as voters and jurists and “taxpayers”.

[TITLE 28](#) > [PART IV](#) > [CHAPTER 97](#) > § 1603  
[§ 1603. Definitions](#)

*For purposes of this chapter—*

- (a) A “foreign state”, except as used in section 1608 of this title, includes a political subdivision of a foreign state or an agency or instrumentality of a foreign state as defined in subsection (b).
- (b) An “agency or instrumentality of a foreign state” means any entity—
- (1) which is a separate legal person, corporate or otherwise, and
  - (2) which is an organ of a foreign state or political subdivision thereof, or a majority of whose shares or other ownership interest is owned by a foreign state or political subdivision thereof, and
  - (3) which is neither a citizen of a State of the United States as defined in section 1332 (c) and (d) of this title, nor created under the laws of any third country.

3. The Supreme Court recognized how “citizens” administer the government they created and continue to sustain with their tax dollars and as voters and jurists when they said:

*“The words ‘people of the United States’ and ‘citizens,’ are synonymous terms, and mean the same thing. **They both describe the political body who, according to our republican institutions, form the sovereignty, and who hold the power and conduct the government through their representatives.** They are what we familiarly call the ‘sovereign people,’ and every citizen is one of this people, and a constituent member of this sovereignty. ...”*

*[Boyd v. State of Nebraska, 143 U.S. 135 (1892)]*

4. When these “foreign states” and “foreign sovereigns” wish to cooperate in achieving a common goal, they may voluntarily band together and under the principles of “comity”, may enact laws prescribing and recognizing these international agreements:

*“comity. Courtesy; complaisance; respect; a willingness to grant a privilege, not as a matter of right, but out of deference and good will. Recognition that one sovereignty allows within its territory to the legislative, executive, or judicial act of another sovereignty, having due regard to rights of its own citizens. Nowell v. Nowell, Tex.Civ.App., 408 S.W.2d. 550, 553. In general, principle of “comity” is that courts of one state or jurisdiction will give effect to laws and judicial decisions of another state or jurisdiction, not as a matter of obligation, but out of deference and mutual respect. Brown v. Babbitt Ford, Inc., 117 Ariz. 192, 571 P.2d. 689, 695. See also Full faith and credit clause.”*

*[Black’s Law Dictionary, Sixth Edition, p. 267]*

5. Federalism simply describes the principle whereby:
  - 5.1. No one of these co-equal sovereign and foreign states may exercise legislative jurisdiction within the borders of a fellow foreign state.
  - 5.2. When jurisdiction is asserted within one of these states by the federal government, then explicit proof consent must be produced in some form in order for the courts to enforce the legal rights or activities that it is regulating or administering. This is consistent with item [28 U.S.C. §1605\(b\)\(1\)](#) within the Foreign Sovereign Immunities Act (F.S.I.A.), which says that states may surrender their sovereign immunity by their consent.
  - 5.3. The consent required to be demonstrated under the principles of federalism can be either explicit (in writing or by legislative enactment) or implicit (by their conduct). For example, when a foreign state of the Union engages in



1 interstate commerce, it is “presumed” pursuant to Article 1, Section 8, Clause 3 of the constitution to have  
2 “consented” to the jurisdiction of the federal government to regulate said commerce and to obey all enactments of  
3 Congress which might lawfully regulate said commerce. Here is how the U.S. Supreme Court described this  
4 concept:

5 “Recognition of the congressional power to render a State suable under the FELA does not mean that the  
6 immunity doctrine, as embodied in the Eleventh Amendment with respect to citizens of other States and as  
7 extended to the State's own citizens by the Hans case, is here being overridden. It remains the law that a State  
8 may not be sued by an individual without its consent. Our conclusion is simply that Alabama, when it began  
9 operation of an interstate railroad approximately 20 years after enactment of the FELA, necessarily consented  
10 to such suit as was authorized by that Act. By adopting and ratifying the Commerce Clause, the States empowered  
11 Congress to create such a right of action against interstate railroads; by enacting the FELA in the exercise of  
12 this power, Congress conditioned the right to operate a railroad in interstate commerce upon amenability to suit  
13 in federal court as provided by the Act; by thereafter operating a railroad in interstate commerce, Alabama must  
14 be taken to have accepted that condition and thus to have consented to suit.”  
15 [*Parden v. Terminal R. Co.*, 377 U.S. 184 (1964)]

## 16 **13.2 Franchises cause a FORFEITURE of the protections of the common law**

17 All franchises cause a forfeiture of the protections of the common law. Here is one authority on the subject:

18 *It is provided by the Federal Constitution<sup>137</sup> that: "The citizens of each State shall be entitled to all privileges and*  
19 *immunities of citizens in the several States."*

20 *This clause [Article 4, Section 2, Clause 1 of the United States Constitution] (hereafter called for the sake of*  
21 *convenience the Comity Cause<sup>138</sup>), it was said by Alexander Hamilton, may be esteemed the basis of the Union.<sup>139</sup>*  
22 *Its object and effect are outlined in Paul v. Virginia<sup>140</sup> in the following words:*

23 *It was undoubtedly the object of the clause in question to place the citizens of each State upon the same footing*  
24 *with citizens of other States, so far as the advantages resulting from citizenship in those States are concerned. It*  
25 *relieves them from the disabilities of alienage in other States; it inhibits discriminating legislation against them*  
26 *by other States; It gives them the right of free ingress into other States and egress from them. It insures to them*  
27 *in other States the same freedom possessed by the citizens of those States in the acquisition and enjoyment of*  
28 *property and in the pursuit of happiness; and it secures to them in other States the equal protection of the laws.*  
29 *It has been justly said that no provision in the Constitution has tended so strongly to constitute the citizens of*  
30 *the United States one people as this. Indeed, without some provision of the kind removing from the citizens of*  
31 *each State the disabilities of alienage in the other States, the Republic would have constituted little more than*  
32 *a league of States; it would not have constituted the Union which now exists.*

33 *The words "privileges" and "immunities," like the greater part of the legal phraseology of this country, have been*  
34 *carried over from the law of Great Britain, and recur constantly either as such or in equivalent expressions from*  
35 *the time of Magna Charta. For all practical purposes they are synonymous in meaning, and originally signified*  
36 *a peculiar right or private law conceded to particular persons or places whereby a certain individual or class of*  
37 *individuals was exempted from the rigor of the common law. Privilege or immunity is conferred upon any person*  
38 *when he is invested with a legal claim to the exercise of special or peculiar rights, authorizing him to enjoy some*  
39 *particular advantage or exemption.<sup>141</sup>*

40 *The Comity Clause, as is indicated by the quotation from Paul v. Virginia, was primarily intended to remove the*  
41 *disabilities of alienage from the citizens of every State while passing through or doing business in any of the*  
42 *several States. But even without this removal of disability, the citizens of the several States would have been*  
43 *entitled to an enjoyment of the privileges and immunities accorded to alien friends; and these were by no means*  
44 *inconsiderable at the English law. In the early period of English history practically the only class of aliens of*  
45 *any importance were the foreign merchants and traders. To them the law of the land afforded no protection; for*  
46 *the privilege of trading and for the safety of life and limb they were entirely dependent on the royal favor, the*  
47 *control of commerce being a royal prerogative, hampered by no law or custom as far as concerned foreign*  
48 *merchants. These could not come into or leave the country, or go from one place to another, or settle in any town*

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<sup>137</sup> Art. 4, sec. 2, cl. I.

<sup>138</sup> Willoughby, Constitutional Law, vol. I, p. 213.

<sup>139</sup> The Federalist, No. LXXX.

<sup>140</sup> 8 Wall. 168, 19 L.Ed. 357.

<sup>141</sup> See Magill v. Browne, Fed.Cas. No. 8952, 16 Fed.Cas. 408; 6 Words and Phrases, 5583, 5584; A J. Lien, “Privileges and Immunities of Citizens of the United States,” in Columbia University Studies in History, Economics, and Public Law, vol. 54, p. 31.

for purposes of trading, or buy and sell, except upon the payment of heavy tolls to the king. This state of affairs was changed by Magna Charta, chapter forty-one. . .

[The Privileges and Immunities of State Citizenship, Roger Howell, PhD, 1918, pp. 9-10;  
SOURCE: [http://famguardian.org/Publications/ThePrivAndImmOfStateCit/The\\_privileges\\_and\\_immunities\\_of\\_state\\_c.pdf](http://famguardian.org/Publications/ThePrivAndImmOfStateCit/The_privileges_and_immunities_of_state_c.pdf)]

NOTE the following VERY important facts which arise from the above:

1. They refer to franchise "privileges and immunities" as "private law", meaning obligatory ONLY upon those who contract with the government individually BY CONSENT.
2. **They indicate that those who avail themselves of franchise "privileges" FORFEIT the protections of the common law.** In other words, their "employment agreement", codified in the franchise, REPLACES the equality and equal protection they started with under the common law and the Constitution and REPLACES equal protection with PRIVILEGE and inferiority in relation to the government grantor of the statutory franchise.
3. Citizens, meaning those domiciled WITHIN one state, are STATUTORY "aliens" in relation to every other state of the Union.
4. "Alienage" is a product of DOMICILE and not NATIONALITY, because every citizen of every state shares United States\*\*\* NATIONALITY.
5. The ALIENAGE is a STATUTORY relationship tied to domicile and NOT a CONSTITUTIONAL alienage tied to nationality.
6. The Comity clause **removes** the **DISABILITIES OF ALIENAGE** but NOT STATUTORY ALIENAGE itself.
7. There IS no "comity clause" that limits the FEDERAL government in relation to federal territories. Hence, state citizens are ALSO "foreign", and "transient foreigners" in relation to these areas and may LAWFULLY be discriminated against by the NATIONAL government. In fact they ARE in the Internal Revenue Code, because:
  - 7.1. They are not statutory "aliens" under any act of Congress.
  - 7.2. They are "nonresident aliens" under 26 U.S.C. §7701(b)(1)(B) if they lawfully occupy an elected or appointed public office. Otherwise, they are:
    - 7.2.1. STATUTORY "non-resident non-persons" instead of STATUTORY "U.S. citizens" per 26 U.S.C. §3121(e).
    - 7.2.2. Exclusively private.
    - 7.2.3. Not subject and foreign under the Internal Revenue Code, but also not an "exempt individual" under 26 U.S.C. §7701(b)(5).
  - 7.3. If they are public officers in the national government ONLY, they pay a FLAT 30% rate per 26 U.S.C. §871(a) instead of a reduced GRADUATED rate found in 26 U.S.C. §1.  
[http://www.law.cornell.edu/uscode/html/uscode26/usc\\_sec\\_26\\_00000871----000-.html](http://www.law.cornell.edu/uscode/html/uscode26/usc_sec_26_00000871----000-.html)
8. All "individuals" in the I.R.C. are statutory "aliens". 26 C.F.R. §1.1441-1(c)(3), which therefore implies state or foreign domiciled parties ONLY. There is only one exception, in which 26 U.S.C. §911(d) allows STATUTORY "citizens of the United States\*\*" when temporarily abroad but domiciled in the federal zone to be treated as statutory "individuals". Otherwise, STATUTORY "citizens" cannot be statutory "individuals".
9. The "individual" identified at the top of the 1040 form as "U.S. individual" is a STATUTORY ALIEN, meaning anyone born or naturalized outside of federal territory defined in 26 U.S.C. §7701(a)(9) and (a)(10) and 4 U.S.C. §110(d).

The conclusions are COMPLETELY CONSISTENT with the following resources, which identify state domiciled parties as STATUTORY "non-resident NON-persons" in relation to the national government:

1. Why You are a "national", "state national", and Constitutional but not Statutory Citizen, Form #05.006  
<http://sedm.org/Forms/FormIndex.htm>
2. Citizenship Status v. Tax Status, Form #10.011  
<http://sedm.org/Forms/FormIndex.htm>
3. Citizenship Diagrams, Form #10.010  
<http://sedm.org/Forms/FormIndex.htm>

### **13.3 Franchises transform ownership of property from "absolute" to "qualified" ownership**

Those who sign up for franchises in effect donate formerly PRIVATE property to a PUBLIC use, public purpose, and public office. This donation process converts their ownership of the property from "absolute" to "qualified". This can be seen from the definition of "ownership" in Black's Law Dictionary:

Ownership. Collection of rights to use and enjoy property, including right to transmit it to others. Trustees of Phillips Exeter Academy v. Exeter, 92 N.H. 473, 33 A.2d. 665, 673. The complete dominion, title, or proprietary right in a thing or claim. The entirety of the powers of use and disposal allowed by law.

The right of one or more persons to possess and use a thing to the exclusion of others. The right by which a thing belongs to someone in particular, to the exclusion of all other persons. The exclusive right of possession, enjoyment, and disposal; involving as an essential attribute the right to control, handle, and dispose.

**Ownership of property is either absolute or qualified. The ownership of property is absolute when a single person has the absolute dominion over it, and may use it or dispose of it according to his pleasure, subject only to general laws. The ownership is qualified when it is shared with one or more persons, when the time of enjoyment is deferred or limited, or when the use is restricted. Calif. Civil Code, §§678-680.**

There may be ownership of all inanimate things which are capable of appropriation or of manual delivery; of all domestic animals; of all obligations; of such products of labor or skill as the composition of an author, the goodwill of a business, trademarks and signs, and of rights created or granted by statute. Calif. Civil Code, §655.

In connection with burglary, "ownership" means any possession which is rightful as against the burglar.

See also Equitable ownership; Exclusive ownership; Hold; Incident of ownership; Interest; Interval ownership; Ostensible ownership; Owner; Possession; Title.  
[Black's Law Dictionary, Sixth Edition, p. 1106]

The above definition refers to California Civil Code, §§678-680, which says:

California Civil Code  
Section 678-703

678. The ownership of property is either:

1. Absolute; or,
2. Qualified.

679. The ownership of property is absolute when a single person has the absolute dominion over it, and may use it or dispose of it according to his pleasure, subject only to general laws.

680. The ownership of property is qualified:

1. When it is shared with one or more persons;
2. When the time of enjoyment is deferred or limited;
3. When the use is restricted.

681. The ownership of property by a single person is designated as a sole or several ownership.

682. The ownership of property by several persons is either:

1. Of joint interest;
2. Of partnership interests;
3. Of interests in common;
4. Of community interest of husband and wife.

[SOURCE: <http://leginfo.legislature.ca.gov/faces/codes.xhtml>]

So there are only TWO ways to have or to hold property:

1. ABSOLUTE ownership by a SINGLE person.
2. QUALIFIED ownership by MULTIPLE persons.

If you as a human being start out as what the above statute says is a "single person" and you then contract away some interest or right in the property by signing up for a franchise, which is a contract, then your ownership over the property converts from "absolute" to "qualified" and the ownership is now vested in what the above calls "several persons". Note, for instance, the instances in which "several persons" can own property, and that ALL of them are a product of your right to contract:

**Table 15: How property ownership transitions from ABSOLUTE to QUALIFIED by exercising your right to contract**

#	Owner	Contract that transitioned ownership from "Absolute" to "Qualified"
1	Single	Not applicable
2	Joint interest	Contract between the parties.
3	Partnership interest	Contract between the partners.
4	Interests in common	Social compact that implements the civil law. Example: Public park or building.
5	Community interest of husband and wife	Marriage contract.

So we can see from the above table that ALL of the instances where property ownership transitions from ABSOLUTE to QUALIFIED involves the MANDATORY exercise of your unalienable right to contract.

AFTER you have contracted away some interest in your otherwise PRIVATE, ABSOLUTELY OWNED property, you have what is called a "moiety":

*"Moiety (moy-a-tee). 1. A half of something (such as an estate). 2. A portion less than half; a small segment. 3. In customs law, a payment made to an informant who assists the seizure of contraband."*  
*[Black's Law Dictionary, Seventh Edition, p. 1021]*

If the two parties to the moiety are a PRIVATE human and a PUBLIC government, the property changes character from PRIVATE to PUBLIC and thereby becomes subject to government control, taxation, and regulation. It would otherwise NOT be subject to government control, taxation, or regulation because the legal definition of "ownership" itself implies the right to EXCLUDE any and all others from using, benefitting from, or controlling the use of the property.

An example of "absolute ownership" is "fee simple" ownership of land. Here is the definition of "fee simple":

*Fee simple. Typically, words "fee simple" standing alone create an absolute estate in devisee [the person to whom the interest is conveyed] and such words followed by a condition or special limitation create a defeasible fee.*  
*Babb v. Rand, Me., 345 A.2d. 496, 498.*

*Absolute. A fee simple absolute is an estate limited absolutely to a person and his or her heirs and assigns forever without limitation or condition. An absolute or fee-simple estate is one in which the owner is entitled to the entire property, with unconditional power of disposition during one's life, and descending to one's heirs and legal representatives upon one's death intestate. Such estate is unlimited as to duration, disposition, and descendibility.*  
*Slayden v. Hardin, 257 Ky. 685, 79 S.W.2d. 11,12.*

*The estate which a man has where lands are given to him and to his heirs absolutely without any end or limit put to his estate. 2 Bl.Comm. 106. The word "fee," used alone, is a sufficient designation of this species of estate, and hence "simple" is not a necessary part of the title, but it is added as a means of clearly distinguishing this estate from a fee-tail or from any variety of conditional estates. Fee-simple signifies a pure fee; an absolute estate of inheritance clear of any condition or restriction to particular heirs, being descendible to the heirs general, whether male or female, lineal or collateral. It is the largest estate and most extensive interest that can be enjoyed in land.*

*Conditional. Type of transfer in which grantor conveys fee simply on condition that something be done or not done. A defeasible fee which leaves grantor with right of entry for condition broken, which right may be exercised by some action on part of grantor when condition is breached.*

*At common law an estate in fee simple conditional was a fee limited or restrained to some particular heirs, exclusive of others. But the statute "De donis" converted all such estates into estates tail. 2 Bl.Comm. 110.*

*Defeasible. Type of fee grant which may be defeated on the happening of an event. An estate which may last forever, but which may end upon the occurrence or nonoccurrence of a specified event, is a "fee simple defeasible". Newbern v. Barnes, 3 N.C.App. 521, 165 S.E.2d. 526, 530.*

*Determinable. A "fee simple determinable" is created by conveyance which contains words effective to create a fee simple and, in addition, a provision for automatic expiration of estate on occurrence of stated event. Selectmen of Town of Nahant v. U.S., D.C.Mass., 293 F.Supp. 1076, 1978.*  
*[Black's Law Dictionary, Sixth Edition, pp. 615-616]*

Devisee / d:wayziy /. The person to whom lands or other real property are devised or given by will. In the case of a devise to an existing trust or trustee, or to a trustee on trust described by will, the trust or trustee is the devisee and the beneficiaries are not devisees. Uniform Probate Code, §1-201(8).

Residuary devisee. The person named in a will, who is to take all the real property remaining over and above the other devises.  
[Black's Law Dictionary, Sixth Edition, p. 453]

Some people call “fee simple” ownership “allodial title”. The Torrens Act System of land registration is a franchise for the following reasons:

1. It provides the franchise “benefit” of protection and perfection of land title.
2. It facilitates commercial viability of title.
3. It facilitates a system of title insurance by title companies.
4. It changed ownership from “fee simple” to “qualified ownership” by multiple persons, in which the state becomes co-owner.
5. It conveyed the “fee” for the land to the county and equitable title to the registered owner. That is why:
  - 5.1. The deeds filed under this system are called “deeds of trust”: because the trustee is the county, who is the fee owner.
  - 5.2. The county can enact codes to regulate building of houses, conduct inspections of the property, and issue building permits.
  - 5.3. The county can take the property for non-payment of property taxes.

Below is a tabular comparison of how registration of land changes its character and ownership:

**Table 16: Effect of land registration**

#	Characteristic	BEFORE land registration	AFTER Torrens Act land registration
1	Status of property	Exclusively PRIVATE property	PUBLIC property subject government regulation
2	Property called	“Land”	“Real Estate” (all “Real Estate” is absolutely owned by the government and people living on it are “tenants” with a “qualified or equitable interest”)
3	Type of ownership	“Fee simple”	Shared (“Interest in common”, California Civil Code, §682, Para. 3)
4	Absolute owner	Human being	Government
5	Qualified owner	None	Human being
6	Number of owners	1	2

Therefore, “registration” of ANY property ALWAYS converts SINGLE ABSOLUTE ownership into MULTIPLE QUALIFIED ownership. Those who do not wish to accomplish conversion must RECORD the transaction with the county recorder instead of REGISTER it.

When human beings are born, they start out as what the U.S. Supreme Court refers to as “exclusively private” and therefore beyond the civil control of the government. Under natural law, they own themselves and no one has a qualified interest in their labor or their body.

*When one becomes a member of society, he necessarily parts with some rights or privileges which, as an individual not affected by his relations to others, he might retain. "A body politic," as aptly defined in the preamble of the Constitution of Massachusetts, "is a social compact by which the whole people covenants with each citizen, and each citizen with the whole people, that all shall be governed by certain laws for the common good." This does not confer power upon the whole people to control rights which are purely and exclusively private, Thorpe v. R. & B. Railroad Co., 27 Vt. 143; but it does authorize the establishment of laws requiring each citizen to so conduct himself, and so use his own property, as not unnecessarily to injure another. This is the very essence of government, and 125\*125 has found expression in the maxim sic utere tuo ut alienum non laedas. From this source come the police powers, which, as was said by Mr. Chief Justice Taney in the License Cases, 5 How. 583, "are nothing more or less than the powers of government inherent in every sovereignty, . . . that is to say, . . . the power to govern men and things." Under these powers the government regulates the conduct of its citizens one towards another, and the manner in which each shall use his own property, when such*



1 regulation becomes necessary for the public good. In their exercise it has been customary in England from time  
2 immemorial, and in this country from its first colonization, to regulate ferries, common carriers, hackmen, bakers,  
3 millers, wharfingers, innkeepers, &c., and in so doing to fix a maximum of charge to be made for services  
4 rendered, accommodations furnished, and articles sold. To this day, statutes are to be found in many of the States  
5 upon some or all these subjects; and we think it has never yet been successfully contended that such legislation  
6 came within any of the constitutional prohibitions against interference with private property. With the Fifth  
7 Amendment in force, Congress, in 1820, conferred power upon the city of Washington "to regulate . . . the rates  
8 of wharfage at private wharves, . . . the sweeping of chimneys, and to fix the rates of fees therefor, . . . and the  
9 weight and quality of bread," 3 Stat. 587, sect. 7; and, in 1848, "to make all necessary regulations respecting  
10 hackney carriages and the rates of fare of the same, and the rates of hauling by cartmen, wagoners, carmen, and  
11 draymen, and the rates of commission of auctioneers," 9 id. 224, sect. 2.  
12 [Munn v. Illinois, 94 U.S. 113 (1876),  
13 SOURCE: [http://scholar.google.com/scholar\\_case?case=6419197193322400931/](http://scholar.google.com/scholar_case?case=6419197193322400931/)]

14 The federal government has gotten around the above restriction through the Social Security Administration Enumeration At  
15 Birth Program, in which the baby just born is essentially donated a public use and "elected" into public office within the  
16 Social Security franchise. In essence, human flesh is being donated to the state for its purposes and ownership over that flesh  
17 changes from ABSOLUTE to QUALIFIED. Here is how this works out in a practical everyday life:

Social Security: Mark of the Beast, Form #11.407  
<http://sedm.org/Forms/FormIndex.htm>

18 To simplify and summarize the concepts within this section:

- 19 1. All property starts out as EXCLUSIVELY PRIVATE and beyond the civil control of the government. It is held as  
20 SINGLE ABSOLUTE ownership.
- 21 2. The exercise of your right to contract converts single ABSOLUTE ownership into QUALIFIED or SHARED  
22 ownership.
- 23 3. If the other party to the contract is a government, such as in the case of franchises (providing "benefits"):  
24 3.1. The character of the property changes from PRIVATELY OWNED to PUBLICLY OWNED.  
25 3.2. The owner with LEGAL (absolute) title becomes the government, who has the right to sell that property and  
26 deprive the OTHER party to the contract of any one or more of the "benefits" of the property.  
27 3.3. The formerly private party who signed up for the franchise "benefits" becomes co-owner with EQUITABLE  
28 (qualified) title rather than LEGAL title.
- 29 4. The process of contracting or accepting the "benefits" of government franchises is often completely invisible to the  
30 average American. The statutes, regulations, and forms that implement the franchises often deliberately fail to give the  
31 constitutionally required "reasonable notice"<sup>142</sup> of the following facts:  
32 4.1. That participation is voluntary and can lawfully be avoided.  
33 4.2. HOW participation can be avoided.  
34 4.3. What administrative forms and procedures are available to those who do not wish to participate in the franchise.  
35 4.4. That you cannot be administratively penalized if you refuse to participate because not subject to the provisions of  
36 the franchise.
- 37 5. If there is no ABSOLUTE ownership, then there are no RIGHTS, but only PRIVILEGES disguised to LOOK like  
38 rights.
- 39 6. If the ONLY method a so-called "government" provides to protect property is to impose the precondition that the  
40 owner must convert ABSOLUTE ownership into QUALIFIED ownership and donate a portion of it to a PUBLIC USE  
41 before they will protect it, then:  
42 6.1. There IS no PRIVATE property. PRIVATE rights and PRIVATE property have effectively been outlawed and  
43 even criminalized. AND  
44 6.2. The government so created is a socialist government. AND  
45 6.3. The government is de facto, because it was created to PROTECT PRIVATE rights and refuses to even recognize  
46 their existence. By PRIVATE, we mean "ABSOLUTE OWNERSHIP".

47 The above explains why:

- 48 1. The Bible says God owns the WHOLE Earth. [Psalm 89:11-13](#), [Isaiah 45:12](#), [Deuteronomy 10:14](#).

<sup>142</sup> See the following SEDM form for detailed treatment of "reasonable notice": [Requirement for Reasonable Notice](#), Form #05.022;  
<http://sedm.org/Forms/FormIndex.htm>.

2. Platonism and Greek philosophy identifies matter as inherently evil: because it is most often used to enslave people and destroy liberty.
3. Franchises are based on using matter to enslave people.
4. God said you shouldn't be worried about tomorrow: Because it will cause you to covet your neighbor's earnings and contract away all your rights and sovereignty to Caesar to procure security that ONLY HE can genuinely provide. Matt. 6:25-34.

#### **Do Not Worry**

*"Therefore I say to you, do not worry about your life, what you will eat or what you will drink; nor about your body, what you will put on. Is not life more than food and the body more than clothing? <sup>26</sup> Look at the birds of the air, for they neither sow nor reap nor gather into barns; yet your heavenly Father feeds them. Are you not of more value than they? <sup>27</sup> Which of you by worrying can add one cubit to his stature?"*

*"So why do you worry about clothing? Consider the lilies of the field, how they grow: they neither toil nor spin; and yet I say to you that even Solomon in all his glory was not arrayed like one of these. Now if God so clothes the grass of the field, which today is, and tomorrow is thrown into the oven, will He not much more clothe you, O you of little faith?"*

*"Therefore do not worry, saying, 'What shall we eat?' or 'What shall we drink?' or 'What shall we wear?' For after all these things the Gentiles seek. For your heavenly Father knows that you need all these things. But seek first the kingdom of God and His righteousness, and all these things shall be added to you. Therefore do not worry about tomorrow, for tomorrow will worry about its own things. Sufficient for the day is its own trouble. [Matt. 6:25-34, Bible, NKJV]"*

5. Confucius said the following:

*"The more you want, the more the world can hurt you."  
[Confucius]*

The Bible is a franchise where God grants temporary conditional use of HIS property, which is the Earth, to us as His trustees. The use of His property makes us AND all governments into His trustees and public officers of the Kingdom of Heaven, which is a corporation franchise. That's the foundation of the dominium mandate found in the Bible book of Genesis, in which God commands Adam and Eve to subdue the Earth and multiply under His exclusive direction as the owner of the property He granted temporarily to them.

### **13.4 Franchises create a "res" and place its situs or domicile on federal territory**

This section is designed to instruct the reader that:

1. All rights as illustrated in the Constitution are actually your property.
2. The government cannot take your property without just compensation and due process of law.
3. Participation in all franchises causes the domicile of the "res" created by the franchise to be located on federal territory, and that this "res" consists of a "public office" within the government granting the franchise.
4. The easiest way for the government to STEAL your property and your rights are to trick you into voluntarily but falsely declaring a domicile where rights do not exist, which is on federal territory.

As we have already established, all franchises are based upon a grant of government property by the government GRANTOR to the applicant or beneficiary of the franchise. The practical effect upon that grant of property is to change what courts call "the choice of law" of any disputes to the domicile of the GRANTOR/CREDITOR of the franchise, rather than the BENEFICIARY/DEBTOR.

*"There is one principle which permeates the law of "NonResidents and Foreign Corporations," so far as it treats of the relation of debtor and creditor. That principle is that, when debtor and creditor are residents of different states, the situs of the debt is the creditor's residence and not the debtor's residence ; the creditor's state has jurisdiction over the debt and the debtor's state has not. The result is that the creditor's state has the power to tax the debt or to discharge it by operation of law; but the debtor's state has not this power, because it has not jurisdiction of the debt. Among discharges by operation of law may be mentioned discharges under state limitation laws, and discharges under state garnishee laws. In these cases, when the debtor and creditor are citizens of different states, the better view is that the creditor's state has the power and the debtor's state has not the power to discharge the debt. So, in the case of discharges under state insolvent laws, it is ,well settled that*

1 the debtor's state has no jurisdiction over a debt due to a non-resident creditor, and that therefore a discharge is  
2 void as against a non-resident and nonconsenting creditor."  
3 [A Treatise on the Law of Non-Residents and Foreign Corporations as Administered in The State and Federal  
4 Courts of the United States, Conrad Reno, 1892, p. vi]

#### 5 **13.4.1 PRIVATE rights are protected by DUE PROCESS**

6 The Constitution of the United States of America recognizes and protects but does not CREATE our natural rights, which we  
7 also call PRIVATE rights in this document:

8 "Surely the matters in which the public has the most interest are the supplies of food and clothing; yet can it be  
9 that by reason of this interest the state may fix the price at which the butcher must sell his meat, or the vendor of  
10 boots and shoes his goods? Men are endowed by their Creator with certain unalienable rights, -'life, liberty, and  
11 the pursuit of happiness;' and to 'secure,' not grant or create, these rights, governments are instituted. That  
12 property which a man has honestly acquired he retains full control of, subject to these limitations: First, that  
13 he shall not use it to his neighbor's injury, and that does not mean that he must use it for his neighbor's benefit;  
14 second, that if he devotes it to a public use, he gives to the public a right to control that use; and third, that  
15 whenever the public needs require, the public may take it upon payment of due compensation."  
16 [Budd v. People of State of New York, 143 U.S. 517 (1892)]

17 The "property" they are talking about above includes our Constitutionally protected rights. In law, all rights qualify as  
18 "property":

19 "**Property.** That which is peculiar or proper to any person; that which belongs exclusively to one. In  
20 the strict legal sense, an aggregate of rights which are guaranteed and protected by the  
21 government. *Fulton Light, Heat & Power Co. v. State*, 65 Misc.Rep. 263, 121 N.Y.S. 536. The term is said to  
22 extend to every species of valuable right and interest. More specifically, ownership; the unrestricted and  
23 exclusive right to a thing; the right to dispose of a thing in every legal way, to possess it, to use it, and to  
24 exclude every one else from interfering with it. That dominion or indefinite right of particular things or subjects.  
25 The exclusive right of possessing, enjoying, and disposing of a thing. The highest right a man can have to  
26 anything; being used to refer to that right which one has to lands or tenements, goods or chattels, which no way  
27 depends on another man's courtesy.

28 The word is also commonly used to denote everything which is the subject of ownership; corporeal or incorporeal,  
29 tangible or intangible, visible or invisible, real or personal; everything that has an exchangeable value or which  
30 goes to make up wealth or estate. It extends to every species of valuable right and interest, and includes real  
31 and personal property, easements, franchises, and incorporeal hereditaments, and includes every invasion of  
32 one's property rights by actionable wrong. *Labberton v. General Cas. Co. of America*, 53 Wash.2d. 180, 332  
33 P.2d. 250, 252, 254.

34 [. . .]

35 Property within constitutional protection, denotes group of rights inhering in citizen's relation to physical  
36 thing, as right to possess, use and dispose of it. *Cereghino v. State By and Through State Highway*  
37 *Commission*, 230 Or. 439, 370 P.2d. 694, 697."  
38 [Black's Law Dictionary, Sixth Edition, p. 1216]

39 We have compiled an exhaustive list of your Constitutionally protected rights in the free form below. You can use this list  
40 to identify those things which are your "property", which the government may not take away without due process of law:

Enumeration of Inalienable Rights, Form #10.002  
<http://sedm.org/Forms/FormIndex.htm>

41 Due process of law implies all of the following:

42 1. Reasonable notice of the pendency of the suit or proceedings. See:

43 "It is sufficient to say that there are certain immutable principles of justice which inhere in the very idea of free  
44 government which no member of the Union may disregard, as that no man shall be condemned in his person or  
45 property without due notice and an opportunity of being heard in his own defense."  
46 [Holden v. Hardy, 169 U.S. 366 (1898)]

"An elementary and fundamental requirement of due process in any proceeding which is to be accorded finality is notice reasonably calculated, under all circumstances, to apprise interested parties of the pendency of the action and afford them an opportunity to present their objections." *Mullane v. Central Hanover Bank & Trust Co.*, 339 U.S. 306, 314 (1950). Without proper prior notice to those who may be affected by a government decision, all other procedural rights may be nullified. The exact contents of the notice required by due process will, of course, vary with the circumstances.  
[*Administrative Law and Process in a Nutshell*, Ernest Gellhorn, 1990, West Publishing, p. 214]

## 2. An opportunity for a hearing prior to being deprived of property.

"This analysis as to liberty parallels the accepted due process analysis as to property. **The Court has consistently held that some kind of hearing is required at some time before a person is finally deprived of his property** [418 U.S. 539, 558] **interests**. *Anti-Fascist Committee v. McGrath*, 341 U.S. 123, 168 (1951) (Frankfurter, J., concurring). The requirement for some kind of a hearing applies to the taking of private property, *Grannis v. Ordean*, 234 U.S. 385 (1914), the revocation of licenses, *In re Ruffalo*, 390 U.S. 544 (1968), the operation of state dispute-settlement mechanisms, when one person seeks to take property from another, or to government-created jobs held, absent "cause" for termination, *Board of Regents v. Roth*, 408 U.S. 564 (1972); *Arnett v. Kennedy*, 416 U.S. 134, 164 (1974) (POWELL, J., concurring); *id.*, at 171 (WHITE, J., concurring in part and dissenting in part); *id.*, at 206 (MARSHALL, J., dissenting). Cf. *Stanley v. Illinois*, 405 U.S. 645, 652-654 (1972); *Bell v. Burson*, 402 U.S. 535 (1971)."  
[*Wolff v. McDonnell*, 418 U.S. 539, 94 S.Ct. 2963, 41 L.Ed.2d. 935 (1974)]

"In this case the sole question is whether there has been a taking of property without that procedural due process that is required by the Fourteenth Amendment. We have dealt over and over again with the question of what constitutes "the right to be heard" (*Schroeder v. New York*, 371 U.S. 208, 212) within the meaning of procedural due process. See *Mullane v. Central Hanover Trust Co.*, 339 U.S. 306, 314. In the latter case we said that the right to be heard "has little reality or worth unless one is informed that the matter is pending and can choose for himself whether [395 U.S. 337, 340] to appear or default, acquiesce or contest." 339 U.S., at 314.  
[*Snidach v. Family Finance Corp.*, 395 U.S. 337 (1969)]

"If the right to notice and a hearing is to serve its full purpose, it is clear that it must be granted at a time when the deprivation can still be prevented. At a later hearing, an individual's possessions can be returned to him if they were unfairly or mistakenly taken in the first place. Damages may even be awarded him for wrongful deprivation. But no later hearing and no damage award can undo the fact that the arbitrary taking that was subject to the right of due process has already occurred. This Court [the Supreme Court] has not embraced the general proposition that a wrong may be done if it can be undone."  
[*Stanley v. Illinois*, 405 U.S. 645, 647, 31 L.Ed.2d. 551, 556, Ct. 1208 (1972)]

## 3. Impartial jurors and decision makers.

26 C.F.R. §601.106(f)(1): Appeals Functions

### (1) Rule I.

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

**Few, if any, interests under the Constitution are more fundamental than the right to a fair trial by "impartial" jurors**, and an outcome affected by extrajudicial statements would violate that fundamental right. See, e.g., *Sheppard*, 384 U.S. at 350-351; *Turner v. Louisiana*, 379 U.S. 466, 473 (1965) (evidence in criminal trial must come solely from witness stand in public courtroom with full evidentiary protections). Even if a fair trial can ultimately be ensured through voir dire, change of venue, or some other device, these measures entail serious costs to the system. Extensive voir dire may not be able to filter out all of the effects of pretrial publicity, and with increasingly widespread media coverage of criminal trials, a change of venue may not suffice to undo the effects of statements such as those made by petitioner. The State has a substantial interest in preventing officers of the court, such as lawyers, from imposing such costs on the judicial system and on the litigants. [501 U.S. 1076]

The restraint on speech is narrowly tailored to achieve those objectives. The regulation of attorneys' speech is limited -- it applies only to speech that is substantially likely to have a materially prejudicial effect; it is neutral as to points of view, applying equally to all attorneys participating in a pending case; and it merely postpones the attorneys' comments until after the trial. While supported by the substantial state interest in preventing

prejudice to an adjudicative proceeding by those who have a duty to protect its integrity, the Rule is limited on its face to preventing only speech having a substantial likelihood of materially prejudicing that proceeding. [Gentile v. State Bar of Nevada, 501 U.S. 1030 (1991)]

"Moreover, in each case, the decisionmaker must be impartial, there must be some record of the proceedings, and the decisionmaker's conclusions must be set forth in written form indicating both the evidence and the reasons relied upon. Because the Due Process Clause requires these procedures, I agree that the case must be remanded as the Court orders." [Morrissey v. Brewer, 408 U.S. 471 (1972)]

#### 4. Impartial witnesses:

**A fair trial in a fair tribunal is a basic requirement of due process. Fairness, of course, requires an absence of actual bias in the trial of cases. But our system of law has always endeavored to prevent even the probability of unfairness. To this end, no man can be a judge in his own case, and no man is permitted to try cases where he has an interest in the outcome. That interest cannot be defined with precision. Circumstances and relationships must be considered. This Court has said, however, that**

*Every procedure which would offer a possible temptation to the average man as a judge . . . not to hold the balance nice, clear, and true between the State and the accused denies the latter due process of law.*

*Tumey v. Ohio, 273 U.S. 510, 532. Such a stringent rule may sometimes bar trial by judges who have no actual bias and who would do their very best to weigh the scales of justice equally between contending parties. But, to perform its high function in the best way, "justice must satisfy the appearance of justice." Offutt v. United States, 348 U.S. 11, 14. [349 U.S. 137]*

*It would be very strange if our system of law permitted a judge to act as a grand jury and then try the very persons accused as a result of his investigations. Perhaps no State has ever forced a defendant to accept grand jurors as proper trial jurors to pass on charges growing out of their hearings.[7] A single "judge-grand jury" is even more a part of the accusatory process than an ordinary lay grand juror. Having been a part of that process, a judge cannot be, in the very nature of things, wholly disinterested in the conviction or acquittal of those accused. While he would not likely have all the zeal of a prosecutor, it can certainly not be said that he would have none of that zeal.[8] Fair trials are too important a part of our free society to let prosecuting judges be trial judges of the charges they prefer.[9] It is true that contempt committed in a trial courtroom can under some circumstances be punished summarily by the trial judge. See Cooke v. United States, 267 U.S. 517, 539. But adjudication by a trial judge of a contempt committed in his immediate presence in open court cannot be likened to the proceedings here. For we held in the Oliver case that a person charged with contempt before a "one-man grand jury" could not be summarily tried. [349 U.S. 138] [In Re. Murchison, 349 U.S. 133 (1955)]*

#### 5. Trial by jury in a civil matter when demanded:

*U.S. Constitution: Seventh Amendment  
Seventh Amendment - Civil Trials*

*In Suits at common law, where the value in controversy shall exceed twenty dollars, the right of trial by jury shall be preserved, and no fact tried by a jury, shall be otherwise re-examined in any Court of the United States, than according to the rules of the common law.*

#### 6. All actions of the agency must be justified with the authority of law.

[26 C.F.R. §601.106\(f\)\(1\)](#)

*Rule I. An exaction by the U.S. Government, which is not based upon law, statutory or otherwise, is a taking of property without due process of law, in violation of the Fifth Amendment to the U.S. Constitution.*

#### 7. Right to examine all the evidence being used against you:

*"Certain principles have remained relatively immutable in our jurisprudence. One of these is that where governmental action seriously injures an individual, and the reasonableness of the action depends on fact findings, the evidence used to prove the Government's case must be disclosed to the individual so that he has an opportunity to show that it is untrue. While it is important in the case of documentary evidence, it is more important where the evidence consists of testimony of individuals..."*



"We have formalized these protections in the requirements of confrontation and cross-examination. This court has been zealous to protect these rights from erosion. It has spoken out...in all types of cases where administrative...actions were under scrutiny."  
[Greene v. McElroy, 360 U.S. 474, 496-497 (1959)]

8. Right to speak in your own defense and present evidence in the record.

"I agree that a parole may not be revoked, consistently with the Due Process Clause, unless the parolee is afforded, first, a preliminary hearing at the time of arrest to determine whether there is probable cause to believe [408 U.S. 491] that he has violated his parole conditions and, second, a final hearing within a reasonable time to determine whether he has, in fact, violated those conditions and whether his parole should be revoked. For each hearing, the parolee is entitled to notice of the violations alleged and the evidence against him, opportunity to be heard in person and to present witnesses and documentary evidence, and the right to confront and cross-examine adverse witnesses, unless it is specifically found that a witness would thereby be exposed to a significant risk of harm. Moreover, in each case, the decisionmaker must be impartial, there must be some record of the proceedings, and the decisionmaker's conclusions must be set forth in written form indicating both the evidence and the reasons relied upon. Because the Due Process Clause requires these procedures, I agree that the case must be remanded as the Court orders."  
[Morrissey v. Brewer, 408 U.S. 471 (1972)]

9. All evidence used must be completely consistent with the rules of evidence.

9.1. All evidence used must be introduced only through testimony under oath. Federal Rule of Evidence 603.

"Testimony which is not given under oath (or affirmation) is not competent evidence and may not be considered unless objection is waived"  
[Federal Civil Trials and Evidence, Rutter Group 8:220]

**IMPORTANT NOTE!:** If you don't object to evidence submitted without an oath or authenticating signature, then you are presumed to waive this requirement.

9.2. Witness must lay a foundation for real [physical] evidence, and proponent must offer sufficient evidence to support a finding that the matter in question is what the proponent claims it to be. Federal Rule of Evidence 901(a). If the person authenticating provides a "pseudo name", refuses to provide their real legal name, refuses to identify themselves, or is protected by the court from identifying themselves and thereby becomes a "secret witness", then none of the evidence is admissible. If the witness cannot be held liable for perjury because he did not swear an oath, then all evidence he provides is inadmissible and lacks relevancy. Federal Civil Trials and Evidence, Rutter Group 8:375. It is quite frequent for IRS agents to use pseudo names and to print those pseudo names on the official IRS identification badges. It is therefore crucial to obtain copies of not only their IRS badges, but also of their state and federal government ID, like driver's licenses and passports, and to compare the IRS ID with the others to ensure consistency.

"From the scant information available it may tentatively be concluded that the Confrontation Clause was meant to constitutionalize a barrier against flagrant abuses, trials by anonymous accusers, and absentee witnesses. That the Clause was intended to ordain common law rules of evidence with constitutional sanction is doubtful, notwithstanding English decisions that equate confrontation and hearsay. Rather, having established a broad principle, it is far more likely that the Framers anticipated it would be supplemented, as a matter of judge-made common law, by prevailing rules of evidence."  
[California v. Green, 399 U.S. 149 (1970)]

"No nation can remain true to the ideal of liberty under law and at the same time permit people to have their homes destroyed and their lives blasted by the slurs of unseen and unsworn informers. There is no possible way to contest the truthfulness of anonymous accusations. The supposed accuser can neither be identified nor interrogated. He may be the most worthless and irresponsible character in the community. What he said may be wholly malicious, untrue, unreliable, or inaccurately reported. In a court of law, the triers of fact could not even listen to such gossip, must less decide the most trifling issue on it."  
[Jay v. Boy, 351 U.S. 345 (1956)]

10. An opportunity to face your accusers and ask them questions on the record.

"The fundamental requisite of due process of law is the opportunity to be heard". Grannis v. Ordean, 234 U.S. 385, 394 (1914). The hearing must be "at a meaningful time and in a meaningful manner." Armstrong v. Manzo, 380 U.S. 545, 552(1965). In the present context these principles require...timely and adequate notice detailing reasons..., and an effective opportunity to defend by confronting any adverse witnesses and by presenting arguments and evidence... These rights are important in cases...challenged...as resting on incorrect or misleading factual premises or on misapplication of rules or policies to the facts of particular cases."

"In almost every setting where important decisions turn on questions of fact, **due process requires an opportunity to confront and cross-examine adverse witnesses**. E.g., *ICC v. Louisville & N.R. Co.*, 227 U.S. 88, 93-94 (1913) 503 U.S. L.Ed.2d. 391(1992), *Willner v. Committee on Character and Fitness*, 373 U.S. 474,496-497 (1959)" [*Goldberg v. Kelly*, 397 U.S. 254 (1970) (emphasis added)]

The Sixth Amendment gives a criminal defendant the right "to be confronted with the witnesses against him." This language "comes to us on faded parchment," *California v. Green*, 399 U.S. 149, 174 (1970) (Harlan, J., concurring), with a lineage that traces back to the beginnings of Western legal culture. There are indications that a right of confrontation existed under Roman law. The Roman Governor Festus, discussing the proper treatment of his prisoner, Paul, stated: "It is not the manner of the Romans to deliver any man up to die before the accused has met his accusers face to face, and has been given a chance to defend himself against the [487 U.S. 1012, 1016] charges." Acts 25:16. It has been argued that a form of the right of confrontation was recognized in England well before the right to jury trial. Pollitt, *The Right of Confrontation: Its History and Modern Dress*, 8 J. Pub. L. 381, 384-387 (1959).

Most of this Court's encounters with the Confrontation Clause have involved either the admissibility of out-of-court statements, see, e. g., *Ohio v. Roberts*, 448 U.S. 56 (1980); *Dutton v. Evans*, 400 U.S. 74 (1970), or restrictions on the scope of cross-examination, *Delaware v. Van Arsdall*, 475 U.S. 673 (1986); *Davis v. Alaska*, 415 U.S. 308 (1974). Cf. *Delaware v. Fensterer*, 474 U.S. 15, 18 -19 (1985) (per curiam) (noting these two categories and finding neither applicable). The reason for that is not, as the State suggests, that these elements are the essence of the Clause's protection - but rather, quite to the contrary, that there is at least some room for doubt (and hence litigation) as to the extent to which the Clause includes those elements, whereas, as Justice Harlan put it, "[s]imply as a matter of English" it confers at least "a right to meet face to face all those who appear and give evidence at trial." *California v. Green*, supra, at 175. Simply as a matter of Latin as well, since the word "confront" ultimately derives from the prefix "con-" (from "contra" meaning "against" or "opposed") and the noun "frons" (forehead). Shakespeare was thus describing the root meaning of confrontation when he had Richard the Second say: "Then call them to our presence - face to face, and frowning brow to brow, ourselves will hear the accuser and the accused freely speak . . ." *Richard II*, Act I, sc. 1.

We have never doubted, therefore, that the Confrontation Clause guarantees the defendant a face-to-face meeting with witnesses appearing before the trier of fact. See *Kentucky v. Stincer*, 482 U.S. 730, 748, 749-750 (1987) (MARSHALL, J., dissenting). For example, in *Kirby v. United States*, 174 U.S. 47, 55 (1899), which concerned the admissibility of prior convictions of codefendants to prove an element of the offense [487 U.S. 1012, 1017] of receiving stolen Government property, we described the operation of the Clause as follows: "[A] fact which can be primarily established only by witnesses cannot be proved against an accused . . . except by witnesses who confront him at the trial, upon whom he can look while being tried, whom he is entitled to cross-examine, and whose testimony he may impeach in every mode authorized by the established rules governing the trial or conduct of criminal cases." Similarly, in *Dowdell v. United States*, 221 U.S. 325, 330 (1911), we described a provision of the Philippine Bill of Rights as substantially the same as the Sixth Amendment, and proceeded to interpret it as intended "to secure the accused the right to be tried, so far as facts provable by witnesses are concerned, by only such witnesses as meet him face to face at the trial, who give their testimony in his presence, and give to the accused an opportunity of cross-examination." More recently, we have described the "literal right to 'confront' the witness at the time of trial" as forming "the core of the values furthered by the Confrontation Clause." *California v. Green*, supra, at 157. Last Term, the plurality opinion in *Pennsylvania v. Ritchie*, 480 U.S. 39, 51 (1987), stated that "[t]he Confrontation Clause provides two types of protections for a criminal defendant: the right physically to face those who testify against him, and the right to conduct cross-examination." [*Coy v. Iowa*, 487 U.S. 1012 (1988)]

11. The right to point out violations of law and other grievances of the government without the imposition of any penalty. The First Amendment guarantees us a right to Petition the Government for redress of grievances. Every such right creates a duty on the part of the government it is directed at, and that right implies the absence of any penalty for engaging in such a petition.
12. The right to not be hauled into a foreign jurisdiction as a nonresident defendant without proof on the record of "minimum contacts" with the forum:

**"The Due Process Clause of the Fourteenth Amendment limits the power of a state court to render a valid personal judgment against a nonresident defendant. *Kulko v. California Superior Court*, 436 U.S. 84, 91 (1978). A judgment rendered in violation of due process is void in the rendering State and is not entitled to full faith and credit elsewhere. *Pennoyer v. Neff*, 95 U.S. 714, 732 -733 (1878). Due process requires that the defendant be given adequate notice of the suit, *Mullane v. Central Hanover Trust Co.*, 339 U.S. 306, 313 -314 (1950), and be subject to the personal jurisdiction of the court, *International Shoe Co. v. Washington*, 326 U.S. 310 (1945). In the present case, it is not contended that notice was inadequate; the only question is whether these particular petitioners were subject to the jurisdiction of the Oklahoma courts.**

**As has long been settled, and as we reaffirm today, a state court may exercise personal jurisdiction over a nonresident defendant only so long as there exist "minimum contacts" between the defendant and the forum**

1 State. International Shoe Co. v. Washington, supra, at 316. The concept of minimum contacts, in turn, can be  
2 seen to perform two related, but [444 U.S. 286, 292] distinguishable, functions. It protects the defendant  
3 against the burdens of litigating in a distant or inconvenient forum. And it acts to ensure that the States,  
4 through their courts, do not reach out beyond the limits imposed on them by their status as coequal sovereigns  
5 in a federal system.

6 The protection against inconvenient litigation is typically described in terms of "reasonableness" or "fairness."  
7 We have said that the defendant's contacts with the forum State must be such that maintenance of the suit "does  
8 not offend traditional notions of fair play and substantial justice." International Shoe Co. v. Washington, supra,  
9 at 316, quoting Milliken v. Meyer, 311 U.S. 457, 463 (1940). The relationship between the defendant and the  
10 forum must be such that it is "reasonable . . . to require the corporation to defend the particular suit which is  
11 brought there." 326 U.S., at 317. Implicit in this emphasis on reasonableness is the understanding that the burden  
12 on the defendant, while always a primary concern, will in an appropriate case be considered in light of other  
13 relevant factors, including the forum State's interest in adjudicating the dispute, see McGee v. International Life  
14 Ins. Co., 355 U.S. 220, 223 (1957); the plaintiff's interest in obtaining convenient and effective relief, see Kulko  
15 v. California Superior Court, supra, at 92, at least when that interest is not adequately protected by the plaintiff's  
16 power to choose the forum, cf. Shaffer v. Heitner, 433 U.S. 186, 211, n. 37 (1977); the interstate judicial system's  
17 interest in obtaining the most efficient resolution of controversies; and the shared interest of the several States in  
18 furthering fundamental substantive social policies, see Kulko v. California Superior Court, supra, at 93, 98.  
19 [World-Wide Volkswagen Corp. v. Woodson, 444 U.S. 286 (1980)]

#### 20 **13.4.2 PUBLIC rights have no "due process"**

21 However, the federal government conveniently isn't restrained by ANY of the rules in the previous section when they are  
22 operating on their own territory where constitutional rights do not exist. This territory includes territories and possessions of  
23 the United States and federal areas within the interior limits of states, which are called "possessions". These areas are subject  
24 to the exclusive, plenary, and general jurisdiction of the federal district courts. To wit:

25 "Indeed, the practical interpretation put by Congress upon the Constitution has been long continued and uniform  
26 to the effect [182 U.S. 244, 279] that the Constitution is applicable to territories acquired by purchase or  
27 conquest, only when and so far as Congress shall so direct. Notwithstanding its duty to 'guarantee to every  
28 state in this Union a republican form of government' (art. 4, 4), by which we understand, according to the  
29 definition of Webster, 'a government in which the supreme power resides in the whole body of the people, and  
30 is exercised by representatives elected by them,' Congress did not hesitate, in the original organization of the  
31 territories of Louisiana, Florida, the Northwest Territory, and its subdivisions of Ohio, Indiana, Michigan,  
32 Illinois, and Wisconsin and still more recently in the case of Alaska, to establish a form of government bearing  
33 a much greater analogy to a British Crown colony than a republican state of America, and to vest the legislative  
34 power either in a governor and council, or a governor and judges, to be appointed by the President. It was not  
35 until they had attained a certain population that power was given them to organize a legislature by vote of the  
36 people. In all these cases, as well as in territories subsequently organized west of the Mississippi, Congress  
37 thought it necessary either to extend to Constitution and laws of the United States over them, or to declare that  
38 the inhabitants should be entitled to enjoy the right of trial by jury, of bail, and of the privilege of the writ of  
39 habeas corpus, as well as other privileges of the bill of rights."  
40 [Downes v. Bidwell, 182 U.S. 244 (1901)]

41 Notice in the above the phrase "other privileges of the bill of rights". The U.S. Supreme Court has tacitly admitted here that  
42 the entire Bill of Rights is a "privilege" and a "franchise" for people domiciled on federal territory. 48 U.S.C. §1421b is an  
43 example of a Congressional enactment that expressly extends the Bill of Rights to Guam, which is a federal territory. In the  
44 same case above, the U.S. Supreme Court also admitted that once the Bill of Rights is legislatively extended to a territory, it  
45 cannot then be revoked and therefore ceases to be a "privilege" or "franchise":

46 "This District had been a part of the states of Maryland and [182 U.S. 244, 261] Virginia. It had been subject to  
47 the Constitution, and was a part of the United States[\*\*\*]. The Constitution had attached to it irrevocably.  
48 There are steps which can never be taken backward. The tie that bound  
49 the states of Maryland and Virginia to the Constitution could not be dissolved, without at least the consent of  
50 the Federal and state governments to a formal separation. The mere cession of the District of Columbia to the  
51 Federal government relinquished the authority of the states, but it did not take it out of the United States or  
52 from under the aegis of the Constitution. Neither party had ever consented to that construction of the cession.  
53 If, before the District was set off, Congress had passed an unconstitutional act affecting its inhabitants, it  
54 would have been void. If done after the District was created, it would have been equally void; in other words,  
55 Congress could not do indirectly, by carving out the District, what it could not do directly. The District still  
56 remained a part of the United States[\*\*\*], protected by the Constitution. Indeed, it would have been a fanciful  
57 construction to hold that territory which had been once a part of the United States[\*\*\*] ceased to be such by  
58 being ceded directly to the Federal government."  
59 [Downes v. Bidwell, 182 U.S. 244 (1901)]

The Declaration of Independence says that all men are created equal and endowed by their Creator (God) with “unalienable” rights:

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

The word “unalienable” is defined as follows:

*“Unalienable. Inalienable; incapable of being aliened, that is, sold and transferred.”*  
*[Black’s Law Dictionary, Fourth Edition, p. 1693]*

As the above indicates, an “unalienable” right cannot be sold, transferred, or bargained away in relation to the government, which means that signing any kind of franchise agreement cannot destroy or undermine any PRIVATE or CONSTITUTIONAL right.

#### **13.4.3 Unlawful to compel conversion of PRIVATE rights into PUBLIC rights**

Consistent with this concept of “unalienable rights”, the U.S. Supreme Court has also held that no government may lawfully compel the conversion of a constitutionally protected right, including any of those appearing section 13.4.1 earlier, into a “privilege” in order to tax or regulate its exercise:

*“It would be a palpable incongruity to strike down an act of state legislation which, by words of express divestment, seeks to strip the citizen of rights guaranteed by the federal Constitution, but to uphold an act by which the same result is accomplished under the guise of a surrender of a right in exchange for a valuable privilege which the state threatens otherwise to withhold. It is not necessary to challenge the proposition that, as a general rule, the state, having power to deny a privilege altogether, may grant it upon such conditions as it sees fit to impose. But the power of the state in that respect is not unlimited, and one of the limitations is that it may not impose conditions which require the relinquishment of Constitutional rights. If the state may compel the surrender of one constitutional right as a condition of its favor, it may, in like manner, compel a surrender of all. **It is inconceivable that guaranties embedded in the Constitution of the United States may thus be manipulated out or existence.**”*  
*[Frost v. Railroad Commission, 271 U.S. 583; 46 S.Ct. 605 (1926)]*

Consequently, no constitutional right may be bargained away, sold, or contracted away, or compelled to be donated in relation to a REAL, de jure government and thereby given to the government. If it is, then the following violations have occurred:

1. Public officers performing or condoning the conversion are violating their fiduciary duty to protect PRIVATE rights and PRIVATE property.
2. An unconstitutional “taking” has occurred in violation of the Fifth Amendment.
3. The statutes implementing the conversion have no “force of law”. This explains why the Internal Revenue Code, for instance, is not “positive law” per 1 U.S.C. §204, and therefore cannot possibly be legal evidence of any obligation at all on your part.

#### **13.4.4 Circumstances where conversion from PRIVATE to PUBLIC can lawfully occur**

If this is true, the only place that the government can engage in any kind of contract or franchise that might undermine the natural, “unalienable” rights of a man or woman is in the following circumstances:

1. If that man or woman is legally domiciled on territory of the federal government not protected by the Bill of Rights. In such a case, there are no constitutional rights to give up, but only statutory privileges. Neither is there any common law in federal courts or on federal territory to protect rights, because such rights do not exist. See *Erie Railroad v. Tompkins*, 304 U.S. 64 (1938). The following conditions of citizenship are synonymous with this status:
  - 1.1. Statutory “U.S. citizen” pursuant to [8 U.S.C. §1401](#).
  - 1.2. Statutory “resident” pursuant to [26 U.S.C. §7701\(b\)\(1\)\(A\)](#).
  - 1.3. “Permanent resident” pursuant to [8 U.S.C. §1101\(a\)\(20\)](#).
  - 1.4. Statutory “U.S. person” as defined in [26 U.S.C. §7701\(a\)\(30\)](#).

1 2. If the man or woman is acting in a representative capacity on behalf of an artificial entity that has no constitutional rights.  
2 Such an entity might include a corporation created by the government. In such a case, [Federal Rule of Civil Procedure](#)  
3 [17\(b\)](#) applies. Such an artificial entity is usually the object of a federal franchise and therefore “privileged”.

4 *Federal Rules of Civil Procedure*  
5 [IV. PARTIES](#) > Rule 17.  
6 [Rule 17. Parties Plaintiff and Defendant; Capacity](#)

7 (b) Capacity to Sue or be Sued.

8 Capacity to sue or be sued is determined as follows:

9 (1) for an individual who is not acting in a representative capacity, by the law of the individual's domicile;

10 (2) for a corporation [a federal corporation called the “United States”, in this case], by the law under which it  
11 was organized; and

12 (3) for all other parties, by the law of the state where the court is located, except that:

13 (A) a partnership or other unincorporated association with no such capacity under that state's law may sue or be  
14 sued in its common name to enforce a substantive right existing under the United States Constitution or laws;  
15 and

16 (B) [28 U.S.C. §§754](#) and [959\(a\)](#) govern the capacity of a receiver appointed by a United States court to sue or be  
17 sued in a United States court.

18 Case #2 above is a subset of Case #1 above in the case of persons serving in “public offices” within the federal government,  
19 because according to [4 U.S.C. §72](#), the “seat” of the federal government is in the District of Columbia, which is federal  
20 territory not protected by the Bill of Rights.

21 [TITLE 4](#) > [CHAPTER 3](#) > § 72  
22 [§ 72. Public offices; at seat of Government](#)

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

### 25 **13.4.5 Public offices are the “res”, or subject of the franchise, and that “res” is on federal territory**

26 While a man or woman is satisfying the obligations associated with a “public office” on official duty, they take on the  
27 character of the sovereign that they represent pursuant to [Federal Rule of Civil Proc. 17\(b\)](#). This sovereign, the United States  
28 government, is a federal corporation with a legal domicile in the District of Columbia, pursuant to [4 U.S.C. §72](#) and Article  
29 1, Section 8, Clause 17 of the United States Constitution. To wit:

30 TITLE 28 - JUDICIARY AND JUDICIAL PROCEDURE  
31 [PART VI - PARTICULAR PROCEEDINGS](#)  
32 [CHAPTER 176 - FEDERAL DEBT COLLECTION PROCEDURE](#)  
33 [SUBCHAPTER A - DEFINITIONS AND GENERAL PROVISIONS](#)  
34 [Sec. 3002. Definitions](#)

35 (15) “United States” means -

36 (A) a Federal corporation;

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

38 (C) an instrumentality of the United States.

39  
40 “Corporations are also of all grades, and made for varied objects; all governments are corporations, created by  
41 usage and common consent, or grants and charters which create a body politic for prescribed purposes; but  
42 whether they are private, local or general, in their objects, for the enjoyment of property, or the exercise of  
43 power, they are all governed by the same rules of law, as to the construction and the obligation of the  
44 instrument by which the incorporation is made. One universal rule of law protects persons and property. It is  
45 a fundamental principle of the common law of England, that the term freemen of the kingdom, includes 'all  
46 persons,' ecclesiastical and temporal, incorporate, politique or natural; it is a part of their magna charta (2 Inst.  
47 4), and is incorporated into our institutions. The persons of the members of corporations are on the same footing  
48 of protection as other persons, and their corporate property secured by the same laws which protect that of



1 individuals. 2 Inst. 46-7. 'No man shall be taken,' 'no man shall be disseised,' without due process of law, is a  
2 principle taken from magna charta, infused into all our state constitutions, and is made inviolable by the federal  
3 government, by the amendments to the constitution."  
4 [Proprietors of Charles River Bridge v. Proprietors of Warren Bridge, [36 U.S. 420](#) (1837)]

5 In law, all corporations are statutory "citizens" or "residents" of the place they were created, which implies that they have a  
6 legal domicile in the place they were incorporated.

7 "A corporation is a citizen, resident, or inhabitant of the state or country by or under the laws of which it was  
8 created, and of that state or country only."  
9 [19 Corpus Juris Secundum (C.J.S.), Corporations, §886 (2003)]

10 Therefore, the "office" that a person holds is the "res" which is domiciled on federal territory and is a "res-ident" or "res"  
11 which is "identified" in the records of the government. The person choosing through their right to contract to voluntarily  
12 occupy the "office" is not a "resident", but rather the "public office" that they fill while on official duty becomes the "resident".  
13 This is clarified by Bouvier's Maxims of Law, which say on this subject:

14 *Quando duo juro concurrunt in und personâ, aequum est ac si essent in diversis.*  
15 *When two rights [public right v. private right] concur in one person, it is the same as if they were in two separate*  
16 *persons.* 4 Co. 118.  
17 [Bouvier's Maxims of Law, 1856;  
18 SOURCE: <http://famguardian.org/Publications/BouvierMaximsOfLaw/BouviersMaxims.htm>]

19 The above is also consistent with the content of the "trade or business" franchise agreement codified in Subtitle A of the  
20 Internal Revenue Code, which places all statutory "U.S. citizens" defined in [8 U.S.C. §1401](#) in the District of Columbia if  
21 they were not physically there at the time the office was being executed pursuant to [26 U.S.C. §7701\(a\)\(39\)](#) and [26 U.S.C.](#)  
22 [§7408\(d\)](#).

23 [TITLE 26 > Subtitle F > CHAPTER 79 > § 7701](#)  
24 [§ 7701. Definitions](#)

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

27 (39) Persons residing outside United States

28 **If any citizen or resident of the United States does not reside in (and is not found in) any United States judicial**  
29 **district, such citizen or resident shall be treated as residing ["domiciled"] in the District of Columbia for**  
30 **purposes of any provision of this title relating to—**  
31 (A) jurisdiction of courts, or  
32 (B) enforcement of summons.

33 All of the "citizens" or "residents" mentioned above, by the way, are "public offices" within the federal corporation called the  
34 "United States". These "public offices" are the only thing that Acts of Congress can lawfully legislate for, because it is  
35 plainly "repugnant to the Constitution" for Congress to regulate private conduct.

36 "The power to "legislate generally upon" life, liberty, and property, as opposed to the "power to provide modes  
37 of redress" against offensive state action, was "repugnant" to the Constitution. Id., at 15. See also *United States*  
38 *v. Reese*, [92 U.S. 214, 218](#) (1876); *United States v. Harris*, [106 U.S. 629, 639](#) (1883); *James v. Bowman*, [190](#)  
39 [U.S. 127, 139](#) (1903). Although the specific holdings of these early cases might have been superseded or modified,  
40 see, e.g., *Heart of Atlanta Motel, Inc. v. United States*, [379 U.S. 241](#) (1964); *United States v. Guest*, [383 U.S. 745](#)  
41 (1966), their treatment of Congress' §5 power as corrective or preventive, not definitional, has not been  
42 questioned."  
43 [City of Boerne v. Flores, Archbishop of San Antonio, [521 U.S. 507](#) (1997)]

44 We also emphasize that the provisions of [26 U.S.C. §7408\(d\)](#) and [26 U.S.C. §7701\(a\)\(39\)](#) would constitute an act of criminal  
45 kidnapping and identity theft in violation of [18 U.S.C. §1201](#) if they were involuntarily imposed upon a private person who  
46 is not a "public office" within the United States government. Therefore, the only type of "person" that the U.S. government  
47 can lawfully impose any kind of duty upon using the force of law are its own "public offices", who are the only "taxpayers"  
48 within Internal Revenue Code, Subtitle A. Further documentation is found in the Congressional Record of the United States  
49 Senate, June 16, 1909, pp. 3344-3345, which confirms that the legislative intent of the Sixteenth Amendment was ONLY to  
50 regulate conduct of government employees on official duty. For further details on why the income tax is a municipal tax

ONLY upon the national government and those receiving payments from the national government, see the following exhaustive analysis:

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

The quote of interest within the above document is the following, which is President William Howard Taft's message to the senate in proposing the Sixteenth Amendment:

*I therefore recommend to the Congress that both Houses, by a two-thirds vote, shall propose an amendment to the Constitution conferring the power to levy an income tax upon the National Government without apportionment among the States in proportion to population.*

[...]

*Second, the decision in the Pollock case left power in the National Government to levy an excise tax, which accomplishes the same purpose as a corporation income tax and is free from certain objections urged to the proposed income tax measure.*

*I therefore recommend an amendment to the tariff bill Imposing upon all corporations and joint stock companies for profit, except national banks (otherwise taxed), savings banks, and building and loan associations, an excise tax measured by 2 per cent on the net income of such corporations. This is an excise tax upon the privilege of doing business as an artificial entity and of freedom from a general partnership liability enjoyed by those who own the stock. [Emphasis added] I am informed that a 2 per cent tax of this character would bring into the Treasury of the United States not less than \$25,000,000.*

[**EDITOR'S NOTE:** As described above, corporate "income taxes" really amount to nothing more than "liability insurance" offered by the government and implemented through the courts. People form corporations to avoid personal liability, and the price they pay for that "privilege" or "franchise" is to pay "liability insurance" to the government.]

*The decision of the Supreme Court in the case of Spreckels Sugar Refining Company against McClain (192 U.S., 397), seems clearly to establish the principle that such a tax as this is an excise tax upon privilege and not a direct tax on property, and is within the federal power without apportionment according to population. The tax on net income is preferable to one proportionate to a percentage of the gross receipts, because it is a tax upon success and not failure. It imposes a burden at the source of the income at a time when the corporation is well able to pay and when collection is easy.*  
[Congressional Record, June 16, 1909, pp. 3344-3345]

The United States government is both a "public trust" as well as a federal corporation and a municipality. In that sense, it serves in a dual capacity.

TITLE 5--ADMINISTRATIVE PERSONNEL  
CHAPTER XVI--OFFICE OF GOVERNMENT ETHICS  
PART 2635--STANDARDS OF ETHICAL CONDUCT FOR EMPLOYEES OF THE EXECUTIVE BRANCH--  
Table of Contents  
Subpart A--General Provisions  
Sec. 2635.101 Basic obligation of public service.

(a) Public service is a public trust. Each employee has a responsibility to the United States Government and its citizens to place loyalty to the Constitution, laws and ethical principles above private gain. To ensure that every citizen can have complete confidence in the integrity of the Federal Government, each employee shall respect and adhere to the principles of ethical conduct set forth in this section, as well as the implementing standards contained in this part and in supplemental agency regulations.

We also allege that the only "individual" mentioned in the definition of "person" found in 26 U.S.C. §7701(c) is actually a corporation sole wholly owned by the U.S. government:

At common law, a "corporation" was an "artificial perso[n] endowed with the legal capacity of perpetual succession" consisting either of a single individual (termed a "corporation sole") or of a collection of several individuals (a "corporation aggregate"). 3 H. Stephen, Commentaries on the Laws of England 166, 168 (1st Am. ed. 1845). The sovereign was considered a corporation. See id., at 170; see also 1 W. Blackstone, Commentaries \*467. Under the definitions supplied by contemporary law dictionaries, Territories would have been classified as "corporations" (and hence as "persons") at the time that 1983 was enacted and the Dictionary Act recodified. See W. Anderson, A Dictionary of Law 261 (1893) ("All corporations were originally modeled upon a state or

1 nation"); 1 J. Bouvier, A Law Dictionary Adapted to the Constitution and Laws of the United States of America  
2 318-319 (11th ed. 1866) ("In this extensive sense the United States may be termed a corporation"); Van  
3 Brocklin v. Tennessee, 117 U.S. 151, 154 (1886) ("The United States is a . . . great corporation . . . ordained  
4 and established by the American people") (quoting United [495 U.S. 182, 202] States v. Maurice, 26 F.Cas.  
5 1211, 1216 (No. 15,747) (CC Va. 1823) (Marshall, C. J.); Cotton v. United States, 11 How. 229, 231 (1851)  
6 (United States is "a corporation"). See generally Trustees of Dartmouth College v. Woodward, 4 Wheat. 518,  
7 561-562 (1819) (explaining history of term "corporation").  
8 [Ngiraingas v. Sanchez, 495 U.S. 182 (1990)]

9 Notice in the above that all corporations are created in the image of their creator, which is the U.S. government. The  
10 government can only tax what it creates and it didn't create you. The reason is because the power to tax is the power to  
11 destroy, and the government was created to protect rather than destroy you:

12 "The power to tax involves the power to destroy; the power to destroy may defeat and render useless the power  
13 to create; and there is a plain repugnance in conferring on one government [THE FEDERAL  
14 GOVERNMENT] a power to control the constitutional measures of another [WE THE PEOPLE], which other,  
15 with respect to those very measures, is declared to be supreme over that which exerts the control."  
16 [Van Brocklin v. State of Tennessee, 117 U.S. 151 (1886)]

17 "What is a Constitution? It is the form of government, delineated by the mighty hand of the people, in which  
18 certain first principles of fundamental laws are established. The Constitution is certain and fixed; it contains the  
19 permanent will of the people, and is the supreme law of the land; it is paramount to the power of the Legislature,  
20 and can be revoked or altered only by the authority that made it. The life-giving principle and the death-doing  
21 stroke must proceed from the same hand."  
22 [VanHorne's Lessee v. Dorrance, 2 U.S. 304 (1795)]

23 "The great principle is this: because the constitution will not permit a state to destroy, it will not permit a law  
24 [including a tax law] involving the power to destroy."  
25 [Providence Bank v. Billings, 29 U.S. 514 (1830)]

26 All "individuals" within the Internal Revenue Code are in fact federal "public trusts" within the "United States" corporation  
27 which are created in the image of the United States government by signing SSA Forms SS-4 or SS-5. These corporations are  
28 wholly owned by the United States government, who is the grantor of the trust, and are created for a "public purpose" and  
29 constitute a "public office" within said corporation:

30 TITLE 28 > PART IV > CHAPTER 85 > § 1349  
31 §1349. Corporation organized under federal law as party

32 The district courts shall not have jurisdiction of any civil action by or against any corporation upon the ground  
33 that it was incorporated by or under an Act of Congress, unless the United States is the owner of more than  
34 one-half of its capital stock.

35 For more details on the Social Security scam, see:

Resignation of Compelled Social Security Trustee, Form #06.002  
<http://sedm.org/Forms/FormIndex.htm>

36 In summary, the only place the government can create and enforce a franchise agreement that might adversely affect  
37 constitutional rights is on federal territory not protected by the Bill of Rights. They cannot operate any franchise within the  
38 republic that is protected by the Bill of Rights and if they do, they are violating their fiduciary duty to the public. This very  
39 condition explains why they so frequently try to trick you into declaring yourself to be a statutory "U.S. citizen" on their  
40 forms or by having or using a Social Security Number, which is to trick you into implying a domicile within what we call the  
41 "plunder zone", which is a euphemism for the federal zone. This citizenship scam is further explained below:

Why You are a "national", "state national", and Constitutional but not Statutory Citizen, Form #05.006  
<http://sedm.org/Forms/FormIndex.htm>

42 Because the government must trick you through constructive fraud into misrepresenting your status in order to plunder your  
43 rights and property, they must operate in silence and secrecy.

44 "Sub Silentio. Under silence, without any notice being taken [given or provided]; passing a thing sub silentio  
45 may be evidence of consent."  
46 [Black's Law Dictionary, Fourth Edition, p. 1593]

1 This is what explains why all of the following occur:

- 2 1. Public schools do not teach ANYTHING about the law so that we all make obedient “sheep” who willingly and  
3 unknowingly are sheared by the “priesthood” of judges and licensed attorneys that the government has erected to fleece  
4 the populace regularly.
- 5 2. [28 U.S.C. §2201](#)(a) prohibits federal judges from declaring you a “nontaxpayer” or a person not domiciled on federal  
6 territory in any tax proceeding.
- 7 3. When the arguments you use in IRS correspondence are good, the IRS won’t respond, because they would have to admit  
8 they are operating ILLEGALLY in most cases.
- 9 4. Federal judges refuse to allow the law to be discussed in the courtroom in the context of income taxes.
- 10 5. Federal judges sanction litigants who bring up the law in the courtroom in front of the jury.
- 11 6. Federal jurists are not allowed to enter the law library while serving on a federal trial or bring law books into the  
12 courtroom, because they might discover that the judge is LYING to them and committing treason against the constitution.

13 By using all the tactics above, the government is creating an intellectually and spiritually “dark place” within the federal zone  
14 and using that dark place to mug, rape, and pillage you and your rights. Ironically, governments were created to prevent this  
15 kind of crime, but they are the worse perpetrators of it.

16 *“For we do not wrestle against flesh and blood, but against principalities, against powers, against the rulers of*  
17 *the darkness of this age, against spiritual hosts of wickedness in the heavenly [and government] places.”*  
18 *[Eph. 6:12, Bible, NKJV]*  
19

20 *“Those who won our independence believed . . . that public discussion is a political duty, and that this should be*  
21 *a fundamental principle of the American government. They recognized the risks to which all human institutions*  
22 *are subject. But they knew that order cannot be secured merely through fear of punishment for its infraction; that*  
23 *it is hazardous to discourage thought, hope and imagination; that fear breeds repression; that repression breeds*  
24 *hate; that hate menaces stable government; that the path of safety lies in the opportunity to discuss freely*  
25 *supposed grievances and proposed remedies, and that the fitting remedy for evil counsels is good ones [NOT*  
26 *silence]. Believing in the power of reason as applied through public discussion, they eschewed silence coerced*  
27 *by law--the argument of force in its worst form. Recognizing the occasional tyrannies of governing majorities,*  
28 *they amended the Constitution so that free speech and assembly should be guaranteed.” [emphasis added]*  
29 *[Whitney v. California, 274 U.S. 357, 375-376]*

30 Notice in that last quote above, that silence coerced by the authority of law, whether the origin of that law is a statute or a  
31 corrupt judge, constitutes “coercion in its worst form”, which is exactly what we have in federal courtrooms in the context of  
32 income tax trials every day of the week: INJUSTICE.

### 33 **13.5 Franchises create a presumption that you are a “resident” and “trustee” of the entity** 34 **granting the privilege**<sup>143</sup>

35 Governments cannot create corporate franchises without also bestowing upon themselves the ability to regulate all those who  
36 participate in order to fulfill the purposes of the franchise. Private persons are not subject to government jurisdiction by  
37 default. Likewise, governments can only lawfully tax those things that they create. The government created the public office  
38 as a corporate artificial legal person. God created the human officer. The purpose of offering franchises and incorporating  
39 the government is to increase government revenues, power, and control over private citizens at the expense of their liberty,  
40 happiness, and property and to their extreme detriment.

41 *“The sentiments of men are known not only by what they receive, but what they reject also.”*  
42 *[Thomas Jefferson: Autobiography, 1821. ME 1:28 ]*

43 *“Government big enough to supply everything you need is big enough to take everything you have. The course*  
44 *of history shows that as a government grows, liberty decreases.”*  
45 *[Thomas Jefferson]*

46 *“They that can give up essential liberty to obtain a little temporary safety deserve neither liberty nor safety.”*  
47 *[Benjamin Franklin]*

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<sup>143</sup> Adapted from Sovereignty Forms and Instructions Manual, Form #10.005, Section 1.21.4.

1 The following subsections will prove that:

- 2 1. When you sign up for a government franchise such as Social Security, Medicare, Unemployment, Employment, etc., you
- 3 create a constructive trust and a “res” that is the subject of the trust.
- 4 2. The “res” becomes a “resident” within the jurisdiction of the government granting the franchise. This “resident”
- 5 effectively is a statutory “alien” with a legal domicile within federal territory.
- 6 3. All franchisees are treated as officers of a federal corporation subject to federal law.
- 7 4. All franchisees are treated as “public officers” within the federal corporation subject to the penalty provisions of the
- 8 I.R.C. pursuant to [26 U.S.C. §6671\(b\)](#) and criminal provisions pursuant to [26 U.S.C. §7343](#).

9 Notice in the above that we use the phrase “are treated as” rather than “become”. It is our contention that federal franchises  
10 cannot be used to create new public offices anywhere outside the District of Columbia, but rather add additional privileges  
11 to EXISTING public offices lawfully created under Title 5 of the U.S. Code. In fact, we prove elsewhere and in the following  
12 that offering franchises to otherwise PRIVATE human beings domiciled outside of federal territory is a criminal act of bribery  
13 that amounts to treason and a destruction of the separation of powers doctrine:

*Reasonable Belief About Income Tax Liability*, Form #05.007, Section 2  
<http://sedm.org/Forms/FormIndex.htm>

14 **13.5.1 Why franchisees are all privileged statutory “resident aliens” and NOT sovereign non-resident non-persons**

15 The Original Thirteenth Amendment to the United States Constitution, lawfully ratified in 1812 made it not only an offense,  
16 but an expatriating act to confer, retain, or receive any title of nobility. That amendment was proposed in 1810 and officially  
17 adopted in 1812. The Original Thirteenth Amendment reads as follows:

18 *"If any citizen of the United States shall accept, claim, receive, or retain any title of nobility or honour, or shall*  
19 *without the consent of Congress, accept and retain any present, pension, office, or emolument of any kind*  
20 *whatever, from any emperor, king, prince, or foreign power, such person shall cease to be a citizen of the united*  
21 *States, and shall be incapable of holding any office of trust or profit under them, or either of them."*  
22 *[Original 13th Amendment to the Constitution for the united states of America]*

23 To lose one’s citizenship and nationality is called “expatriation” within the legal field.

24 *"Expatriation is the voluntary renunciation or abandonment of nationality and allegiance." Perkins v. Elg.,*  
25 *1939, 307 U.S. 325, 59 S.Ct. 884, 83 L.Ed. 1320. In order to be relieved of the duties of allegiance, consent of*  
26 *the sovereign is required. Mackenzi v. Hare, 1915, 239 U.S. 299, 36 S.Ct. 106, 60 L.Ed. 297. Congress has*  
27 *provided that the right of expatriation is a natural and inherent right of all people, and has further made a*  
28 *legislative declaration as to what acts shall amount to an exercise of such right. The enumerated methods set out*  
29 *in the chapter are expressly made the sole means of expatriation."*

30 *"...municipal law determines how citizenship may be acquired..."*

31 *"The renunciations not being given a result of free and intelligent choice, but rather because of mental fear,*  
32 *intimidation and coercion, they were held void and of no effect."*

33 *[Tomoya Kawakita v. United States, 190 F.2d. 506 (1951)]*

34 Those who have been expatriated from a state become “aliens” in relation to that state. If they are also domiciliated, meaning  
35 they have a domicile on federal territory, they become privileged “residents” (aliens) in relation to both the de jure state and  
36 the corporate state.

37 How does all this relate to the effect of participating in franchises upon one’s status in relation to the de jure constitutional  
38 government? Well, the practical effect upon one’s status in relation to the government of signing up for, accepting the benefits  
39 of, or participating in any government franchise are all the following:

- 40 1. You accept the equivalent of a title of nobility or DISABILITY in violation of the Constitution.

41 *Articles of Confederation*  
42 *Article VI.*



No State, without the consent of the United States in Congress assembled, shall send any embassy to, or receive any embassy from, or enter into any conference, agreement, alliance or treaty with any King, Prince or State; nor shall any person holding any office of profit or trust under the United States, or any of them, accept any present, emolument, **office or title** of any kind whatever from any King, Prince or foreign State; nor shall the United States in Congress assembled, or any of them, grant any **title of nobility**.

United States Constitution  
Article I, Section 9, Clause 8

**No Title of Nobility shall be granted by the United States:** And no Person **holding any Office** of Profit or Trust under them, shall, without the Consent of the Congress, accept of any present, Emolument, Office, or **Title, of** any kind whatever, from any King, Prince, or foreign State.

United States Constitution  
Article I, Section. 10

No State shall enter into any Treaty, Alliance, or Confederation; grant Letters of Marque and Reprisal; coin Money; emit Bills of Credit; make any Thing but gold and silver Coin a Tender in Payment of Debts; pass any Bill of Attainder, ex post facto Law, or Law impairing the Obligation of Contracts, or **grant any Title of Nobility**.

2. You surrender the privileges and immunities of constitutional citizenship in exchange for the disabilities and privileges of alienage as mandated by the Original Thirteenth Amendment.
3. You become a privileged statutory “resident alien” in relation to the existing government under the terms of the franchise agreement.

**“Residents, as distinguished from citizens, are aliens who are permitted to take up a permanent abode in the country. Being bound to the society by reason of their dwelling in it, they are subject to its laws so long as they remain there, and being protected by it, they must defend it, although they do not enjoy all the rights of citizens. They have only certain privileges which the law, or custom, gives them.** Permanent residents are those who have been given the right of perpetual residence. They are a sort of citizens of a less privileged character, and are subject to the society without enjoying all its advantages. Their children succeed to their status; for the right of perpetual residence given them by the State passes to their children.”  
[The Law of Nations, Volume 3, Chapter XIX, Vattel, p. 87;  
SOURCE: <http://famguardian.org/TaxFreedom/CitesByTopic/Resident-LawOfNations.pdf>]

4. You may not be treated as a constitutional “citizen” in relation to the government under the terms of the franchise agreement and may not claim any of the “benefits” or protections of being a constitutional “citizen”. Instead, you become a STATUTORY citizen who is privileged and who is representing a public office domiciled on federal territory not protected by the United States Constitution. It is furthermore proven in the following references that your status as a statutory “U.S. citizen” under 8 U.S.C. §1401 is in fact, yet another franchise that has nothing to do with domicile or residence:
  - 4.1. Federal Jurisdiction, Form #05.018, Section 5  
<http://sedm.org/Forms/FormIndex.htm>
  - 4.2. Why You are a “national”, “state national”, and Constitutional but not Statutory Citizen, Form #05.006, Sections 3 through 3.3.  
<http://sedm.org/Forms/FormIndex.htm>

However, news of the adoption of the Original Thirteenth Amendment has been silenced because it would undermine and destroy nearly everything that our present government does, which is implemented almost entirely using franchises and privileges. If the Original Thirteenth Amendment remained on the books, NO ONE could call themselves an American or a Constitutional citizen and we would all be aliens in our own land because almost everyone participates in government franchises of one kind or another at this time. In a real de jure and constitutional government, there is no such thing as franchises or the titles of nobility they create because everyone is equal.

You can find the complete story behind the ratification of the Original Thirteenth Amendment and its subsequent mysterious “disappearance” from the Constitution earlier in section 11.2.

Consistent with this section, Article IV of the Articles of Confederation also says that paupers and vagabonds are not entitled to the privileges and immunities of citizenship.

1 "... the free inhabitants of each of these states, paupers, vagabonds and fugitives from Justice excepted, shall be  
2 entitled to all privileges and immunities of free citizens in the several states"  
3 [Articles of Confederation, Article IV]

4 Here is the definition of "paupers and vagabonds":

5 "**Vagabond**. A vagrant or homeless wanderer **without means of honest livelihood**. *Neering v. Illinois Cent. R.*  
6 *Co.*, 383 Ill. 366, 50 N.E.2d. 497, 502. One who wanders from place to place, having no fixed dwelling, or, if he  
7 has one, not abiding in it; a wanderer, especially such a **person who is lazy and generally worthless without**  
8 **means of honest livelihood**."  
9 [Black's Law Dictionary, Sixth Edition, p. 1548]  
10

11 "**Vagrant**. At common law, wandering or going about from place to place by idle person who had **no lawful or**  
12 **visible means of support and who subsisted on charity and did not work, though able to do so**. *State v. Harlowe*,  
13 174 Wash. 227, 24 P.2d. 601. A general term, including, in English law, the several classes of idle and disorderly  
14 persons, rogues, and vagabonds, and incorrigible rogues. One who wanders from place to place; an idle wander,  
15 specifically, **one who has no settled habitation, nor any fixed income or livelihood**. A vagabond; a tramp. A  
16 **person able to work who spends his time in idleness or immorality, having no property to support him and**  
17 **without some visible and known means of fair, honest, and reputable livelihood**. *State v. Oldham*, 224 N.C.  
18 415, 30 S.E.2d. 318, 319. One who is apt to become a public charge through his own laziness. People, on  
19 Complaint of McDonough, v. Gesino, Sp.Sess., 22 N.Y.S.2d. 284, 285. See Vagabond; Vagrancy."  
20 [Black's Law Dictionary, Sixth Edition, p. 1548]

21 Incidentally, the above also happens to describe most of the people who work for the government. Most are do-nothing no-  
22 loads who effectively are "retired on duty" (R.O.D.). Based on the above, those who must draw from the government through  
23 charity or socialist welfare programs as a private citizen cannot have the rights or privileges of constitutional citizenship  
24 under the original Articles of Confederation, and that is exactly what happens to those who participate in our present Social  
25 Security or the government's tax system: They become privileged statutory "resident aliens" or statutory "citizens" domiciled  
26 on federal territory rather than constitutional citizens.

27 Those participating in government franchises essentially elect the government as their "parens patriae", or government parent.  
28 This "parens patriae" in fact, is the SAME entity which all popular fascist leaders such as Stalin, Hitler, and Mussolini have  
29 ultimately referred to when they all arrogantly identified themselves the "Father of the Country". The Corpus Juris Secundum  
30 Legal Encyclopedia also agrees with this section by affirming that those who are children or dependents or of unsound mind  
31 assume the domicile of the sovereign who is their "caretaker" or "parent".

32 **PARTICULAR PERSONS**  
33 *Infants*  
34 §20 In General

35 *An infant, being non sui juris, cannot fix or change his domicile unless emancipated. A legitimate child's domicile*  
36 *usually follows that of the father. In case of separation or divorce of parents, the child has the domicile of the*  
37 *parent who has been awarded custody of the child.*  
38 [*Corpus Juris Secundum (C.J.S.)*, Domicile, §20 (2003);  
39 SOURCE: <http://famguardian.org/TaxFreedom/CitesByTopic/Domicile-28CJS-20051203.pdf>]

40 As long as we are called "children of God" and are dependent exclusively on Him, we assume His domicile, which is the  
41 Kingdom of God. If we elect government as our parent or caretaker through franchises, we fire God as our provider and  
42 caretaker, become wards of the corporate government, and become government dependents who are "persons", "resident  
43 aliens", "public officers", "trustees", and franchisees of the government subject to their jurisdiction and who are their  
44 "property" and responsibility. In short, we become cattle and chattel of the government.

45 The considerations in this section are the reason why:

- 46 1. No social benefit program entitles those participating to an enforceable right under equity as against the government.

47 "*We must conclude that a person covered by the Act has not such a right in benefit payments... This is not to*  
48 *say, however, that Congress may exercise its power to modify the statutory scheme free of all constitutional*  
49 *restraint."*  
50 [*Flemming v. Nestor*, 363 U.S. 603 (1960)]

2. Disputes relating to franchise “benefits” must be settled in administrative franchise courts in which you are unequal in relation to the government and approach them more as a beggar and statutory “employee”/public officer than a sovereign.

Why, you might ask, is this? Because they couldn’t succeed in their dastardly plan to convert all your rights into privileges if you retained your sovereignty and equity in relation to them under the terms of the franchise. They want to transport you to the plunder zone, which is the federal zone, and destroy and plunder you rather than protect you, in fact. They want to eliminate all constitutional courts and replace them with franchise courts and make you into a government “employee” or “public officer” called a statutory “U.S. citizen”. That is why the U.S. Supreme Court referred to Social Security as a “statutory scheme”. They weren’t lying, folks!

### 13.5.2 Creation of the “Resident” entity

When two parties execute a franchise agreement or contract between them, they are engaging in “commerce”. The practical consequences of the franchise agreement are the following:

1. The main source of jurisdiction for the government is over commerce.
2. The mutual consideration passing between the parties provides the nexus for government jurisdiction over the transaction.
3. If the exchange involves a government franchise offered by the national government:
  - 3.1. An “alienation” of private rights has occurred. This alienation:
    - 3.1.1. Turns formerly private rights into public rights.
    - 3.1.2. Accomplishes the equivalent of a “donation” of private property to a public use, public purpose, and public office in order to procure the “benefits” of the franchise by the former owner of the property.
  - 3.2. Parties to the franchise agreement cannot engage in a franchise without implicitly surrendering governance over disputes to the government granting the franchise. In that sense, their effective domicile shifts to the location of the seat of the government granting the franchise.
  - 3.3. The parties to the franchise agreement mutually and implicitly surrender their sovereign immunity under the Foreign Sovereign Immunities Act (F.S.I.A.), 28 U.S.C. §1605(a)(2), which says that commerce within the legislative jurisdiction of the “United States” constitutes constructive consent to be sued in the courts of the United States. This is discussed in more detail in the previous section.

Another surprising result of engaging in franchises and public “benefits” that most people overlook is that the commerce it represents, in fact, can have the practical effect of making a “nonresident” party “resident” for the purposes of judicial jurisdiction. Here is the proof:

*In International Shoe Co. v. Washington, 326 U.S. 310 (1945), the Supreme Court held that a court may exercise personal jurisdiction over a defendant consistent with due process only if he or she has “certain minimum contacts” with the relevant forum “such that the maintenance of the suit does not offend ‘traditional notions of fair play and substantial justice.’ ” Id. at 316 (quoting Milliken v. Meyer, 311 U.S. 457, 463 (1940)). Unless a defendant’s contacts with a forum are so substantial, continuous, and systematic that the defendant can be deemed to be “present” in that forum for all purposes, a forum may exercise only “specific” jurisdiction - that is, jurisdiction based on the relationship between the defendant’s forum contacts and the plaintiff’s claim. The parties agree that only specific jurisdiction is at issue in this case.*

*In this circuit, we analyze specific jurisdiction according to a three-prong test:*

- (1) The non-resident defendant must purposefully direct his activities or consummate some transaction with the forum or resident thereof; or perform some act by which he purposefully avails himself of the privilege of conducting activities in the forum, thereby invoking the benefits and protections of its laws;*
- (2) the claim must be one which arises out of or relates to the defendant’s forum-related activities; and*
- (3) the exercise of jurisdiction must comport with fair play and substantial justice, i.e. it must be reasonable.*

*Schwarzenegger v. Fred Martin Motor Co., 374 F.3d. 797, 802 (9th Cir. 2004) (quoting Lake v. Lake, 817 F.2d. 1416, 1421 (9th Cir. 1987)). The first prong is determinative in this case. We have sometimes referred to it, in shorthand fashion, as the “purposeful availment” prong. Schwarzenegger, 374 F.3d. at 802. Despite its label, this prong includes both purposeful availment and purposeful direction. It may be satisfied by purposeful availment of the privilege of doing business in the forum; by purposeful direction of activities at the forum; or by some combination thereof.*

We have typically treated "purposeful availment" somewhat differently in tort and contract cases. In tort cases, we typically inquire whether a defendant "purposefully direct[s] his activities" at the forum state, applying an "effects" test that focuses on the forum in which the defendant's actions were felt, whether or not the actions themselves occurred within the forum. See *Schwarzenegger*, 374 F.3d. at 803 (citing *Calder v. Jones*, 465 U.S. 783, 789-90 (1984)). By contrast, in contract cases, we typically inquire whether a defendant "purposefully avails itself of the privilege of conducting activities" or "consummate[s] [a] transaction" in the forum, focusing on activities such as delivering goods or executing a contract. See *Schwarzenegger*, 374 F.3d. at 802. However, this case is neither a tort nor a contract case. Rather, it is a case in which Yahoo! argues, based on the **First Amendment**, that the French court's interim orders are unenforceable by an American court. [*Yahoo! Inc. v. La. Ligue Contre Le Racisme Et L'Antisemitisme*, 433 F.3d. 1199 (9th Cir. 01/12/2006) ]

Legal treatises on domicile also confirm that those who are "wards" or "dependents" of the state or the government assume the same domicile or "residence" as their care giver. The practical effect of this is that by participating in government franchises, we become "wards" of the government in receipt of welfare payments such as Social Security, Medicare, etc. As "wards" under "guardianship" of the government, we assume the same domicile as the government who is paying us the "benefits", which means the District of Columbia. Our domicile is whatever the government, meaning the "court" wants it to be for their convenience:

**PARTICULAR PERSONS**  
**§ 24. Wards**

While it appears that an infant ward's domicile or residence ordinarily follows that of the guardian it does not necessarily do so,<sup>144</sup> as so a guardian has been held to have no power to control an infant's domicile as against her mother.<sup>145</sup> Where a guardian is permitted to remove the child to a new location, the child will not be held to have acquired a new domicile if the guardian's authority does not extend to fixing the child's domicile. Domicile of a child who is a ward of the court is the location of the court.<sup>146</sup>

Since a ward is not sui juris, he cannot change his domicile by removal,<sup>147</sup> nor or does the removal of the ward to another state or county by relatives or friends, affect his domicile.<sup>148</sup> Absent an express indication by the court, the authority of one having temporary control of a child to fix the child's domicile is ascertained by interpreting the court's orders.<sup>149</sup>

[*Corpus Juris Secundum* (C.J.S.), *Domicile*, §24 (2003);

SOURCE: <http://famguardian.org/TaxFreedom/CitesByTopic/Domicile-28CJS-20051203.pdf>]

This change in domicile of those who participate in government franchises and thereby become "wards" of the government is also consistent with the U.S. Supreme Court's view of the government's relationship to those who participate in government franchises. It calls the government a "parens patriae" in relation to them!:

"The proposition is that the United States, as the grantor of the franchises of the company [a corporation, in this case], the author of its charter, and the donor of lands, rights, and privileges of immense value, and as parens patriae, is a trustee, invested with power to enforce the proper use of the property and franchises granted for the benefit of the public."  
[*U.S. v. Union Pac. R. Co.*, 98 U.S. 569 (1878)]

PARENS PATRIAE. Father of his country; parent of the country. In England, the king. In the United States, the state, as a sovereign-referring to the sovereign power of guardianship over persons under disability: In re Turner, 94 Kan. 115, 145 P. 871, 872, Ann.Cas.1916E, 1022; such as minors, and insane and incompetent persons; *McIntosh v. Dill*, 86 Okl. 1, 205 P. 917, 925.  
[*Black's Law Dictionary*, Sixth Edition, p. 1269]

One Congressman during the debates over the proposal of the Social Security Act in 1933 criticized the very adverse effects of the franchise upon people's rights, including that upon the domicile of those who participate, when he said:

<sup>144</sup> Ky.--*City of Louisville v. Sherley's Guardian*, 80 Ky. 71.

<sup>145</sup> Ky.--*Garth v. City Sav. Bank*. 86 S.W. 520, 120 Ky. 280, 27 Ky.L. 675.

<sup>146</sup> Wash.-*Matter of Adoption of Buehl*, 555 P.2d. 1334, 87 Wash.2d. 649.

<sup>147</sup> Cd.-*In re Henning's Estate*, 60 P. 762, 128 C. 214.

<sup>148</sup> Md.-*Sudler v. Sudler*, 88 A. 26, 121 Md. 46.

<sup>149</sup> Wash.-*Matter of Adoption of Buehl*, 555 P.2d. 1334, 87 Wash.2d. 649.

Mr. Logan: "...Natural laws cannot be created, repealed, or modified by legislation. Congress should know there are many things which it cannot do..."

"It is now proposed to make the Federal Government the guardian of its citizens. If that should be done, the Nation soon must perish. There can only be a free nation when the people themselves are free and administer the government which they have set up to protect their rights. Where the general government must provide work, and incidentally food and clothing for its citizens, freedom and individuality will be destroyed and eventually the citizens will become serfs to the general government..."

[Congressional Record-Senate, Volume 77- Part 4, June 10, 1933, Page 12522;

SOURCE: <http://famguardian.org/TaxFreedom/CitesByTopic/Sovereignty-CongRecord-Senate-JUNE101932.pdf>]

The Internal Revenue Code franchise agreement itself contains provisions which recognize this change in effective domicile to the District of Columbia within 26 U.S.C. §7408(d) and 26 U.S.C. §7701(a)(39).

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

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

(39) Persons residing outside United States

**If any citizen or resident of the United States does not reside in (and is not found in) any United States judicial district, such citizen or resident shall be treated as residing ["domiciled"] in the District of Columbia for purposes of any provision of this title relating to—**

(A) jurisdiction of courts, or

(B) enforcement of summons.

[TITLE 26](#) > [Subtitle F](#) > [CHAPTER 76](#) > [Subchapter A](#) > § 7408  
[§7408. Action to enjoin promoters of abusive tax shelters, etc.](#)

(d) Citizens and residents outside the United States If any citizen or resident of the United States does not reside in, and does not have his principal place of business in, any United States judicial district, such citizen or resident shall be treated for purposes of this section as residing in the District of Columbia.

The only legitimate purpose of all law and government is "protection". A person who selects or consents to have a "domicile" or "residence" within the jurisdiction of the government granting the protection franchise has effectively contracted to procure "protection" of that "sovereign" or "state". In exchange for the promise of protection by the "state", they are legally obligated to give their "allegiance and support", thus nominating a Master who will be above them.

**"Allegiance and protection [by the government from harm] are, in this connection, reciprocal obligations. The one is a compensation for the other; allegiance for protection and protection for allegiance."**  
[Minor v. Happersett, [88 U.S. \(21 Wall.\) 162](#), 166-168 (1874)]

Allegiance implies subservience to a superior sovereign. All allegiance must be voluntary and any consequences arising from compelled allegiance may not be enforced in a court of law. When you revoke your voluntary consent to the government's jurisdiction and the "domicile" or "residence" contract, you change your status from that of a "domiciliary" or "resident" (alien) pursuant to 26 U.S.C. §7701(b)(1)(A) or "inhabitant" or "U.S. person" pursuant to 26 U.S.C. §7701(a)(30) to that of a "transient foreigner". Transient foreigner is then defined below:

**"Transient foreigner. One who visits the country, without the intention of remaining."**  
[Black's Law Dictionary, Sixth Edition, p. 1498]

Note again the language within the definition of "domicile" from Black's Law Dictionary relating to the word "transient", which confirms that what makes your stay "permanent" is consent to the jurisdiction of the "state" located in that place:

**"Domicile. [...]The established, fixed, permanent, or ordinary dwellingplace or place of residence of a person, as distinguished from his temporary and transient, though actual, place of residence. It is his legal residence, as distinguished from his temporary place of abode; or his home, as distinguished from a place to which business or pleasure may temporarily call him. See also Abode; Residence."**  
[Black's Law Dictionary, Sixth Edition, p. 485]



1 Since your Constitutional right to contract is unlimited, then you can have as many temporary and transient “residences” as  
2 you like, but you can have only one legal “domicile”, because your allegiance must be undivided or you will have a conflict  
3 of interest and allegiance.

4 “No one can serve **two masters**; for either he will hate the one and love the other, or else he will be loyal to the  
5 one and despise the other. You cannot serve God and mammon.”  
6 [Matt. 6:23-25, Bible, NKJV]

7 Now do you understand the reasoning behind the following maxim of law? You become a “subject” and a “resident” under  
8 the jurisdiction of a government’s civil law by demanding its protection! If you want to “fire” the government as your  
9 “protector”, you MUST quit demanding anything from it by filling out government forms or participating in its franchises:

10 *Protectio trahit subjectionem, subjectio projectionem.*  
11 *Protection draws to it subjection, subjection, protection. Co. Litt. 65.*  
12 [Bouvier’s Maxims of Law, 1856;  
13 SOURCE: <http://famguardian.org/Publications/BouvierMaximsOfLaw/BouviersMaxims.htm>]

14 Remember, “resident” is a combination of two word roots: “res”, which is legally defined as a “thing”, and “ident”, which  
15 stands for “identified”.

16 *Res. Lat. The subject matter of a trust or will. In the civil law, a thing; an object. As a term of the law, this*  
17 *word has a very wide and extensive signification, including not only things which are objects of property, but also*  
18 *such as are not capable of individual ownership. And in old English law it is said to have a general import,*  
19 *comprehending both corporeal and incorporeal things of whatever kind, nature, or species. By "res," according*  
20 *to the modern civilians, is meant everything that may form an object of rights, in opposition to "persona," which*  
21 *is regarded as a subject of rights. "Res," therefore, in its general meaning, comprises actions of all kinds; while*  
22 *in its restricted sense it comprehends every object of right, except actions. This has reference to the fundamental*  
23 *division of the Institutes that all law relates either to persons, to things, or to actions.*

24 *Res is everything that may form an object of rights and includes an object, subject-matter or status. In re*  
25 *Riggle's Will, 11 A.D.2d. 51 205 N.Y.S.2d. 19, 21, 22. The term is particularly applied to an object, subject-*  
26 *matter, or status, considered as the defendant in an action, or as an object against which, directly, proceedings*  
27 *are taken. Thus, in a prize case, the captured vessel is "the res"; and proceedings of this character are said to*  
28 *be in rem. (See In personam; In Rem.) "Res" may also denote the action or proceeding, as when a cause, which*  
29 *is not between adversary parties, is entitled "In re \_\_\_\_\_".*  
30 [Black’s Law Dictionary, Sixth Edition, pp. 1304-1306]

31 The “object, subject matter, or status” they are talking about above is the ALL CAPS incarnation of your legal birth name  
32 and the government-issued number, usually an SSN, that is associated with it. Those two things constitute the “straw man”  
33 or “trust” or “res” which you implicitly agree to represent at the time you sign up for any franchise, benefit, or “public right”.  
34 When the government attacks someone for a tax liability or a debt, they don’t attack you as a private person, but rather the  
35 collection of rights that attach to the ALL CAPS trust name and associated Social Security Number trust. They start by  
36 placing a lien on the number, which actually is THEIR number and not YOURS. That number associates PRIVATE property  
37 with PUBLIC TRUST property. Merriam-Webster’s Dictionary definition 5(b) for “Trust” is “office”:

38 “**Trust: 5 a** (1) : a charge or duty imposed in faith or confidence or as a condition of some relationship (2) :  
39 something committed or entrusted to one to be used or cared for in the interest of another **b** : **responsible charge**  
40 **or office c** : **CARE, CUSTODY** <the child committed to her trust.”  
41 [Merriam-Webster’s 11<sup>th</sup> Collegiate Dictionary]

42 20 C.F.R. §422.103(d) says the number is THEIR property. They can lien their property, which is public property in your  
43 temporary use and custody as a “trustee” of the “public trust”. Everything that number is connected to acts as private property  
44 donated temporarily to a public use to procure the “benefits” of the franchise. It is otherwise illegal to mix public property,  
45 such as the Social Security Number, with private property, because that would constitute illegal and criminal embezzlement  
46 in violation of [18 U.S.C. §912](#).

47 “Men are endowed by their Creator with certain unalienable rights, -life, liberty, and the pursuit of happiness;’  
48 and to 'secure,' not grant or create, these rights, governments are instituted. That property [or income] which a  
49 man has honestly acquired he retains full control of, subject to these limitations: First, that he shall not use it  
50 to his neighbor's injury, and that does not mean that he must use it for his neighbor's benefit; second, that  
51 if he devotes it to a public use, he gives to the public a right to control that

USE; and third, that whenever the public needs require, the public may take it upon payment of due compensation.  
[Budd v. People of State of New York, [143 U.S. 517](#) (1892)]

Below is how the U.S. Supreme Court describes the practical effect of creating the trust and placing its “residence” or “domicile” within the jurisdiction the specific government or “state” granting the franchise:

*"Thus, the Court has frequently held that domicile or residence, more substantial than mere presence in transit or sojourn, is an adequate basis for taxation, including income, property, and death taxes. Since the Fourteenth Amendment makes one a citizen of the state wherein he resides, the fact of residence creates universally reciprocal duties [e.g. CONTRACTUAL DUTIES!!] of protection by the state and of allegiance and support by the citizen. The latter obviously includes a duty to pay taxes, and their nature and measure is largely a political matter. Of course, the situs of property may tax it regardless of the citizenship, domicile, or residence of the owner, the most obvious illustration being a tax on realty laid by the state in which the realty is located."*  
[Miller Brothers Co. v. Maryland, [347 U.S. 340](#) (1954)]

The implication is that you cannot be sovereign if either you or the entities you voluntarily represent have a “domicile” or “residence” in any man-made government or in any place other than Heaven or the Kingdom of Heaven on Earth. If you choose a “domicile” or “residence” any place on earth, then you become a “subject” in relation to that place and voluntarily forfeit your sovereignty. This is NOT the status you want to have! A “resident” by definition MUST therefore be within the legislative jurisdiction of the government, because the government cannot lawfully write laws that will allow them to recognize or act upon anything that is NOT within their legislative jurisdiction.

All law is territorial in nature, and can act only upon the territory under the exclusive control of the government or upon its franchises, contracts, and real and chattel property, which are “property” under its management and control pursuant to Article 4, Section 3, Clause 2 of the United States Constitution. The only lawful way that government laws can reach beyond the territory of the sovereign who controls them is through explicit, informed, mutual consent of the individual parties involved, and this field of law is called “private law”.

*"Judge Story, in his treatise on the Conflicts of Laws, lays down, as the basis upon which all reasonings on the law of comity must necessarily rest, the following maxims: First 'that every nation possesses an exclusive sovereignty and jurisdiction within its own territory'; secondly, 'that no state or nation can by its laws directly affect or bind property out of its own territory, or bind persons not resident therein, whether they are natural born subjects or others.' The learned judge then adds: 'From these two maxims or propositions there follows a third, and that is that whatever force and obligation the laws of one country have in another depend solely upon the laws and municipal regulation of the latter; that is to say, upon its own proper jurisdiction and polity, and upon its own express or tacit consent.'" Story on Conflict of Laws §23."*  
[Baltimore & Ohio Railroad Co. v. Chambers, 73 Ohio.St. 16, 76 N.E. 91, 11 L.R.A., N.S., 1012 (1905)]

A person who is “subject” to government jurisdiction cannot be a “sovereign”, because a sovereign is not subject to the law, but the AUTHOR of the law. Only citizens are the authors of the law because only “citizens” can vote.

*"Sovereignty itself is, of course, not subject to law, for it is the author and source of law; but in our system, while sovereign powers are delegated to the agencies of government, sovereignty itself remains with the people, by whom and for whom all government exists and acts. And the law is the definition and limitation of power."*  
[Yick Wo v. Hopkins, 118 U.S. 356 (1886)]

### 13.5.3 Creation of the “Trustee” entity

*"Government is competent when all who compose it work as trustees for the whole people. It can make constant progress when it keeps abreast of all the facts. It can obtain justified support and legitimate criticism when the people receive true information of all that government does.*

*"If I know aught of the will of our people, they will demand that these conditions of effective government shall be created and maintained. They will demand a nation uncorrupted by cancers of injustice and, therefore, strong among the nations in its example of the will to peace."  
[Franklin D. Roosevelt, Second Inaugural Address, January 20, 1937;  
SOURCE: <http://www.bartleby.com/124/pres50.html>]*

All biological people start out as “sovereigns” who are foreign to nearly every subject matter of federal and state legislation:

*"In common usage, the term 'person' does not include the sovereign, and statutes employing the word are ordinarily construed to exclude it."*

[Wilson v. Omaha Indian Tribe, 442 U.S. 653, 667 (1979)]

*The United States maintains it does not, invoking the Court's "longstanding interpretive presumption that 'person' does not include the sovereign," a presumption that "may be disregarded only upon some affirmative showing of statutory intent to the contrary."* Brief for United States as Amicus Curiae 7-8 (quoting Vermont Agency of Natural Resources v. United States ex rel. Stevens, 529 U.S. 765, 780-781 (2000)); see Will, 491 U.S. at 64. [Inyo County, California v. Paiute Shoshone Indians, 538 U.S. 701 (2003)]

"Since in common usage, the term person does not include the sovereign, statutes not employing the phrase are ordinarily construed to exclude it."  
[United States v. Cooper Corporation, 312 U.S. 600 (1941)]

When you exercise your right to contract by signing up for a government franchise or "public right", there is an implied waiver of sovereign immunity in respect to the other party to the contract and a new legal "person" is created who is within the jurisdiction of the franchise agreement. The legal "person" who is created by the contract is a "public officer" within the government granting the privilege or franchise. An example of such a statutory person is found in the penalty provisions of the Internal Revenue Code:

TITLE 26 > Subtitle F > CHAPTER 68 > Subchapter B > PART I > § 6671  
§ 6671. Rules for application of assessable penalties

(b) Person defined

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

The legal "person" described above is a person who consented to the franchise agreement and who may therefore become the lawful object of government enforcement activity. It otherwise constitutes an unconstitutional bill of attainder to administratively penalize anyone without their consent, as indicated in Article 1, Section 10 and Article 1, Section 9, Clause 3 of the U.S. Constitution.

*U.S. Constitution*  
*Article 1, Section 9, Clause 3*

*"No State shall pass any bill of attainder, ex post facto law, or law impairing the obligation of contracts." A bill of attainder is a legislative act which inflicts punishment without a judicial trial.*

**"Bill of attainder.** Legislative acts, no matter what their form, that apply either to named individuals or to easily ascertainable members of a group in such a way as to **inflict punishment on them without a judicial trial.** *United States v. Brown*, 381 U.S. 437, 448-49, 85 S.Ct. 1707, 1715, 14 L.Ed. 484, 492; *United States v. Lovett*, 328 U.S. 303, 315, 66 S.Ct. 1073, 1079, 90 L.Ed. 1252. An act is a "bill of attainder" when the punishment is death and a "bill of pains and penalties" when the punishment is less severe; both kinds of punishment fall within the scope of the constitutional prohibition. *U.S. Const. Art. I, Sect 9, Cl. 3 (as to Congress); Art. I, Sec. 10 (as to state legislatures).*"  
[Black's Law Dictionary, Sixth Edition, p. 165]

This "public officer" entity created by the exercise of your right to contract is alluded to in Bouvier's Maxims of Law, which states on the subject:

*Quando duo juro concurrunt in und personâ, aequum est ac si essent in diversis.*  
*When two rights concur in one person [public AND private rights], it is the same as if they were in **two separate persons.*** 4 Co. 118.  
[Bouvier's Maxims of Law, 1856;  
SOURCE: <http://famguardian.org/Publications/BouvierMaximsOfLaw/BouviersMaxims.htm>]

The rights they are talking about are "private rights" and "public rights" coexisting in the same physical person. This public officer is also a "trustee" of the "public trust", because public service is a "public trust":

**"Trustee.** Person holding property in trust. *Restatement, Second, Trusts, §3(3).* The person appointed, or required by law, to execute a trust. One in whom an implied agreement to administer or exercise it for the benefit or to the use of another. One who holds legal title to property "in trust" for the benefit of another person

(beneficiary) and who must carry out specific duties with regard to the property. The trustee owes a fiduciary duty to the beneficiary. *Reinecke v. Smith, Ill.*, 289 U.S. 172, 53 S.Ct. 570, 77 L.Ed. 1109.”  
[*Black’s Law Dictionary, Sixth Edition, p. 1514*]

American Jurisprudence identifies a franchise as a temporary conveyance of “public property” to the franchisee for use and safekeeping for the benefit of the public at large:

“In a legal or narrower sense, the term “franchise” is more often used to designate a right or privilege conferred by law,<sup>150</sup> and the view taken in a number of cases is that to be a franchise, the right possessed must be such as cannot be exercised without the express permission of the sovereign power<sup>151</sup> —that is, a privilege or immunity of a public nature which cannot be legally exercised without legislative grant.<sup>152</sup> It is a privilege conferred by government on an individual or a corporation to do that “which does not belong to the citizens of the country generally by common right.”<sup>153</sup> For example, a right to lay rail or pipes, or to string wires or poles along a public street, is not an ordinary use which everyone may make of the streets, but is a special privilege, or franchise, to

<sup>150</sup> *People ex rel. Fitz Henry v. Union Gas & E. Co.* 254 Ill. 395, 98 N.E. 768; *State ex rel. Bradford v. Western Irrigating Canal Co.* 40 Kan 96, 19 P. 349; *Milhau v. Sharp*, 27 N.Y. 611; *State ex rel. Williamson v. Garrison (Okla.)*, 348 P.2d. 859; *Ex parte Polite*, 97 Tex Crim 320, 260 S.W. 1048.

The term “franchise” is generic, covering all the rights granted by the state. *Atlantic & G. R. Co. v. Georgia*, 98 U.S. 359, 25 L.Ed. 185.

A franchise is a contract with a sovereign authority by which the grantee is licensed to conduct a business of a quasi-governmental nature within a particular area. *West Coast Disposal Service, Inc. v. Smith (Fla App)*, 143 So.2d. 352.

<sup>151</sup> The term “franchise” is generic, covering all the rights granted by the state. *Atlantic & G. R. Co. v. Georgia*, 98 U.S. 359, 25 L.Ed. 185.

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<sup>152</sup> *State v. Real Estate Bank*, 5 Ark. 595; *Brooks v. State*, 3 Boyce (Del) 1, 79 A. 790; *Belleville v. Citizens’ Horse R. Co.*, 152 Ill. 171, 38 N.E. 584; *State ex rel. Clapp v. Minnesota Thresher Mfg. Co.* 40 Minn 213, 41 N.W. 1020.

<sup>153</sup> *New Orleans Gaslight Co. v. Louisiana Light & H. P. & Mfg. Co.*, 115 U.S. 650, 29 L.Ed. 516, 6 S.Ct. 252; *People’s Pass. R. Co. v. Memphis City R. Co.*, 10 Wall (US) 38, 19 L.Ed. 844; *Bank of Augusta v. Earle*, 13 Pet (U.S.) 519, 10 L.Ed. 274; *Bank of California v. San Francisco*, 142 Cal. 276, 75 P. 832; *Higgins v. Downward*, 8 Houst (Del) 227, 14 A. 720, 32 A. 133; *State ex rel. Watkins v. Fernandez*, 106 Fla. 779, 143 So. 638, 86 A.L.R. 240; *Lasher v. People*, 183 Ill. 226, 55 N.E. 663; *Inland Waterways Co. v. Louisville*, 227 Ky. 376, 13 S.W.2d. 283; *Lawrence v. Morgan’s L. & T. R. & S. S. Co.*, 39 La. Ann. 427, 2 So. 69; *Johnson v. Consolidated Gas E. L. & P. Co.*, 187 Md. 454, 50 A.2d. 918, 170 A.L.R. 709; *Stoughton v. Baker*, 4 Mass 522; *Poplar Bluff v. Poplar Bluff Loan & Bldg. Asso.*, (Mo App) 369 S.W.2d. 764; *Madden v. Queens County Jockey Club*, 296 N.Y. 249, 72 N.E.2d. 697, 1 A.L.R.2d. 1160, cert den 332 U.S. 761, 92 L.Ed. 346, 68 S.Ct. 63; *Shaw v. Asheville*, 269 N.C. 90, 152 S.E.2d. 139; *Victory Cab Co. v. Charlotte*, 234 N.C. 572, 68 S.E.2d. 433; *Henry v. Bartlesville Gas & Oil Co.*, 33 Okla 473, 126 P. 725; *Elliott v. Eugene*, 135 Or. 108, 294 P. 358; *State ex rel. Daniel v. Broad River Power Co.* 157 S.C. 1, 153 S.E. 537; *State v. Scougal*, 3 S.D. 55, 51 N.W. 858; *Utah Light & Traction Co. v. Public Serv. Com.*, 101 Utah 99, 118 P.2d. 683.

A franchise represents the right and privilege of doing that which does not belong to citizens generally, irrespective of whether net profit accruing from the exercise of the right and privilege is retained by the franchise holder or is passed on to a state school or to political subdivisions of the state. *State ex rel. Williamson v. Garrison (Okla.)*, 348 P.2d. 859.

Where all persons, including corporations, are prohibited from transacting a banking business unless authorized by law, the claim of a banking corporation to exercise the right to do a banking business is a claim to a franchise. The right of banking under such a restraining act is a privilege or immunity by grant of the legislature, and the exercise of the right is the assertion of a grant from the legislature to exercise that privilege, and consequently it is the usurpation of a franchise unless it can be shown that the privilege has been granted by the legislature. *People ex rel. Atty. Gen. v. Utica Ins. Co.*, 15 Johns (NY) 358.

be granted for the accomplishment of public objects<sup>154</sup> which, except for the grant, would be a trespass.<sup>155</sup> In this connection, the term "franchise" has sometimes been construed as meaning a grant of a right to use public property, or at least the property over which the granting authority has control.<sup>156</sup> [American Jurisprudence 2d, Franchises, §1: Definitions (1999)]

An example of the conveyance of “public property” for temporary use is the Social Security Card, which is identified as property NOT of the user, but of the Social Security Administration (S.S.A.) and the “public”:

Title 20: Employees' Benefits  
PART 422—ORGANIZATION AND PROCEDURES  
Subpart B—General Procedures  
§422.103 Social security numbers.

(d) Social security number cards. A person who is assigned a social security number will receive a social security number card from SSA within a reasonable time after the number has been assigned. (See §422.104 regarding the assignment of social security number cards to aliens.) Social security number cards are the property of SSA and must be returned upon request.

The conveyance of the Social Security Card and associated number to a private person makes that person into a “trustee” and “fiduciary” over the “public property” and creates an obligation to use everything it connects or attaches to ONLY for a “public purpose” and exclusively for the benefit of the public, who are the beneficiaries of the “public trust”. He holds temporary “title” to the card while it is in his possession and loses title when he returns it to the government. SSA form SS-5 is the method for requesting temporary custody of the public property called the Social Security Card and becoming a “trustee” over said property.

The ONLY definition of “income” found within the Internal Revenue Code within Section 643 is entirely consistent with the notion that it can only be earned by “trustees” or fiduciaries participating in federal franchises. The Social Security Trust, which is represented by the de facto public office, in fact, is the real “taxpayer”. Those representing the trust by using the number, which is “public property”, must implicitly agree to all the provisions within the trust indenture codified in Internal Revenue Code, Subtitle A and 42 U.S.C. Chapter 7.

TITLE 26 > Subtitle A > CHAPTER 1 > Subchapter J > PART I > Subpart A > § 643  
§ 643. Definitions applicable to subparts A, B, C, and D

(b) *Income*

<sup>154</sup> New Orleans Gaslight Co. v. Louisiana Light & H. P. & Mfg. Co., 115 U.S. 650, 29 L.Ed. 516, 6 S.Ct. 252; People's Pass. R. Co. v. Memphis City R. Co., 10 Wall (US) 38, 19 L.Ed. 844; Bank of Augusta v. Earle, 13 Pet (U.S.) 519, 10 L.Ed. 274; Bank of California v. San Francisco, 142 Cal. 276, 75 P. 832; Higgins v. Downward, 8 Houst (Del) 227, 14 A. 720, 32 A. 133; State ex rel. Watkins v. Fernandez, 106 Fla. 779, 143 So. 638, 86 A.L.R. 240; Lasher v. People, 183 Ill. 226, 55 N.E. 663; Inland Waterways Co. v. Louisville, 227 Ky. 376, 13 S.W.2d. 283; Lawrence v. Morgan's L. & T. R. & S. S. Co., 39 La. Ann. 427, 2 So. 69; Johnson v. Consolidated Gas E. L. & P. Co., 187 Md. 454, 50 A.2d. 918, 170 A.L.R. 709; Stoughton v. Baker, 4 Mass 522; Poplar Bluff v. Poplar Bluff Loan & Bldg. Asso. (Mo App) 369 S.W.2d. 764; Madden v. Queens County Jockey Club, 296 N.Y. 249, 72 N.E.2d. 697, 1 A.L.R.2d. 1160, cert den 332 U.S. 761, 92 L.Ed. 346, 68 S.Ct. 63; Shaw v. Asheville, 269 N.C. 90, 152 S.E.2d. 139; Victory Cab Co. v. Charlotte, 234 N.C. 572, 68 S.E.2d. 433; Henry v. Bartlesville Gas & Oil Co., 33 Okla 473, 126 P. 725; Elliott v. Eugene, 135 Or. 108, 294 P. 358; State ex rel. Daniel v. Broad River Power Co. 157 S.C. 1, 153 S.E. 537; State v. Scougal, 3 S.D. 55, 51 N.W. 858; Utah Light & Traction Co. v. Public Serv. Com., 101 Utah 99, 118 P.2d. 683.

A franchise represents the right and privilege of doing that which does not belong to citizens generally, irrespective of whether net profit accruing from the exercise of the right and privilege is retained by the franchise holder or is passed on to a state school or to political subdivisions of the state. State ex rel. Williamson v. Garrison (Okla), 348 P.2d. 859.

Where all persons, including corporations, are prohibited from transacting a banking business unless authorized by law, the claim of a banking corporation to exercise the right to do a banking business is a claim to a franchise. The right of banking under such a restraining act is a privilege or immunity by grant of the legislature, and the exercise of the right is the assertion of a grant from the legislature to exercise that privilege, and consequently it is the usurpation of a franchise unless it can be shown that the privilege has been granted by the legislature. People ex rel. Atty. Gen. v. Utica Ins. Co., 15 Johns (NY) 358.

<sup>155</sup> People ex rel. Foley v. Stapleton, 98 Colo. 354, 56 P.2d. 931; People ex rel. Central Hudson Gas & E. Co. v. State Tax Com. 247 N.Y. 281, 160 N.E. 371, 57 A.L.R. 374; People v. State Tax Comrs. 174 N.Y. 417, 67 N.E. 69, affd 199 U.S. 1, 50 L.Ed. 65, 25 S.Ct. 705.

<sup>156</sup> Young v. Morehead, 314 Ky. 4, 233 S.W.2d. 978, holding that a contract to sell and deliver gas to a city into its distribution system at its corporate limits was not a franchise within the meaning of a constitutional provision requiring municipalities to advertise the sale of franchises and sell them to the highest bidder.

A contract between a county and a private corporation to construct a water transmission line to supply water to a county park, and giving the corporation the power to distribute water on its own lands, does not constitute a franchise. Brandon v. County of Pinellas (Fla App), 141 So.2d. 278.



For purposes of this subpart and subparts B, C, and D, **the term “income”, when not preceded by the words “taxable”, “distributable net”, “undistributed net”, or “gross”, means the amount of income of the estate or trust for the taxable year determined under the terms of the governing instrument and applicable local law. Items of gross income constituting extraordinary dividends or taxable stock dividends which the fiduciary, acting in good faith, determines to be allocable to corpus under the terms of the governing instrument and applicable local law shall not be considered income.**

As we alluded to in the previous section, when you sign up to the government franchise, a trust is created in which you as the human being become the “trustee” and “public officer” or “fiduciary” serving on behalf of the government. This trust relation will be further explained in detail later in section 26.7, in which we will quote the U.S. Supreme Court. The entities created by exercising your right to contract with the government offering the franchise usually consist of a “public office”, which is a position of trust created for the exercise of powers under the franchise agreement. For instance, in exchange for exercising your First Amendment right to politically associate and thereby registering to vote in a community, you become a “public officer”. This is confirmed by [18 U.S.C. §201](#)(a)(1):

[TITLE 18 > PART I > CHAPTER 11 > §201](#)  
[§201. Bribery of public officials and witnesses](#)

(a) For the purpose of this section—

(1) **the term “public official” means** Member of Congress, Delegate, or Resident Commissioner, either before or after such official has qualified, or an officer or employee or person acting for or on behalf of the United States, or any department, agency or branch of Government thereof, including the District of Columbia, in any official function, under or by authority of any such department, agency, or branch of Government, **or a juror**;

The franchise agreement then functions as the equivalent of a trust and you become essentially an “employee” or “officer” of the trust. The trust, in turn, is a wholly owned subsidiary of the federal corporation called the “United States”, and which is defined in [28 U.S.C. §3002](#)(15)(A).

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

(15) **“United States” means** -

(A) **a Federal corporation**;

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

(C) an instrumentality of the United States.

A person who is acting as an “officer” or “public officer” of the United States federal corporation then becomes “an officer of a corporation” who is subject to the laws applying to the place of incorporation of that corporation, which is the District of Columbia in the case of the federal government. [Federal Rule of Civil Procedure 17](#)(b) recognizes this result explicitly by stating that the laws which apply are those of the place where the corporation itself is domiciled:

Federal Rules of Civil Procedure  
[IV. PARTIES > Rule 17.](#)  
[Rule 17. Parties Plaintiff and Defendant; Capacity](#)

(b) Capacity to Sue or be Sued.

Capacity to sue or be sued is determined as follows:

(1) for an individual who is not acting in a representative capacity, by the law of the individual's domicile;

**(2) for a corporation [a federal corporation called the “United States”, in this case], by the law under which it was organized; and**

(3) for all other parties, by the law of the state where the court is located, except that:

(A) a partnership or other unincorporated association with no such capacity under that state's law may sue or be sued in its common name to enforce a substantive right existing under the United States Constitution or laws; and

(B) 28 U.S.C. §§754 and 959(a) govern the capacity of a receiver appointed by a United States court to sue or be sued in a United States court.

When you signed up to become the “trustee” of the trust by making application for the franchise or public benefit, the trust becomes a “resident” in the eyes of the government: it becomes a “thing” that is now “identified” and which is within their legislative jurisdiction and completely subject to it. Hence, it is a “RES-IDENT” within government jurisdiction. Notice that a “res” is defined above as the “object of a trust above”. They created the trust and you are simply the custodian and “trustee” over it as a “public officer”. As the Creator of the trust, they and not you have full control and discretion over it and all those who participate in it. That trust is the “public trust” created by the Constitution and all laws passed pursuant to it.

Executive Order 12731  
"Part 1 -- PRINCIPLES OF ETHICAL CONDUCT

"Section 101. Principles of Ethical Conduct. To ensure that every citizen can have complete confidence in the integrity of the Federal Government, each Federal employee shall respect and adhere to the fundamental principles of ethical service as implemented in regulations promulgated under sections 201 and 301 of this order:

**"(a) Public service is a public trust, requiring employees to place loyalty to the Constitution, the laws, and ethical principles above private gain.**

TITLE 5--ADMINISTRATIVE PERSONNEL  
CHAPTER XVI--OFFICE OF GOVERNMENT ETHICS  
PART 2635--STANDARDS OF ETHICAL CONDUCT FOR EMPLOYEES OF THE EXECUTIVE BRANCH--  
Table of Contents  
Subpart A--General Provisions  
Sec. 2635.101 Basic obligation of public service.

(a) Public service is a public trust.

Each employee has a responsibility to the United States Government and its citizens to place loyalty to the Constitution, laws and ethical principles above private gain. To ensure that every citizen can have complete confidence in the integrity of the Federal Government, each employee shall respect and adhere to the principles of ethical conduct set forth in this section, as well as the implementing standards contained in this part and in supplemental agency regulations.

All those who swear an oath as “public officers” are also identified as “trustees” of the “public trust”:

*“As expressed otherwise, the powers delegated to a public officer are held in trust for the people and are to be exercised in behalf of the government or of all citizens who may need the intervention of the officer.”*<sup>157</sup>  
Furthermore, the view has been expressed that all public officers, within whatever branch and whatever level of government, and whatever be their private vocations, are trustees of the people, and accordingly labor under every disability and prohibition imposed by law upon trustees relative to the making of personal financial gain from a discharge of their trusts.<sup>158</sup> That is, a public officer occupies a fiduciary relationship to the political entity on whose behalf he or she serves.<sup>159</sup> and owes a fiduciary duty to the public.<sup>160</sup> It has been said that the fiduciary responsibilities of a public officer cannot be less than those of a private individual.<sup>161</sup>  
Furthermore, it has been stated that any enterprise undertaken by the public official which tends to weaken public confidence and undermine the sense of security for individual rights is against public policy.<sup>162</sup>  
[63C American Jurisprudence 2d, Public Officers and Employees, §247 (1999)]

<sup>157</sup> State ex rel. Nagle v. Sullivan, 98 Mont. 425, 40 P.2d. 995, 99 A.L.R. 321; Jersey City v. Hague, 18 N.J. 584, 115 A.2d. 8.

<sup>158</sup> Georgia Dep’t of Human Resources v. Sistrunk, 249 Ga. 543, 291 S.E.2d. 524. A public official is held in public trust. Madlener v. Finley (1st Dist) 161 Ill.App.3d. 796, 113 Ill.Dec. 712, 515 N.E.2d. 697, app gr 117 Ill.Dec. 226, 520 N.E.2d. 387 and revd on other grounds 128 Ill.2d. 147, 131 Ill.Dec. 145, 538 N.E.2d. 520.

<sup>159</sup> Chicago Park Dist. v. Kenroy, Inc., 78 Ill.2d. 555, 37 Ill.Dec. 291, 402 N.E.2d. 181, appeal after remand (1st Dist) 107 Ill.App.3d. 222, 63 Ill.Dec. 134, 437 N.E.2d. 783.

<sup>160</sup> United States v. Holzer (CA7 Ill), 816 F.2d. 304 and vacated, remanded on other grounds 484 U.S. 807, 98 L.Ed. 2d 18, 108 S.Ct. 53, on remand (CA7 Ill) 840 F.2d. 1343, cert den 486 U.S. 1035, 100 L.Ed. 2d 608, 108 S.Ct. 2022 and (criticized on other grounds by United States v. Osser (CA3 Pa) 864 F.2d. 1056) and (superseded by statute on other grounds as stated in United States v. Little (CA5 Miss) 889 F.2d. 1367) and (among conflicting authorities on other grounds noted in United States v. Boylan (CA1 Mass), 898 F.2d. 230, 29 Fed.Rules.Evid.Serv. 1223).

<sup>161</sup> Chicago ex rel. Cohen v. Keane, 64 Ill.2d. 559, 2 Ill.Dec. 285, 357 N.E.2d. 452, later proceeding (1st Dist) 105 Ill.App.3d. 298, 61 Ill.Dec. 172, 434 N.E.2d. 325.

<sup>162</sup> Indiana State Ethics Comm’n v. Nelson (Ind App), 656 N.E.2d. 1172, reh gr (Ind App) 659 N.E.2d. 260, reh den (Jan 24, 1996) and transfer den (May 28, 1996).

Here is another example. Any bank which accepts federal FDIC insurance becomes a “financial agent for the United States”.

[Code of Federal Regulations]  
[Title 31, Volume 2]  
[Revised as of July 1, 2006]  
From the U.S. Government Printing Office via GPO Access

TITLE 31--MONEY AND FINANCE: TREASURY  
CHAPTER II--FISCAL SERVICE, DEPARTMENT OF THE TREASURY  
PART 202\_DEPOSITARIES AND FINANCIAL AGENTS OF THE FEDERAL GOVERNMENT \1\  
--Table of Contents

Sec. 202.2 Designations.

(a) Financial institutions of the following classes are designated as Depositaries and Financial Agents of the Government if they meet the eligibility requirements stated in paragraph (b) of this section:

(1) Financial institutions insured by the Federal Deposit Insurance Corporation.  
(2) Credit unions insured by the National Credit Union

Administration.

(3) Banks, savings banks, savings and loan, building and loan, and homestead associations, credit unions created under the laws of any State, the deposits or accounts of which are insured by a State or agency thereof or by a corporation chartered by a State for the sole purpose of insuring deposits or accounts of such financial institutions, United States branches of foreign banking corporations authorized by the State in which they are located to transact commercial banking business, and Federal branches of foreign banking corporations, the establishment of which has been approved by the Comptroller of the Currency.

(b) In order to be eligible for designation, a financial institution is required to possess, under its charter and the regulations issued by its chartering authority, either general or specific authority to perform the services outlined in Sec. 202.3(b). A financial institution is required also to possess the authority to pledge collateral to secure public funds.

[44 FR 53066, Sept. 11, 1979, as amended at 46 FR 28152, May 26, 1981;  
62 FR 45521, Aug. 27, 1997]

The “privilege” or “benefit” of either receiving Federal Deposit Insurance Corporation (F.D.I.C.) insurance, or recognition by the Comptroller of the Currency, or being established as a federal corporation makes the financial institution into a “Financial Agent of the Federal Government”, e.g. a TRUSTEE!

The same analogy applies to the Social Security program. When you sign up, you become a “trustee” over the “res” created by your application, and the assets committed to that res consist of all your private property donated to the res of the trust and thereby donated to a “public use” to procure the benefits of the franchise, which consists of deferred employment compensation to the trustee for managing the trust. The U.S. Supreme Court has held that when a man donates his property to a “public use”, he implicitly gives the public the right to control that use.

*“Men are endowed by their Creator with certain unalienable rights, -life, liberty, and the pursuit of happiness;’ and to ‘secure,’ not grant or create, these rights, governments are instituted. That property [or income] which a man has honestly acquired he retains full control of, subject to these limitations: First, that he shall not use it to his neighbor's injury, and that does not mean that he must use it for his neighbor's benefit; second, that if he devotes it to a public use, he gives to the public a right to control that use; and third, that whenever the public needs require, the public may take it upon payment of due compensation.”*  
[Budd v. People of State of New York, 143 U.S. 517 (1892)]

If you would like to see all the proof that the Social Security system operates as a trust and you operate as a “trustee” and not “beneficiary” of that trust, read the following amazing document, which also provides a vehicle to RESIGN as trustee:

Resignation of Compelled Social Security Trustee, Form #06.002  
<http://sedm.org/Forms/FormIndex.htm>

#### 13.5.4 Example: Christianity

The very same principles as government operates under with respect to “resident” also apply to Christianity as well. When we become Christians, we consent to the contract or covenant with God called the Bible. That covenant requires US to accept Jesus Christ as our Lord and Savior. This makes US a “resident” of the Kingdom of Heaven (a PRIVATE corporation) and “pilgrims and sojourners” (transient foreigners) on Earth:

"For our citizenship is in heaven, from which we also eagerly wait for the Savior, the Lord Jesus Christ"  
[Philippians 3:20, Bible, NKJV]

"Now, therefore, you are no longer strangers and foreigners [in relation to the Kingdom of Heaven], but **fellow citizens with the saints and members of the household of God.**"  
[Ephesians 2:19, Bible, NKJV]

"These all died in faith, not having received the promises, but having seen them afar off were assured of them, embraced them **and confessed that they were strangers and pilgrims [transient foreigners] on the earth.**"  
[Hebrews 11:13, Bible, NKJV]

"Beloved, I beg you **as sojourners and pilgrims**, abstain from fleshly lusts which war against the soul..."  
[1 Peter 2:11, Bible, NKJV]

For those who consent to the Bible covenant with God the Father, Jesus becomes our protector, spokesperson, Counselor, and Advocate before the Father. We become a Member of His family!

*Jesus' Mother and Brothers Send for Him*

*While He was still talking to the multitudes, behold, His mother and brothers stood outside, seeking to speak with Him. Then one said to Him, "Look, Your mother and Your brothers are standing outside, seeking to speak with You."*

*But He answered and said to the one who told Him, "Who is My mother and who are My brothers?" And He stretched out His hand toward His disciples and said, "Here are My mother and My brothers! For whoever does the will of My Father in heaven is My brother and sister and mother."  
[Matt. 12:46-50, Bible, NKJV]*

By doing God's will on earth and accepting His covenant or private contract with us, which is the Bible, He becomes our Father and we become His children. The law of domicile says that children assume the same domicile as their parents and are legally dependent on them:

*A person acquires a domicile of origin at birth.<sup>163</sup> The law attributes to every individual a domicile of origin,<sup>164</sup> which is the domicile of his parents,<sup>165</sup> or of the father,<sup>166</sup> or of the head of his family:<sup>167</sup> or of the person on whom he is legally dependent,<sup>168</sup> at the time of his birth. While the domicile of origin is generally the place where one is born<sup>169</sup> or reared,<sup>170</sup> may be elsewhere.<sup>171</sup> The domicile of origin has also been defined as the primary domicile of every person subject to the common law.<sup>172</sup>  
[Corpus Juris Secundum (C.J.S.), Domicile, §7, p. 36 (2003);  
SOURCE: <http://famguardian.org/TaxFreedom/CitesByTopic/Domicile-28CJS-20051203.pdf>]*

The legal dependence they are talking about is God's Law, which then becomes our main source of protection and dependence on God. We as believers then recognize Jesus' existence as a "thing" we "identify" in our daily life and in return, He recognizes our existence before the Father. Here is what He said on this subject as proof:

*Confess Christ Before Men*

<sup>163</sup> U.S.—Mississippi Bank of Choctaw Indians v. Holyfield, Missl, 109 S.Ct. 1597, 490 U.S. 30, 104 L.Ed.2d. 29.

<sup>164</sup> Mass.—Commonwealth v. Davis, 187 N.E. 33, 284 Mass. 41. N.Y.—In re Lydig's Estate, 180 N.Y.S. 843, 191 A.D. 117.

<sup>165</sup> Ga.—McDowell v. Gould, 144 S.E. 206, 166 Ga. 670. Iowa—In re Jones' Estate, 182 N.W. 227, 192 Iowa 78, 16 A.L.R. 1286.

<sup>166</sup> U.S.—Shishko v. State Farm. Ins. Co., D.C.Pa., 553 F.Supp. 308, affirmed 722 F.2d. 734 and Appeal of Shishko, 722 F.2d. 734.

<sup>167</sup> N.Y.—Cohen v. Delaware, L. & W.R. Co., 269 N.Y.S. 667, 160 Misc. 450.

<sup>168</sup> N.C.—Hall v. Wake County Bd. Of Elections, 187 S.E.2d. 52, 280 N.C. 600.

<sup>169</sup> U.S.—Gregg v. Louisiana Power and Light Co., C.A.La., 626 F.2d. 1315.

<sup>170</sup> Ky.—Johnson v. Harvey, 88 S.W.2d. 42, 261 Ky. 522.

<sup>171</sup> S.C. Cribbs v. Floyd, 199 S.E. 677, 188 S.C. 443.

<sup>172</sup> N.Y.—In re McElwaine's Will, 137 N.Y.S. 681, 77 Misc. 317.

1 "Therefore whoever confesses Me [recognizes My legal existence under God's law, the Bible, and acknowledges  
2 My sovereignty] before men, him I will also confess before My Father who is in heaven. But whoever denies Me  
3 before men, him I will also deny before My Father who is in heaven."  
4 [Matt. 10:32-33, Bible, NKJV]

5 Below are some scriptural references that prove that all those who have availed themselves of the salvation franchise become  
6 "fiduciaries" of God.

7 "Not everyone who says to Me, 'Lord, Lord,' shall enter the kingdom of heaven, but he who does the will of My  
8 Father in heaven."  
9 [Jesus in [Matt. 7:21](#), Bible, NKJV]

10 "He who has [understands and learns] My commandments [laws in the Bible ] and keeps them, it is he who  
11 loves Me. And he who loves Me will be loved by My Father, and I will love him and manifest Myself to him."  
12 [[John 14:21](#), Bible, NKJV]

13 "And we have known and believed the love that God has for us. God is love, and he who abides in love [obedience  
14 to God's Laws] abides in [and is a FIDUCIARY of] God, and God in him."  
15 [[1 John 4:16](#), Bible, NKJV]

16 "Now by this we know that we know Him [God], if we keep His commandments. He who says, "I know Him," and  
17 does not keep His commandments, is a liar, and the truth is not in him. But whoever keeps His word, truly the  
18 love of God is perfected in him. By this we know that we are in Him [His fiduciaries]. He who says he abides in  
19 Him [as a fiduciary] ought himself also to walk just as He [Jesus] walked."  
20 [[1 John 2:3-6](#), Bible, NKJV]

21 All of the following phrases above prove the existence of a fiduciary relation and/or agency:

22 "... he who does the will of My Father in heaven."

23 "God is love, and he who abides in love [obedience to God's Laws] abides in [and is a FIDUCIARY of] God,  
24 and God in him."

25 "But whoever keeps His word, truly the love of God is perfected in him. By this we know that we are in Him [His  
26 fiduciaries]."

27 In conclusion, you CAN'T claim to love God and therefore be a recipient of His gift of salvation WITHOUT becoming His  
28 fiduciary, steward, agent, and ambassador on a foreign mission to an alien planet: Earth! Furthermore, the Bible also implies  
29 that we CANNOT serve as an agent or fiduciary of ANYONE except the true and living God!:

30 "You shall have no other gods before Me."

31 "You shall not make for yourself a carved image--any likeness of anything that is in heaven above, or that is in  
32 the earth beneath, or that is in the water under the earth; you shall not bow down to them nor serve  
33 [worship or act as an AGENT for] them. For I, the LORD your God, am a jealous God,  
34 visiting the iniquity of the fathers upon the children to the third and fourth generations of those who hate Me,  
35 but showing mercy to thousands, to those who love Me and keep My commandments."  
36 [Exodus 20:3-4, Bible, NKJV]

37 The above is also confirmed by the following scripture:

38 "Do not fear, for you will not be ashamed; neither be disgraced, for you will not be put to shame; for you will  
39 forget the shame of your youth, and will not remember the reproach of your widowhood anymore. For your  
40 Maker is your husband, the Lord of hosts is His name; and your Redeemer is the Holy One of Israel; He is  
41 called the God of the whole earth, for the Lord has called you like a woman forsaken and grieved in spirit, like  
42 a youthful wife when you were refused," says your God. "For a mere moment I have forsaken you, but with great  
43 mercies I will gather you. With a little wrath I hid My face from you for a moment; but with everlasting kindness  
44 I will have mercy on you," says the Lord, your Redeemer."  
45 [Isaiah 54:4-8, Bible, NKJV]

46 The California Family Code identifies those who are married as the equivalent of business partners with a fiduciary duty  
47 towards each other. Therefore, they are agents, fiduciaries, and "trustees" of each other acting in the other's best interest, not  
48 unlike we must act in relation to God as one of his children, stewards, and agents:



(b) Except as provided in Sections 143, 144, 146, 16040, and 16047 of the Probate Code, in transactions between themselves, a husband and wife are subject to the general rules governing fiduciary relationships which control the actions of persons occupying confidential relations with each other. This confidential relationship imposes a duty of the highest good faith and fair dealing on each spouse, and neither shall take any unfair advantage of the other. This confidential relationship is a fiduciary relationship subject to the same rights and duties of nonmarital business partners, as provided in Sections 16403, 16404, and 16503 of the Corporations Code, including, but not limited to, the following:

[SOURCE:

[http://leginfo.legislature.ca.gov/faces/codes\\_displaySection.xhtml?sectionNum=721.&lawCode=FAM/](http://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?sectionNum=721.&lawCode=FAM/)]

The above section of the California Family Code is part of a franchise, because you cannot become subject to it without first voluntarily applying for and accepting a “marriage license”. There is no such thing in California as “common law marriage”, and so you can’t come under the jurisdiction of the California Family Code franchise without explicitly consenting in writing. This licensed marriage creates a fiduciary duty and “trustee” relation between the THREE parties, one of whom is the government. This is further explained in the document below:

**Sovereign Christian Marriage**, Form #06.009

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

### 13.5.5 **Example: Opening a Bank Account**

Let’s use a simple business example to illustrate our point about how a person becomes a “resident” from a legal perspective by exercising their right to contract. You want to open a checking account at a bank. You go to the bank to open the account. The clerk presents you with an agreement that you must sign before you open the account. If you won’t sign the agreement, then the clerk will tell you that they can’t open an account for you. Before you sign the account agreement, the bank doesn’t know anything about you and you don’t have an account there, so you are the equivalent of an “alien”. An “alien” is someone the bank will not recognize or interact with or help. They can only lawfully help “customers”, not “aliens”. After you exercise your right to contract by signing the bank account agreement, then you now become a “resident” of the bank. You are a “resident” because:

1. You are a “thing” that they can now “identify” in their computer system and their records because you have an “account” there. They now know your name and “account number” and will recognize you when you walk in the door to ask for help.
2. You are the “person” described in their account agreement. Before you signed it, you were a “foreigner” not subject to it.
3. They issued you an ATM card and a PIN so you can control and manage your “account”. These things that they issued you are the “privileges” associated with being party to the account agreement. No one who is not party to such an agreement can avail themselves of such “privileges”.
4. The account agreement gives you the “privilege” to demand “services” from the bank of one kind or another. The legal requirement for the bank to perform these “services” creates the legal equivalent of “agency” on their part in doing what you want them to do. In effect, you have “hired” them to perform a “service” that you want and need.
5. The account agreement gives the bank the legal right to demand certain behaviors out of you of one kind or another. For instance, you must pay all account fees and not overdraw your account and maintain a certain minimum balance. The legal requirement to perform these behaviors creates the legal equivalent of “agency” on your part in respect to the bank.
6. The legal obligations created by the account agreement give the two parties to it legal jurisdiction over each other defined by the agreement or contract itself. The contract fixes the legal relations between the parties. If either party violates the agreement, then the other party has legal recourse to sue for exceeding the bounds of the “contractual agency” created by the agreement. Any litigation that results must be undertaken consistent with what the agreement authorizes and in a mode or “forum” (e.g. court) that the agreement specifies.

### 13.5.6 **Summary**

The government does things exactly the same way as how Christianity itself functions: They have created a civil religion that is a substitute for and a violation of God’s law and plan for society. In that sense, they are a counterfeit of God’s Biblical plan and a cheap, satanic imitation. Satan has always been an imitator of God’s creation. The only difference is the product they deliver. The bank delivers financial services, and the government delivers “protection” and “social” services. The

1 account number is the social security number. You can't "have" or use a Social Security Number and avail yourself of its  
2 "benefits" without consenting to the jurisdiction of the franchise agreement and trust document that authorized its' issuance,  
3 which is the Social Security Act found in Title 42 of the U.S. Code.

4 CALIFORNIA CIVIL CODE  
5 DIVISION 3. OBLIGATIONS  
6 PART 2. CONTRACTS  
7 CHAPTER 3. CONSENT  
8 [Section 1589](#)  
9

10 *1589. A voluntary acceptance of the benefit of a [government benefit] transaction is equivalent to a consent to*  
11 *all the obligations [and legal liabilities] arising from it, so far as the facts are known, or ought to be known, to*  
12 *the person accepting.*

13 Therefore, you can't avail yourself of the "privileges" associated with the Social Security account agreement *without* also  
14 consensually and lawfully representing an office in the government called a statutory "citizen" or "resident". That office is  
15 domiciled in what Mark Twain calls the "District of Criminals". Your express or implied consent and the "agreement" or  
16 "contract" it represents is what makes you liable for and surety for the office and all of the formerly private property you  
17 donate to the office by connecting it with the de facto license number called the Social Security Number. That contract can  
18 be explicit, which means a contract in writing, or implicit, meaning that it is created through your behavior. For instance, if  
19 you put something into your shopping cart in a store and walk out the store, you are presumed to have contracted to buy the  
20 item. In that sense, the act of shopping is an act of contracting.

21 A mere innocent act can imply or trigger "constructive consent" to a legal contract, and in many cases, you may not even be  
22 aware that you are exercising your right to contract. Watch out! For instance, the criminal code in your state behaves like a  
23 contract. The "police" are simply there to enforce the contract. As a matter of fact, their job was created by that contract.  
24 This is called the "police power" of the state. If you do not commit any of the acts in the criminal or penal code, then you  
25 are not subject to it and it is "foreign" to you. You become the equivalent of a "resident" within the criminal code and subject  
26 to the legislative jurisdiction of that code ONLY by committing a "crime" identified within it. That "crime" triggers  
27 "constructive consent" to the terms of the contract and all the obligations that flow from it, including prison time and a court  
28 trial. This analysis helps to establish that in a free society, all law is a contract of one form or another, because it can only be  
29 passed by the consent of the majority of those who will be subject to it. The people who will be subject to the laws of a  
30 "state" are those with a "domicile" or "residence" within the jurisdiction of that "state". Those who don't have such a  
31 "domicile" or "residence" and who are therefore not subject to the civil laws of that state are called "transient foreigners".  
32 This is a very interesting subject that we find most people are simply fascinated with, because it helps to emphasize the  
33 "voluntary nature" of all law.

34 Participating in federal franchises has the following affects upon the legal status of various types of "persons" listed below.  
35 The right column describes the status of the "public officer" you represent while you are acting in that capacity. The right  
36 column is a judicial creation not found directly in the statutes and which results from the application of the [Foreign Sovereign](#)  
37 [Immunities Act \(F.S.I.A.\), 28 U.S.C. §1605](#). It does not describe your own private status. This "public officer" in the right  
38 column is the "straw man" that is the subject of nearly all federal legislation that could or does regulate your conduct. Without  
39 the existence of the straw man, the [Thirteenth Amendment](#) would make it illegal to enforce federal civil law against human  
40 beings because of the prohibition against involuntary servitude.

**Table 17: Effect of participating in franchises**

Entity type	Sovereign status within <u>federal law</u> WITHOUT franchises	Status in <u>federal law</u> AFTER accepting franchise
Human being born within and domiciled within a state of the Union	"Non-resident Non-person" (Form #05.020)	"Resident alien" (26 U.S.C. §7701(b)(1)(A)) "Alien individual" (26 C.F.R. §1.1441-1(c)(3)) "Alien" (See Form #10.011, Section 12.1)
	Private man or woman	"Public officer" Trustee of the "public trust"
	Constitutional but not statutory "citizen" (See <a href="#">Why You are a "national", "state national", and Constitutional but not Statutory Citizen, Form #05.006</a> )	Statutory "U.S. citizen" pursuant to 8 U.S.C. §1401 or 8 U.S.C. §1101(a)(22)(A) because representing a federal corporation under 28 U.S.C. §3002(15)(A) which is a "citizen" pursuant to Federal Rules of Civil Procedure 17(b) NOT a constitutional "citizen of the United States" pursuant to Fourteenth Amendment
	"Stateless person" "Transient foreigner"	Inhabitant
	Foreigner	Domestic person "U.S. person" (26 U.S.C. §7701(a)(30)) Domiciliary
State of the Union	"state" "foreign state"	Statutory "State" as defined in 4 U.S.C. §110(d) (see Federal Trade Zone Act, 1934, 19 U.S.C. 81a-81u)
Trust	Foreigner	Domestic person
	Foreign estate (26 U.S.C. §7701(a)(31))	"U.S. person" (26 U.S.C. §7701(a)(30))
	Nonstatutory trust	Statutory trust
State corporation	Foreigner	Domestic person
	Foreign estate (26 U.S.C. §7701(a)(31))	"U.S. person" (26 U.S.C. §7701(a)(30))
Federal corporation	Domestic person "U.S. person" "Person" (already privileged)	Domestic person "U.S. person" (26 U.S.C. §7701(a)(30)) "Person" (already privileged)

## 13.6 Franchises make you into a pauper without PRIVATE rights

With all due respect, the majority of Americans are burdened by the chains of socialist slavery, and know not of their agreement that allows the servant government to ignore the limits stated in the U.S. Constitution. In fact, when they accept charity from the public fisc to support themselves, they implicitly have taken a vow of poverty and donated all their formerly private property to the state because only AFTER they have done this are they allowed to receive such payments.

### 13.6.1 Excepted From Protection

In Article IV of the Articles of Confederation, the exclusion of paupers, vagabonds and fugitives from justice is a fact. According to the Statutes At Large of the United States of America, the Articles are listed as Statute #2, and therefore, they are STILL enacted law of this country and have not been repealed. This occurs at the beginning of Volume 1 of the United States Statutes At Large.

There is no notation in the Statutes At Large that the Articles of Confederation have been repealed nor superseded. In fact, the Articles themselves use the word "perpetual".

*"To all to whom these Presents shall come, we the undersigned Delegates of the States affixed to our Names send greeting. Whereas the Delegates of the United States of America in Congress assembled did on the fifteenth day of November in the Year of our Lord One Thousand Seven Hundred and Seventy Seven, and in the Second Year of the Independence of America agree to certain articles of Confederation and perpetual Union. . ."*  
[Articles of Confederation]

That which is "perpetual" cannot be repealed, and especially without express evidence proving the repeal that does not exist.

These same Articles of Confederation have also been incorporated by reference (Art 6) into the U.S. constitution.

*"All Debts contracted and Engagements entered into, before the Adoption of this Constitution, shall be as valid against the United States under this Constitution, as under the Confederation."*

And there are specific powers listed in the Articles, not listed in the Constitution, that the United States, in congress assembled, exercises.

*"The better to secure and perpetuate mutual friendship and intercourse among the people of the different states in this union, the free inhabitants of each of these states, PAUPERS, vagabonds and fugitives from Justice EXCEPTED, shall be entitled to all privileges and immunities of free citizens in the several states; ...."*  
[Article IV of the Articles of Confederation (1777)]

In support of these facts, is found in the definition of "status crimes" which directly connect to the pre-constitutional exclusion.

*"STATUS CRIME - A class of crime which consists not in proscribed action or inaction, but in the accused's having a certain personal condition or being a person of a specified character. An example of a status crime is vagrancy. Status crimes are constitutionally suspect."*  
[Black's Law Dictionary, 6th ed., p.1410]

*"VAGRANT - At common law, wandering or going about from place to place by idle person who has no lawful or visible means of support and who subsisted on charity and did not work, though able to do so.... One who is apt to become a public charge through his own laziness."*  
[Black's Law Dictionary, 6th ed., p. 1549]

"Constitutional" violations of inalienable rights:

*"State code 124 Sections 6, and 7, authorizing the overseer of the poor to commit to the workhouse able-bodied persons, not having the means to support themselves, and who live a dissolute and vagrant life, and do not work sufficiently to support themselves, are not repugnant to the constitution, giving every man an inalienable right to defend his life and liberty."*  
[In re Nott, 11 Me. (2 Fairf.) 208. (Me. 1834)]

Translation: compelled labor and restricted liberty is constitutional - when dealing with paupers and vagabonds, even AFTER the U.S.A. Constitution was ratified in 1789.

*"Act May 29, 1879, providing for the committal to the industrial school of dependent infant girls, who are beggars, wanderers, homeless, or without proper parental care, in no way violates the right of personal liberty, and is constitutional."*  
[Ex parte Ferrier, 103 Ill. 367, 42 Am.Rep. 10 (Ill. 1882)]

Remember the exclusions: pauper and vagabond in the Articles of Confederation?

Compelled labor and restricted liberty are constitutional - when dealing with paupers and vagabonds.

*"An act providing for the care and custody of the person and the estate of habitual drunkards is not unconstitutional, as depriving a citizen of the right to enjoy, control, and dispose of his property, and to make contracts."*  
[Devin v. Scott, 34 Ind. 67 (Ind. 1870)]

Translation: taking custody of the person and property of a drunkard (impaired person) is not unconstitutional. How long does that authority last?

The great irony of the pauperization of America instituted by the abuse of franchises such as Social Security is that the very reason most people originally pursued such "public rights" and "benefits" was for protection, and in a legal sense, they got the EXACT OPPOSITE: a complete surrender of the most important right to own property privately and absolutely in connection with any and every property they associate with the franchise through the use of the franchise license number, which is the Social Security Number (SSN) and Taxpayer Identification Number (TIN). The right to own property, in fact, is described by the founding fathers as "the pursuit of happiness" in the phrase "the right to life, liberty, and the pursuit of happiness" found in the Declaration of Independence. Hence by signing up for franchises, people are essentially surrendering their inalienable right to be happy by trading their birthright for a bowl of pottage.

### 13.6.2 Losing Your Children

"... where a minor child is abandoned by the parent, to be supported by the town, such parent shall be deemed a pauper, and be subject to the same rules and regulations as a pauper, [this statute] is not in conflict with those provisions of the constitution of the United States or of the state of Connecticut which guaranty security to the person."  
[McCarthy v. Hinman, 35 Conn. 538 (Conn. 1869)]

Translation: parent who surrenders a child to the state becomes a pauper. And parent (as well as child) becomes subject to the (Collective) State. Did you "voluntarily" enroll your children into national socialism? At birth?

Now you know why you can't spank your children. They're no longer yours.

"STATUS CRIME - A class of crime which consists not in proscribed action or inaction, but in the accused's having a certain personal condition or being a person of a specified character. An example of a status crime is vagrancy. Status crimes are constitutionally suspect."  
[Black's Law Dictionary, Sixth Edition, p.1410]

"VAGRANT - At common law (!), wandering or going about from place to place by idle person who has no lawful or visible means of support and who subsisted on charity and did not work, though able to do so.... One who is apt to become a public charge through his own laziness."  
[Black's Law Dictionary, Sixth Edition, p. 1549]

"PAUPER - One so poor that he must be supported at public expense."  
[Black's Law Dictionary, Sixth Edition, p. 1128]

The lack of the financial means or property to support oneself is the prerequisite for being indigent, but as soon as one is supported at public expense, the trap door springs open, and down he falls.

A pauper was and is a status criminal. But under national socialism, he is no longer prosecuted for just "being a pauper". The "Homeless" problem is evidence of that fact. Prior to national socialism, a vagrant was arrested and incarcerated. After national socialism, no one is arrested or incarcerated for mere vagrancy because "everybody":

1. Has claimed to be vagabonds at law.
2. Becomes "dependents" and incompetents supported at public expense by the de facto government. All those receiving government "benefits" are treated in law as public officers in the government and excluded from serving on jury duty. Why?: Because they have a financial conflict of interest in any dispute involving or affecting directly or indirectly their government compensation in criminal violation of 18 U.S.C. §208. The following case proves that those receiving government disability payments after leaving government employment are deemed in law to be "employees" of the government and cannot lawfully serve as grand or petit jurists.

*The act aforesaid provides that the United States shall pay compensation for the disability of an employee resulting from a personal injury sustained while in the performance of duty; that the amount thereof shall be adjusted by the commission according to the monthly pay of the employee; that the commission may, from time to time, require a partially disabled employee to report the wages he is then receiving, and if he refuses to seek suitable work, or refuses or neglects to work after suitable work is offered to him, he shall not be entitled to any compensation; that the commission may determine whether the wage-earning capacity of the disabled employee has decreased on account of old age, irrespective of the injury, and may reduce his disability compensation accordingly; and that at any time, upon its own motion or on an application the commission may review the award, and in accordance with the facts found by it, may end, diminish, or increase the compensation previously awarded.*

[...]

*It thus appears that at the time in question the government was paying the juror a monthly stipend as employee's compensation, reserving the authority to control his conduct in certain particulars, and with power to increase, diminish, or terminate the compensation at discretion. In our opinion that relationship, whatever be the technical name which may most narrowly describe it, did in effect constitute the juror an employee of the United States within the sense in which that term is here used.*

*The foregoing decision is authority for the conclusion that a United States employee is not qualified to serve as a member of the petit jury in the trial of a criminal case in the District of Columbia, and that a challenge seasonably made by the accused upon that ground should be sustained. See also, Miller v. United States, 38 App.D.C. 36.*



The question next arises whether such an employee is likewise disqualified from serving as a grand juror in the District, and whether an accused may present his objections to such a juror by a plea in abatement. In answer to this we may say that in general the term "juror" is held to include alike both petit and grand jurors, and that objections to the qualifications of grand jurors, under circumstances such as these may be made by a plea in abatement. *Spencer v. United States*, 169 F. 562 565, 95 C.C.A. 60; *Williams v. United States*, (C. C. A.) 275 F. 129, 131; *Clawson v. United States*, 114 U.S. 477, 483, 5 S.Ct. 919, 29 L.Ed. 179; *Agnew v. United States*. 165 U.S. 35, 44, 17 S.Ct. 235, 41 L.Ed. 624; *Crowley v. United States*, 194 U.S. 461, 24 S.Ct. 731, 48 L.Ed. 1075. [*United States v. Griffith et al.*, 55 App.D.C. 123, 2 F.2d. 925 (1924)]

3. Has no right to act in "sui juris" capacity, but rather is compelled to represent a public office as "pro se", which office the government compels them to occupy as state property and government dependents.

"Sui juris. Of his own right; **possessing full social and civil rights; not under any legal disability**, or the power of another, or guardianship. Having capacity to manage one's own affairs; not under legal disability to act for one's self."  
[*Black's Law Dictionary*, Sixth Edition, p. 1434]

4. Has no right to choose a domicile, but instead has one chosen for them by a corrupted de facto government.  
5. Assumes the domicile of their caretakers, which in this case is a "parens patriae" government grantor of the socialism franchise:

PARTICULAR PERSONS  
Infants  
§20 In General

An infant, being non sui juris, cannot fix or change his domicile unless emancipated. **A legitimate child's domicile usually follows that of the father [parens patriae].** In case of separation or divorce of parents, the child has the domicile of the parent who has been awarded custody of the child.  
[*Corpus Juris Secundum* (C.J.S.), Domicile, §20 (2003);  
SOURCE: <http://famguardian.org/TaxFreedom/CitesByTopic/Domicile-28CJS-20051203.pdf>]

Is it a coincidence that many, if not all state statutes redefine "resident" to be synonymous with "vagabond"? From the Official Code of Georgia Annotated-OCGA 40-2-1. As used in this chapter, the term:

(2) "Resident" means a person who has a permanent home or abode in Georgia to which, whenever he is absent, he has the intention of returning. For the purposes of this chapter, there is a rebuttable presumption that any person who, except for infrequent, brief absences, has been present in the state for 30 or more days is a resident.

This is a prime example of the art of legal word twisting. Note how the phrasing sounds like the definition for domicile.

Resident = "a person" + "permanent home" .

If you quickly read the section, you might presume that it means one who is in the state 30 or more days is a resident, for motor vehicle code purposes.

But if you dissect it, the meaning is just the opposite.

"A person" + "permanent home" + "present for 30 or more days" = rebuttable presumption that HE IS A STATUTORY PRIVILEGED RESIDENT.

In plain English, a Georgia resident is one who has a permanent home but is in the state LESS than 30 days out of a year (A transient). If one is present in the state 30 or more days out of a year, he can REBUT THE PRESUMPTION that he is a STATUTORY resident.

If he is "not a resident", it appears that he is an inhabitant (domiciled) at his permanent home.

And you can bet that every state has an exclusion for "non-residents".

Every American who innocently claims to be a statutory "resident" or a "citizen" in order to enroll into national socialism and enjoy civil and political PRIVILEGES (PUBLIC rights) has surrendered his PRIVATE property PRIVATE rights and his status at REAL law under the Constitution.

1     **13.6.3    Child Support**

2     Non-custodial child support (and ex-spouse support) are directly opposite of the common law and the pre-socialist statutes  
3     enacted in harmony with it.

4                     *"Where mother is awarded the custody of her minor children on a decree of divorce from the father, he is thereby*  
5                     *deprived of all rights to the services of the child, and consequently is freed from all liability to the mother for the*  
6                     *care, support, and maintenance of the child."*  
7                     *[Husband v. Husband, 67 Ind. 583, 33 Am.Rep. 107 (Ind.1879)]*

8     It's a "common law" axiom that one deprived of possession of a minor child is not obligated to support, unless by consent.

9     Of course, once enrolled in Social Security, the minor is a ward of the State, and all "contributors" are obligated to help  
10    support - especially the numbered non-custodial parent.

11    Want another cite in support of that idea?

12                    *"When a wife deserts her husband, and continues to live separate from him, and retains custody of a child,*  
13                    *refusing to deliver him up to the father, who offers to support him, an action cannot be maintained against the*  
14                    *father for the support and education of the child."*  
15                    *[Fitler v. Fitler, 2 Phila. 372 (Pa.1857)]*

16    The rights to the child, his services and custody are bound together. If the mother took the child, whether by divorce or  
17    separation, the father was excused from support. This also explains why divorce was less common (or rewarding) before  
18    1935.

19    Remember, Socialism abolishes private property. Private property is land, houses, and CHATTELS (people) owned  
20    absolutely. Without private property rights, there is no absolute right of the parents to their children. Without private property  
21    rights, coverture (absolute ownership by the husband / father) of the family property ceases to function for the benefit of the  
22    next generation, hence the loss to "estate taxes" and "death taxes".

23    Without absolute ownership of oneself, one's labor, and the fruits of one's labor, there's nothing for government to secure -  
24    by original compact.

25    If one has surrendered his private property rights in order to access charity from the public treasury (entitlements), one has  
26    no rights except those "privileges" the government grants to the paupers it is supporting.

27    That's how the "other compact" supersedes all that we have been L.Ed. to believe about the "real American law".

28    Pauperization is America's bane, and our greatest shame.

29    **13.6.4    Ownership of private property**

30    In discussion of the effects of franchises later in section 13.2, it is stated that there are two types of ownership:

- 31    1.   Absolute ownership=ownership by a single individual = a right protected. This includes all exclusively PRIVATE  
32       property.  
33    2.   Qualified ownership = a privilege taxed. This includes such things as "estate" or "real estate".

34    What changed one's absolute PRIVATE right to own into a PUBLIC privilege, subject to taxation? Here is the U.S. Supreme  
35    Court's answer to that question:

36                    *"It is only where some [public] right or privilege is conferred by the government or municipality upon the*  
37                    *owner, which he can use in connection with his property or by means of which the use of his property is*  
38                    *rendered more valuable to him, or he thereby enjoys an advantage over others, that the compensation to be*  
39                    *received by him becomes a legitimate matter of regulation. Submission to the regulation of compensation in*  
40                    *such cases is an implied condition [94 U.S. 147] of the grant, and the State, in exercising its power of prescribing*  
41                    *the compensation, only determines the conditions upon which its concession shall be enjoyed. When the privilege*  
42                    *ends, the power of regulation ceases."*  
43                    *[Munn v. Illinois, 94 U.S. 113, 146-147 (1876), Justice Field dissenting]*

Hence, receipt of a “benefit” is what makes one subject to government regulation and transmutes otherwise PRIVATE property to PUBLIC property. It is a maxim of law, however, that one CANNOT be compelled to receive a “benefit” and therefore one cannot be compelled to be regulated or taxed:

*Cujus est commodum ejus debet esse incommodum. He who receives the benefit should also bear the disadvantage.*

*Hominum caus jus constitutum est. Law is established for the benefit of man.*

*Invito beneficium non datur. No one is obliged to accept a benefit against his consent. Dig. 50, 17, 69. But if he does not dissent he will be considered as assenting. Vide Assent.*

*Potest quis renunciare pro se, et suis, juri quod pro se introductum est. A man may relinquish, for himself and his heirs, a right which was introduced for his own benefit. See 1 Bouv. Inst. n. 83.*

*Privilegium est beneficium personale et extinguitur cum person. A privilege is a personal benefit and dies with the person. 3 Buls. 8.*

*Que sentit commodum, sentire debet et onus. He who derives a benefit from a thing, ought to feel the disadvantages attending it. 2 Bouv. Inst. n. 1433.*

*Quilibet potest renunciare juri pro se inducto. Any one may renounce a law introduced for his own benefit. To this rule there are some exceptions. See 1 Bouv. Inst. n. 83.*

[Bouvier's Maxims of Law, 1856;

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

The endowment of sovereignty, freedom and independence, and the absolute right of PRIVATE ownership can be surrendered in exchange for political and civil PRIVILEGES (i.e., citizenship, pauperization, bankruptcy). After which, one's property ceases to be absolutely owned, and may be liened / taken / confiscated without just compensation, for failure to comply, pay taxes, or judicial process.

Check your own state's constitution and laws for anti-peonage clauses or statutes. The State government cannot make one a pauper at law, a public charge. It appears that only by our consent has widespread pauperization occurred. To summarize

1. Sovereign Americans can absolutely own.
2. Subject citizens cannot. (because of political liberty)
3. Bankrupts cannot. (because of claims of the creditor)
4. Pauperized socialists cannot. (because of indigence)
5. One cannot become a pauper or a subject STATUTORY citizen without their consent.

An example of the status change due to political liberty (voting and holding office):

*New York State constitution 1777*

*VII. That every male **inhabitant** of full age, who shall have personally resided within one of the counties of this State for six months immediately preceding the day of election, shall, at such election, be entitled to vote for representatives of the said county in assembly; if, during the time aforesaid, he shall have been a freeholder, **possessing a freehold**\*\* of the value of twenty pounds, within the said county, or have rented a tenement therein of the yearly value of forty shillings, and been rated and **actually paid taxes** to this State: Provided always, That every person who now is a freeman of the city of Albany, or who was made a freeman of the city of New York on or before the fourteenth day of October, in the year of our Lord one thousand seven hundred and seventy-five, and shall be actually and usually resident in the said cities, respectively, **shall be entitled to vote** for representatives in assembly within his said place of residence.*

*\*\*Freehold = an estate held in fee simple or for life*

*X. And this convention doth further, in the name and by the authority of the good people of this State, ordain, determine, and declare, that the senate of the State of New York shall consist of **twenty-four freeholders** to be chosen out of the body of the freeholders; and that they be chosen by the freeholders of this State, possessed of freeholds of the value of one hundred pounds, over and above all debts charged thereon.*

*[Only property owners, who registered the value of their freeholds, and had paid their taxes, could stand for that office. And they could not be entirely beholden to creditors - a conflict of interest.]*

XXXIX. And whereas the ministers of the gospel are, by their profession, dedicated to the service of God and the care of souls, and ought not to be diverted from the great duties of their function; therefore, no minister of the gospel, or priest of any denomination whatsoever, shall, at any time hereafter, under any presence or description whatever, be eligible to, or capable of holding, any civil or military office or place within this State.

[If you were ever wondering why religious folks and churches are not taxed, it was because they were barred from holding office and exercising political liberty. They were also "civilly dead".]

So by registering to vote, one becomes a public officer within the government. Voting is a privilege, not a right. It is euphemistically called a "political right", but technically is a privilege that changes the status of those who exercise it into public officers. Here is an example of that phenomenon:

"Elective Franchise. The right of suffrage: the right or privilege of voting in public elections."  
[Black's Law Dictionary, Fourth Edition, pp. 786-787]

The counsel for the appellants in argument seem to question the constitutional power of Congress to pass the Act of March 22, 1882, so far as it abridges the rights of electors in the territory under previous laws. **But that question is, we think, no longer open to discussion. It has passed beyond the stage of controversy into final judgment.** The people of the United States, as sovereign owners of the national territories, have supreme power over them and their inhabitants. In the exercise of this sovereign dominion, they are represented by the government of the United States, to whom all the powers of government over that subject have been delegated, subject only to such restrictions as are expressed in the Constitution or are necessarily implied in its terms or in the purposes and objects of the power itself, for it may well be admitted in respect to this, as to every power of society over its members, that it is not absolute and unlimited. **But in ordaining government for the territories and the people who inhabit them, all the discretion which belongs to legislative power is vested in Congress, and that extends beyond all controversy to determining by law, from time to time, the form of the local government in a particular territory and the qualification of those who shall administer it.** It rests with Congress to say whether in a given case any of the people resident in the territory shall participate in the election of its officers or the making of its laws, and it may therefore take from them any right of suffrage it may previously have conferred, or at any time modify or abridge it, as it may deem expedient. **The right of local self-government, as known to our system as a constitutional franchise, belongs under the Constitution to the states and to the people thereof, by whom that Constitution was ordained, and to whom, by its terms, all power not conferred by it upon the government of the United States, was expressly reserved. The personal and civil rights of the inhabitants of the territories are secured to them, as to other citizens, by the principles of constitutional liberty, which restrain all the agencies of government, state and national; their political rights are franchises which they hold as privileges in the legislative discretion of the Congress of the United States.** This doctrine was fully and forcibly declared by THE CHIEF JUSTICE, delivering the opinion of the Court in *National Bank v. County of Yankton*, 101 U.S. 129. See also *American Ins. Co. v. Canter*, 1 Pet. 511; *United States v. Gratiot*, 14 Pet. 526; *Cross v. Harrison*, 16 How. 164; *Dred Scott v. Sandford*, 19 How. 393. [Murphy v. Ramsey, 114 U.S. 15 (1885)]

Note that even though one becomes a public officer as a voter, they do not become a public officer for ANY OTHER PURPOSE, and especially for the purposes of paying taxes. The reason is that if registering to vote made you into a public officer "taxpayer", then there would be a poll tax and poll taxes have repeatedly been held to be unconstitutional.

"Poll taxes appeared in southern states after Reconstruction as a measure to prevent African Americans from voting, and had been held to be constitutional by the Supreme Court of the United States in the 1937 decision Breedlove v. Suttles. At the time of this amendment's passage, five states still retained a poll tax: Virginia, Alabama, Texas, Arkansas, and Mississippi. **The amendment made the poll tax unconstitutional in regard to federal elections.** However, it was not until the U.S. Supreme Court ruled 6–3 in Harper v. Virginia Board of Elections (1966) that **poll taxes for state elections were unconstitutional** because they violated the Equal Protection Clause of the Fourteenth Amendment." [Wikipedia: "Twenty-fourth Amendment to the United States Constitution", Downloaded 9/24/2014; SOURCE: [http://en.wikipedia.org/wiki/Twenty-fourth\\_Amendment\\_to\\_the\\_United\\_States\\_Constitution](http://en.wikipedia.org/wiki/Twenty-fourth_Amendment_to_the_United_States_Constitution)]

### 13.6.5 Bankruptcy

Since only gold and silver coin lawfully pay debt, most Americans have not paid their debts, since 1933, when ownership of gold was outlawed. Thus they are exercising a privilege when they own anything bought with fiat currency backed by nothing that is "non-money". This subject is covered in detail in:

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

### 13.6.6 The Dignified Parasite

In the repertoire of the Socialist Pirate one often hears of the need to provide "dignity" to the poor and needy. What is dignity that the poor and needy should be provided with it?

*"Dignity - 1. The state or quality of being worthy of honor or respect. 2. A composed or serious manner or style."*

What did the poor and needy do to be worthy of honor or respect? Other than, of course, vote for the first corrupt politician who would STEAL from the rich and give to the poor.

If they did do something honorable or worthy, why would charity from the public treasury provide "dignity" to them? Perhaps, one must remember that before Social Security, the paupers had to take a public oath before receiving their charity.

*"I do solemnly swear that I have not any property, real or personal, exceeding \$20, except such as is by law exempt from being taken on civil process for debt; and that I have no property in any way conveyed or concealed, or in any way disposed of, for my future use or benefit. So help me God."*  
[Wikipedia under "Pauper's Oath"; SOURCE: [http://en.wikipedia.org/wiki/Pauper%27s\\_oath](http://en.wikipedia.org/wiki/Pauper%27s_oath)]

Noteworthy - one has to swear that they have LESS than the amount that would guarantee them the access to the RULES of the common law (7th Amendment, USCON). And after 1933, without lawful money in circulation, few if any had twenty dollars. [Dollar bills are repudiated debt instruments, and have no par value.]

Today's modern socialist serf is unaware of the legal consequences of pauperization, and the drop in legal status. For more info, please read this:

National Association of Sovereign People Forums <a href="http://groups.yahoo.com/group/NASP/message/361">http://groups.yahoo.com/group/NASP/message/361</a>
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As originally conceived, the servant governments were authorized to deal with those who were without property or means of support. However, to discourage them, the government was authorized to treat them as status criminals, and except them from the constitutional protections afforded to others. [See: Art IV of Confederation 1777]

Paupers were not treated with dignity. In fact, they were the lowest of the low. As the saying goes:

*"Beggars can't be choosers."*

That wise adage was turned on its head, once national socialism was enshrined in American law, via the Federal Insurance Contribution Act of 1935 (aka Social Security). This one act created an immovable block to any reform, and locked up the future prosperity of America's progeny. Why? Because no recipient will vote for a reduction in his own benefit, and no politician dare defy them. When the fleas vote, the dog is doomed.

FICA and Social Security made parasites into a powerful political bloc. However, penalizing the productive for the benefit of the helpless resulted in making "professional poverty" into a career path.

And now we have a nation of dignified parasites and their downtrodden hosts.

There are several remedies.

1. The donor class can withdraw consent from the socialist/usurer dominated government.
2. The legislators could enact a voting ban on any recipient of public funds, for up to x years after last receipt.
3. The legislators could also disenfranchise those who do not pay taxes. Why should they decide on the disbursement of public funds that they do not contribute to?

Being cynical, I suspect that the nation will collapse before any meaningful reform is instituted.



## 14 Questioning exercise, misuser, or nonuser of franchise privileges

Where one attempts to justify acts by a pretended franchise which the grantor had no power whatever to confer, a court, whether of law or equity, can discover that fact and deny the claim of justification. It matters not whether such defect of power rests on the state itself or on any of its subordinate agencies attempting its exercise.<sup>173</sup> An information in the nature of quo warranto is the remedy ordinarily resorted to for the purpose of determining the right to exercise franchise privileges and of preventing the usurpation or unlawful exercise thereof. However, other remedies may be available to enforce the forfeiture of a franchise for nonuser or misuser, and where there is a grant and acceptance of a public franchise which imposes certain obligations on the corporation to which the franchise is granted, a writ of mandamus will issue, in a proper case, to compel the performance of the public duty imposed on it. Furthermore, it is well recognized that a court of equity may, at the suit of the state or municipality granting a franchise, by injunction compel a recalcitrant public service corporation to abide by its terms—and this although no actual injury results to the state or municipality from the corporation's violation of the franchise. The corporation's breach of the contract, especially if it arises out of the doing of an act which the contract declares shall not be done, is deemed presumptively to result in the oppression of the citizens of the state.<sup>174</sup>

It has been decided that an injunction will lie at the suit of private parties to restrain acts in excess and abuse of a franchise resulting in private injury.<sup>175</sup> However, as a general rule, the right to question the validity of a franchise is in the authority which granted it, and equity will not interfere by injunction to determine the validity of a franchise unless the complainant shows that he will suffer some peculiar injury, and not merely an injury in common with the body of the citizens.<sup>176</sup> There are also authorities which deny the right of private persons in their own names—in the absence of statutory authorization—when their interests are only in common with the public, to compel the performance by quasi-public corporations of a duty to the public. The reason is that if one individual may interpose, any other may, and since the decision in one individual case would be no bar to any other, there would be no end to litigation and strife.<sup>177</sup>

## 15 Penalties under franchise agreements

Under the common law, all penalties and forfeitures are based upon a contract or agreement made. Absent evidence of consent to the contract or agreement, there can be NO legal authority to institute ANY penalties. The follow authority explains why, and it is written by a U.S. Supreme Court justice:

CHAPTER XXXVII  
PENALTIES AND FORFEITURES  
§ 1714. Nature of Penalties.

*Before entering upon the examination of this subject it may be well to say a few words in regard to the nature and effect of conditions at the common law, as it may help us more distinctly to understand the nature and extent of equity jurisdiction in regard to conditions. At law (and in general the same is equally true in equity) if a man undertakes to do a thing either by way of contract or by way of condition, and it is practicable to do the thing, he is bound to perform it or he must suffer the ordinary consequences; that is to say, if it be a matter of contract he will be liable at law for damages for the non-performance; if it be a condition, then his rights dependent upon the performance of the condition will be gone by the non-performance. The difficulty which arises is to ascertain what shall be the effect in cases where the contract or condition is impossible to be performed; or where it is against law; or where it is repugnant in itself or to the policy of the law.<sup>178</sup>*  
[Commentaries on Equity Jurisprudence, Volume III, Fourteenth Edition, Joseph Story, 1922, pp. 335-336, Section 1714]

<sup>173</sup> New Orleans Gaslight Co. v. Louisiana Light & H. P. & Mfg. Co., 115 U.S. 650, 29 L.Ed. 516, 6 S.Ct. 252; Milhau v. Sharp, 27 N.Y. 611; Henry v. Bartlesville Gas & Oil Co., 33 Okla 473, 126 P. 725; Memphis Street R. Co. v. Rapid Transit Co., 138 Tenn. 594, 198 S.W. 890.

<sup>174</sup> Louisville v. Louisville Home Tel. Co., 149 Ky. 234, 148 S.W. 13; Buck Mountain Coal Co. v. Lehigh Coal & Nav. Co., 50 Pa 91.

<sup>175</sup> Madison v. Madison Gas & E. Co., 129 Wis. 249, 108 N.W. 65.

<sup>176</sup> General Electric R. Co. v. Chicago, I. & L. R. Co. (CA7 Ill), 98 F 907, same result reached on reh 107 F 771; Hill v. St. Louis & N.E. R. Co., 243 Ill. 344, 90 N.E. 676; Davis v. New York, 14 N.Y. 506; Patton v. Chattanooga, 108 Tenn. 197, 65 S.W. 414.

<sup>177</sup> General Electric R. Co. v. Chicago, I. & L. R. Co. (CA7 Ill) 98 F 907, same result reached on reh 107 F 771; Hill v. St. Louis & N.E. R. Co., 243 Ill. 344, 90 N.E. 676; Davis v. New York, 14 N.Y. 506; Patton v. Chattanooga, 108 Tenn. 197, 65 S.W. 414.

<sup>178</sup> See Butler's note (1) to Co. Litt. 206 a, and 1 Fonbl. Eq. B. 1, ch. 4, 11, and notes (a), (b), (c). I 1 Fonbl. Eq. B. 1, ah. 4, , 1, and note (a); Id. § 2; Id. § 3, note (r); Id. '4, note (8); Pullerton v. Agnew, 1 Salk. 172; Com. Dig. Condition, D.l.

The FIRST duty of those claiming that a penalty is owed is therefore to satisfy the burden of proof that:

1. The person penalized consented through a contract or agreement to be liable for the penalties.
2. The consent took the form that the penalized person specified, meaning that it was not IMPLIED but rather EXPRESS and in writing.
3. If the penalty being enforced is a civil penalty administered by a government, that the penalized party had a domicile within the exclusive jurisdiction of the government instituting the penalty, and therefore, that they EXPRESSLY CONSENTED to be subject to the civil laws and/or social compact of the place in question. This is covered in:

[Why Domicile and Becoming a "Taxpayer" Require Your Consent](http://sedm.org/Forms/FormIndex.htm), Form #05.002  
<http://sedm.org/Forms/FormIndex.htm>

The above list is the SAME requirement the government places on all those who want to civilly sue them: An EXPRESS waiver of sovereign immunity found in statute. The waiver, in fact, is a covenant or contract to be responsible for the obligation contained in the express waiver. This concept is called "sovereign immunity", and since ALL are equal under the Constitution, then the sovereign People have the same right of sovereign immunity above as all governments have, or at least CLAIM to have. Even President Barrack Obama said so:

SEDM Exhibit #02.008, President Obama Inauguration Speech  
<http://sedm.org/Exhibits/ExhibitIndex.htm>

It is precisely because of the above requirement of all penalties under the common law that we refer to the Internal Revenue Code, Subtitles A and C as a franchise and excise tax. All franchises are CONTRACTS between the government grantor and the grantee. A statutory "taxpayer" is the grantee:

*"It is generally conceded that a franchise is the subject of a contract between the grantor and the grantee, and that it does in fact constitute a contract when the requisite element of a consideration is present."<sup>179</sup> Conversely, a franchise granted without consideration is not a contract binding upon the state, franchisee, or pseudo-franchisee.<sup>180</sup> "*  
*[36 American Jurisprudence 2d, Franchises, §6: As a Contract (1999)]*

Another important consideration is that the above Commentaries on Equity Jurisprudence also says that penalties may not be imposed upon a person who agreed to perform an act which was impossible or illegal.

CHAPTER XXXVII  
PENALTIES AND FORFEITURES  
§ 1715. Impossible Conditions Bringing about Penalties.

*In regard to contracts, if they stipulate to do anything against law or against the policy of the law, or if they contain repugnant and incompatible provisions, they are treated at the common law as void; for in the first case the law will not tolerate any -contracts which defeat its own purposes, and in the last case the repugnancy renders it impossible to ascertain the intention of the parties; and until ascertained it would be absurd to undertake to enforce it. On the other hand if the parties stipulate for a thing impossible to be done, and known on both sides to be so, it is treated as a void act and as not intended by the parties to be of any validity.<sup>181</sup> But if only one party knows it to be impossible and the other does not, and is imposed upon, the latter may compel the former to pay*

<sup>179</sup> Larson v. South Dakota, 278 U.S. 429, 73 L.Ed. 441, 49 S.Ct. 196; Grand Trunk Western R. Co. v. South Bend, 227 U.S. 544, 57 L.Ed. 633, 33 S.Ct. 303; Blair v. Chicago, 201 U.S. 400, 50 L.Ed. 801, 26 S.Ct. 427; Arkansas-Missouri Power Co. v. Brown, 176 Ark. 774, 4 S.W.2d. 15, 58 A.L.R. 534; Chicago General R. Co. v. Chicago, 176 Ill. 253, 52 N.E. 880; Louisville v. Louisville Home Tel. Co., 149 Ky. 234, 148 S.W. 13; State ex rel. Kansas City v. East Fifth Street R. Co. 140 Mo. 539, 41 S.W. 955; Baker v. Montana Petroleum Co., 99 Mont. 465, 44 P.2d. 735; Re Board of Fire Comrs. 27 N.J. 192, 142 A.2d. 85; Chrysler Light & P. Co. v. Belfield, 58 N.D. 33, 224 N.W. 871, 63 A.L.R. 1337; Franklin County v. Public Utilities Com., 107 Ohio.St. 442, 140 N.E. 87, 30 A.L.R. 429; State ex rel. Daniel v. Broad River Power Co. 157 S.C. 1, 153 S.E. 537; Rutland Electric Light Co. v. Marble City Electric Light Co., 65 Vt. 377, 26 A. 635; Virginia-Western Power Co. v. Commonwealth, 125 Va. 469, 99 S.E. 723, 9 A.L.R. 1148, cert den 251 U.S. 557, 64 L.Ed. 413, 40 S.Ct. 179, disapproved on other grounds Victoria v. Victoria Ice, Light & Power Co. 134 Va. 134, 114 S.E. 92, 28 A.L.R. 562, and disapproved on other grounds Richmond v. Virginia Ry. & Power Co. 141 Va. 69, 126 S.E. 353.

<sup>180</sup> Pennsylvania R. Co. v. Bowers, 124 Pa 183, 16 A 836.

<sup>181</sup> 1 Fonbl. Eq. B. 1, ah. 4, , 1, and note (a); Id. § 2; Id. § 3, note (r); Id. '4, note (8); Pullerton v. Agnew, 1 Salk. 172; Com. Dig. Condition, D.I.

him damages for the imposition.<sup>182</sup> So if the thing is physically possible but not physically possible for the party, still it will be binding upon him if fairly made; for he should have weighed his own ability and strength to do it.<sup>183</sup> [Commentaries on Equity Jurisprudence, Volume III, Fourteenth Edition, Joseph Story, 1922, p. 336, Section 1715]

Those wishing to challenge the legality of imposing a penalty therefore need only prove that the thing agreed to be done was either impossible or illegal or that the party who is the subject of the penalty never consented to the franchise or CANNOT lawfully consent. An example in the case of Internal Revenue Code, Subtitles A and C income taxes is that it is ILLEGAL and even a crime to impersonate a public officer, and one cannot lawfully and unilaterally “elect” themselves into public by filling out any government form, including a tax form. This is exhaustively proven in:

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

## 16 Criminal Provisions within Franchise Agreements

As we have already established, all franchises are CIVIL law contracts. Consequently, as far as penal provisions within franchise agreements:

1. The franchise agreement amounts to a contract in which you consent to go into jail and become “public property” temporarily if you violate the agreement. That public property is “warehoused” in a public facility called a “jail”.
2. The penal provisions of the franchise agreement, unlike typical criminal statutes, do not attach to a specific territory, but to a STATUS that you voluntarily consented to acquire by filling out government forms and license applications.
3. Anyone who did not expressly provide *informed* consent to the provisions of the franchise agreement may not lawfully become the target of enforcement of any penal provision within said franchise agreement.
4. Penal provisions within franchise agreements are not and may not be part of the criminal code within any jurisdiction. That is why the penalty provisions within the Internal Revenue Code found in 26 U.S.C. §§7201 to 7217 are not found in Title 18 of the United States Code, which is the criminal code.
5. When the government seeks to enforce a penal provision of the franchise agreement, it has the burden of proving that the target of the enforcement action:
  - 5.1. Expressly consented to participate in the franchise.
  - 5.2. Satisfies the definition of “person” or “individual” found within the franchise agreement. In the case of the Internal Revenue Code, that definition is found in 26 U.S.C. §§6671(b) and 7343 and 26 C.F.R. §1.1441-1(c)(3). Both of these “persons” are public officers in the government domiciled on federal territory ONLY.

[TITLE 26 > Subtitle F > CHAPTER 68 > Subchapter B > PART I > § 6671](#)  
[§ 6671. Rules for application of assessable penalties](#)

(b) Person defined

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

The following subsections deal with the important legal distinctions between “penal” and “criminal” infractions within government statutes and how those differences govern the behavior of the courts when enforcing civil franchises against non-consenting parties. We will also give brief examples applying the concepts we discuss to specific types of franchises.

### 16.1 “Penal” (civil) v. “Criminal”

Let’s further examine the difference between PENAL on the one hand, and CRIMINAL on the other.

*“PENAL. Punishable; **inflicting a punishment; containing a penalty**, or relating to a penalty. Missouri, K. & T. Ry. Co. v. Dewey Portland Cement Co., 113 Okl. 142, 242 P. 257.*

<sup>182</sup> Ibid.

<sup>183</sup> *Thomborrow* 11. *Whiteacre*, 2 Ld. Raym. 1164. A Court of Equity would relieve against a contra. et like that in 2 Ld. Raym. 1164, and *James* 11. *Morgan*, 1 Lev. R. 111, upon the ground of fraud, or imposition, or unconscionable advantage taken of the party. Ante, II 188, 331.

PENAL ACTION. In practice. An action upon a penal statute [FRANCHISE provision]; an action for the recovery of a penalty given by statute. 3 Steph. 535, 536; Smith Engineering Works v. Custer, 194 Okl. 318, 151 P.2d. 404, 407, 408. An action which enforces a forfeiture or penalty for transgressing the law. The term "penal" is broader than "criminal," and relates to actions which are not necessarily criminal as well. The term "penalty" in its broad sense is a generic term which includes fines as well as other kinds of punishment, but in its narrowest sense is the amount recovered for violation of the statute law of the state or a municipal ordinance, which violation may or may not be a crime, and the term applies mostly to a pecuniary punishment. The word "forfeiture" is frequently used in civil as well as criminal law, and it is also used in actions for a penalty, although the action is a civil one. Silberman v. Skouras Theatres Corporation, 11 N.J.Misc. 907, 169 A. 170, 171. "[Black's Law Dictionary, Fourth Edition, p. 1289]"

Anything that involves property can be a penalty. For instance, you can sign a contract to become GOVERNMENT PROPERTY that is "warehoused" in a PUBLIC FACILITY called a JAIL for a definite period of time under the terms of the franchise. That, in fact, is EXACTLY what the "quasi-criminal" provisions of the Internal Revenue Code do found in 26 U.S.C. §7201 through 7217: Govern an exchange of your services, time, and money for violation of certain provisions of the franchise. Nowhere do these provisions indicate that they are criminal, and many of them deal with pecuniary awards and are therefore "civil penalties" as mentioned above rather than crimes.

Now let's compare the definition of PENAL to the CRIMINAL:

"CRIME. A positive or negative act in violation of penal law; an offense against the State. Wilkins v. U.S., C.C.A.Pa., 96 F. 837, 37 C.C.A. 588; People v. Williams, 24 Mich. 163, 9 Am.Rep. 119. "Crime" and "misdemeanor," properly speaking, are synonymous terms; though in common usage "crime" is made to denote such offenses as are of a deeper and more atrocious dye. 4 Bl.Comm. 5; People v. Schiaffino, 73 Cal.App. 357, 238 P. 725; Guetling v. State, 199 Ind. 630, 158 N.E. 593, 594; McIntyre v. Commonwealth, 154 Ky. 149, 156 S.W. 1056, 1059; Commonwealth v. Smith, 266 Pa. 511, 109 A. 786, 788, 9 A.L.R. 922; Ex parte Brady, 116 Ohio.St. 512, 157 N.E. 69, 70; An act committed or omitted in violation of a public law. City of Mobile v. McCown Oil Co., 226 Ala. 688, 148 So. 402, 405. Crimes are those wrongs which the government notices as injurious to the public, and punishes in what is called a "criminal proceeding," in its own name. 1 Bish.Crim.Law, 1 43; In re Jacoby, 74 Ohio.App. 147, 57 N.E.2d. 932, 934, 935. A crime may be defined to be any act done in violation of those duties which an individual owes to the community, and for the breach of which the law has provided that the offender shall make satisfaction to the public. Bell. A crime or public offense is an act committed or omitted in violation of a law forbidding or commanding it, and to which is annexed, upon conviction, either of the following punishments: (1) Death; (2) imprisonment; (3) fine; (4) removal from office; or (5) disqualification to hold and enjoy any office of honor, trust, or profit in this state. Pen.Code Cal. 5 15. "Crime" is strictly a violation of law either human or divine; in present usage the term is commonly applied to grave offenses against the laws of the state. Van Riper v. Constitutional Government League, 1 Wash.2d. 635, 96 P.2d. 588, 591, 125 A.L.R. 1100. A crime or misdemeanor shall consist in a violation of a public law, in the commission of which there shall be a union or joint operation of act and intention, or criminal negligence. Code Ga. 1882, 1 4292, Pen.Code 1910, 8 31." [Black's Law Dictionary, Fourth Edition, pp. 444-445]

Below is what one brilliant state supreme court judge said about the differences between "penal" and "criminal":

"There is a vast and well-defined difference between a penal statute and a criminal statute. In Acheson v. Everett, 1 Cowp. 382, Lord Mansfield said: "There is no distinction better known than the distinction between civil and criminal law, or between criminal prosecutions and civil actions. Mr. Justice Blackstone, and all modern and ancient writers upon the subject, distinguish between them. Penal actions were never yet put under the head of criminal law or crimes. The construction of the statute must be extended by equity to make this a criminal case. It is as much a civil action as an action for money had and received. Blackstone defines penal statutes as "such acts of Parliament whereby a forfeiture is inflicted for transgressing provisions therein enacted. 3 Black. Comm. 160." In 16 Enc. of Pl. & Pr. p. 231, a penal statute is thus defined: "A statute properly designated as penal is one which inflicts a forfeiture of money or goods by way of penalty for breach of its provisions, and not by way of fine for a statutory crime or misdemeanor. A penal action is a civil suit brought for the recovery of this statutory forfeiture, when inflicted as punishment for the offense against the public. Penal actions are civil actions, on the one hand, closely related to criminal prosecutions, and, on the other, to actions for private injuries, in which the party aggrieved may, by statute, recover punitive damages." And this is the view taken by this court in Parish v. Railroad, 63 Mo. 284. The Encyclopedia of Pleading and Practice at page 234, vol. 16, further says: "The comprehensive meaning given to the word 'penal' in common usage, and the indiscriminate use of the words 'penalty,' 'fine,' and 'forfeiture,' make it difficult at times to determine whether a statute should be enforced by a criminal prosecution or a penal action. With reference to penal actions, the word 'penalty' means the forfeiture inflicted by a penal statute; the word 'fine,' a sum of money imposed by a criminal law. The use of these and other technical words or phrases will frequently determine the form of action as respectively civil or criminal." The same author, at page 235, says: "Where the sum given by the statute is called damages\*213 by it, the fact will not prevent its being a penalty to be recovered by a penal action, if such is its real nature." The same author further says, at page 237, that in penal actions a nonsuit may be suffered by the plaintiff as in other civil actions, and also that the defendant is not entitled to be confronted in open court by the witnesses against him, as in

criminal prosecutions, but the evidence may be taken by deposition. And further says that: "In some instances a general statute or the penal statute itself designates a form of civil action, which shall or may be pursued." The same author, at page 339, says: "Where the remedy is prescribed by the statute which denounces the offense, no other process or procedure can be made use of to enforce obedience to the statute than that which the statute itself prescribes. The remedy must be sought in the precise mode, and subject to the precise limitations, provided by the act which creates the offense." And this is in harmony with the general rule of law that, where a new offense is created by statute, and the remedy for the enforcement thereof is provided by the statute creating the offense, the remedy as provided is exclusive. *King v. Marriott*, 4 Mod.Rep. 144; *Sutherland on Statutory Construction*, § 208; *Sedgwick's Statutory and Constitutional Law* (2d Ed.) pp. 341, 343; *Endlich on Interpretation of Statutes*, § 465; *Smith on Modern Law of Municipal Corporations*, vol. 1, §547; *Riddick v. Governor*, 1 Mo. 147; 26 Am. & Eng. Enc. of Law (2d Ed.) 659, 671.

In speaking of the remedies available for the enforcement of penalties and forfeitures prescribed by a statute, Enc. of Pl. & Pr. vol. 16, p. 242, says: "A criminal prosecution by indictment will not lie where the form of penal action which shall be pursued is designated by the statute. If the statute, in addition to giving a form of action, uses general words which show that no proper proceeding is intended to be excluded, an indictment as well as penal action will lie." In *People v. Brown*, 16 Wend. (N. Y.) 561, it was said: "It was admitted that, where an act is not an offense at common law, but is made so by statute, an indictment will not lie, where there is a substantive prohibitory clause, but that it is otherwise where the statute is not prohibitory, and only inflicts a forfeiture for the doing of a specified act, and provides for the remedy." In *State v. Huffs Schmidt*, 47 Mo. 73, the defendant was indicted and convicted for selling liquor on Sunday. He appealed on the ground that the offense was not an indictable one. The judgment was reversed by this court; the court saying: "The Attorney General contends, and so the court below held, that a statutory offense, where no remedy or mode of punishment is provided, may be prosecuted by indictment, or any other common-law remedy adapted to the case. This is a sound view, but will not avail the state in this case, from the fact that another remedy is provided." And it was held that only a civil action was authorized by statute, and that a criminal prosecution would not lie in the state of the statutory law at that time. It was further held: If an act, which is not indictable at common law, is prohibited by statute, and a particular method of proceeding is given by the statute, that method must be pursued, and an indictment will not lie unless expressly provided for by the act; although, if the act is merely prohibited, and no method of proceeding is pointed out, an indictment will lie. In the revision of 1855 the offense with which defendant is charged is made so by the same act which provides for the civil remedy spoken of; and, inasmuch as the section providing for an indictment has been repealed and not re-enacted, the civil remedy is alone left."

[*State ex rel. McNamee et al. v. Stobie, Justice of the Peace, et al.*, 194 Mo. 14, 92 S.W. 191 (1906)]

The important thing to note about the differences between "penal" and "criminal" are that:

1. Criminal and civil are NOT the same.
2. Penal actions are CIVIL actions.
3. Penal statutes administer usually a commercial penalty of some kind and involve the exchange of property.
4. Penal statutes attach to civil law and domicile, while criminal law attaches to the commission of a crime associated with a specific geographical locale.
5. If you commit a REAL crime in a place that you are not domiciled within and therefore NOT a "citizen" or "resident" of, then financial penalties may **NOT** be imposed by the government instituting the punishment, because you have no status under the civil laws of the place of the crime.

If you ever find yourself in front of a government court facing criminal charges under a franchise such as income taxes, and the government wants to fine you for the violation, judges are frequently known to CRIMINALLY bypass the above constraints in the case of nonresidents or "nonresident aliens" by:

1. Telling you that you aren't allowed to talk about your citizenship in front of the jury and threatening you IN ADVANCE with contempt if you do.
2. Refusing to recognize or admit evidence documenting the fact that you are a nonresident not subject to the civil law and therefore to penalties under the franchise agreement, which is civil law.
3. Playing word of art" games to place you within his civil jurisdiction illegally, and thereby KIDAP your identity. The following documents prevent such games:
  - 3.1. *Affidavit of Citizenship, Domicile, and Tax Status*, Form #02.001  
<http://sedm.org/Forms/FormIndex.htm>
  - 3.2. *Federal Pleading/Motion/Petition Attachment*, Litigation Tool #01.002  
<http://sedm.org/Litigation/LitIndex.htm>
  - 3.3. *Rules of Presumption and Statutory Interpretation*, Litigation Tool #01.006  
<http://sedm.org/Litigation/LitIndex.htm>



These weasels are SLIPPERY, aren't they? No wonder Mark Twain called the District of Columbia the "District of Criminals". He was right.

## 16.2 Example penal/civil franchise violation: Income Taxes

Seldom in any tax prosecution undertaken by the United States Department of Justice or any state that we have witnessed have the government plaintiffs properly established the burden of proof of establishing that the alleged defendant:

1. Was domiciled on the territory of the sovereign and therefore subject to the civil laws of that jurisdiction as a statutory but not necessarily constitutional "citizen" or "resident". All de jure tax liability originates from one's domicile, and the U.S. Supreme Court has held that enforcing taxes against those without a domicile amounts to crime and extortion and the physical place to which the domicile attaches is federal territory that is no part of any state of the Union.

*"The power of taxation, indispensable to the existence of every civilized government, is exercised upon the assumption of an equivalent rendered to the taxpayer in the protection of his person and property, in adding to the value of such property, or in the creation and maintenance of public conveniences in which he shares -- such, for instance, as roads, bridges, sidewalks, pavements, and schools for the education of his children. If the taxing power be in no position to render these services, or otherwise to benefit the person or property taxed, and such property be wholly within the taxing power of another state, to which it may be said to owe an allegiance, and to which it looks for protection, the taxation of such property within the domicile of the owner partakes rather of the nature of an extortion than a tax, and has been repeatedly held by this Court to be beyond the power of the legislature, and a taking of property without due process of law. Railroad Company v. Jackson, 7 Wall. 262; State Tax on Foreign-Held Bonds, 15 Wall. 300; Tappan v. Merchants' National Bank, 19 Wall. 490, 499; Delaware & C. R. Co. v. Pennsylvania, 198 U.S. 341, 358. In Chicago & C. R. Co. v. Chicago, 166 U.S. 226, it was held, after full consideration, that the taking of private property [199 U.S. 203] without compensation was a denial of due process within the Fourteenth Amendment. See also Davidson v. New Orleans, 96 U.S. 97, 102; Missouri Pacific Railway v. Nebraska, 164 U.S. 403, 417; Mt. Hope Cemetery v. Boston, 158 Mass. 509, 519."*  
[Union Refrigerator Transit Company v. Kentucky, 199 U.S. 194 (1905)]

2. Lawfully occupied a public office in the government.
3. Expressly consented to participate in the franchise. That consent must take the form that HE and not the GRANTOR of the franchise specifies.
4. Satisfies the definition of "person" or "individual" found within the franchise agreement, which means "public officer". In the case of the Internal Revenue Code, that definition is found in 26 U.S.C. §§6671(b) and 7343

Neither have we ever seen any judge require prosecution as the moving party to meet the above burden of proof imposed upon them. Instead, the entire proceeding usually relies almost entirely upon the following usually false presumptions that the defendant must ensure that he or she challenges:

1. The defendant is a "taxpayer" as defined in 26 U.S.C. §7701(a)(14) who is subject to the franchise agreement. They must make this presumption because the Declaratory Judgments Act, 28 U.S.C. §2201(a) forbids federal courts from determining or declaring a person a "taxpayer".

*Specifically, Rowen seeks a declaratory judgment against the United States of America with respect to "whether or not the plaintiff is a taxpayer pursuant to, and/or under 26 U.S.C. §7701(a)(14)." (See Compl. at 2.) This Court lacks jurisdiction to issue a declaratory judgment "with respect to Federal taxes other than actions brought under section 7428 of the Internal Revenue Code of 1986," a code section that is not at issue in the instant action. See 28 U.S.C. §2201; see also Hughes v. United States, 953 F.2d. 531, 536-537 (9th Cir. 1991) (affirming dismissal of claim for declaratory relief under § 2201 where claim concerned question of tax liability). Accordingly, defendant's motion to dismiss is hereby GRANTED, and the instant action is hereby DISMISSED.*  
[Rowen v. U.S., 05-3766MMC. (N.D.Cal. 11/02/2005)]

If judges cannot directly declare you a "taxpayer", then they can't indirectly make you one by PRESUMING that you are one either. In fact, the only person who can declare you a "taxpayer" is you, usually by the choice of forms you fill out and what you put on them. All of the forms the IRS publishes are for "taxpayers", and so if you don't want to be presumed to be a "taxpayer", you have to invent or use your own "nontaxpayer" forms. The SEDM Forms page has many such forms. See:

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

2. The alleged defendant maintains a domicile on federal territory called the “United States” and therefore is subject to federal civil law. This is also false in the case of a man, woman, or artificial entity domiciled within the exclusive jurisdiction of a state of the Union. See:

*Why Domicile and Becoming a “Taxpayer” Require Your Consent*, Form #05.002  
<http://sedm.org/Forms/FormIndex.htm>

3. The alleged defendant is lawfully, voluntarily, and consensually engaged in the “trade or business” franchise. This is always false in the case of a person domiciled in a state and outside of federal territory. See:

*The “Trade or Business” Scam*, Form #05.001  
<http://sedm.org/Forms/FormIndex.htm>

All the above presumptions constitute a violation of due process of law and render a void judgment that is unenforceable. They also constitute slavery in criminal violation of 18 U.S.C. §1583, 42 U.S.C. §1994, and the Thirteenth Amendment. This is exhaustively proven in the memorandum below on our website:

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

If you would like to know more about how to handle a criminal prosecution in the context of the income tax franchise, see:

*Responding to a Criminal Tax Indictment*, Litigation Tool #10.004  
<http://sedm.org/Litigation/LitIndex.htm>

### 16.3 Example penal/civil franchise violation: Traffic Court

The content of this section on criminal provisions of franchise agreements is also confirmed by the behavior of city attorneys in traffic cases. The motor vehicle code within your state is a franchise agreement. Those who are subject are called “drivers” or “motorists”. If you violate the motor vehicle code:

1. The case is initially heard in “traffic court”.
2. The traffic court is obviously a franchise court because:
  - 2.1. The “judge” is usually a commissioner in the executive and not judicial branch of the municipal government. Therefore, the separation of powers is being violated. Because the judge is in the Executive Branch, if he orders a penalty, the penalty amounts to a “bill of attainder”, which is a penalty issued without a true judicial tribunal and instead by either the legislative or executive branch of the government:

*Bill of attainder.* Legislative acts, no matter what their form, that apply either to named individuals or to easily ascertainable members of a group in such a way as to inflict punishment on them without a judicial trial. *United States v. Brown*, 381 U.S. 437, 448-49, 85 S.Ct. 1707, 1715, 14 L.Ed. 484, 492; *United States v. Lovett*, 328 U.S. 303, 315, 66 S.Ct. 1073, 1079, 90 L.Ed. 1252. An act is a “bill of attainder” when the punishment is death and a “bill of pains and penalties” when the punishment is less severe; both kinds of punishment fall within the scope of the constitutional prohibition. U.S.Const. Art. I, Sect 9, Cl. 3 (as to Congress); Art. I, Sec. 10 (as to state legislatures).  
[Black’s Law Dictionary, Sixth Edition, p. 165]

- 2.2. The “judge” in most cases is not appointed for life. Therefore, he is not impartial.
- 2.3. If the traffic court has no jury box, it violates the state constitution, which requires jury trials in civil matters. They can violate the requirement for a trial by jury because the traffic court is a legislative franchise court and you are presumed to be there because you consented to waive your rights in applying for the driver license “benefit”.

The principle is invoked that one who accepts the benefit of a statute cannot be heard to question its constitutionality. *Great Falls Manufacturing Co. v. Attorney General*, 124 U.S. 581, 8 S.Ct. 631, 31 L.Ed. 527; *Wall v. Parrot Silver & Copper Co.*, 244 U.S. 407, 37 S.Ct. 609, 61 L.Ed. 1229; *St. Louis, etc., Co., v. George C. Prendergast Const. Co.*, 260 U.S. 469, 43 S.Ct. 178, 67 L.Ed. 351.

[ . . . ]

6. *The Court will not pass upon the constitutionality of a statute at the instance of one who has availed himself of its benefits.* <sup>EN7</sup> *Great Falls Mfg. Co. v. Attorney General*, 124 U.S. 581, 8 S.Ct. 631, 31 L.Ed. 527; *Wall v. Parrot Silver & Copper Co.*, 244 U.S. 407, 411, 412, 37 S.Ct. 609, 61 L.Ed. 1229; *St. Louis Malleable Casting Co. v. Prendergast Construction Co.*, 260 U.S. 469, 43 S.Ct. 178, 67 L.Ed. 351.

1 [FN7 Compare \*Electric Co. v. Dow\*, 166 U.S. 489, 17 S.Ct. 645, 41 L.Ed. 1088; \*Pierce v. Somerset Ry.\*, 171 U.S.](#)  
2 [641, 648, 19 S.Ct. 64, 43 L.Ed. 316; \*Leonard v. Vicksburg, etc., R. Co.\*, 198 U.S. 416, 422, 25 S.Ct. 750, 49 L.Ed.](#)  
3 [1108.](#)  
4 [\[\*Ashwander v. Tennessee Valley Authority\*, 297 U.S. 288, 56 S.Ct. 466 \(1936\)\]](#)

- 5 3. If you contact the city attorney and ask him or her what the case is: civil or criminal, the answer you will get, as we did,  
6 is:

7 “Quasi-criminal”

8 The city attorney will call it “quasi criminal”, which means “not criminal”, because he is recognizing the proceeding as  
9 private law and a franchise which contains PENAL rather than CRIMINAL provisions.

- 10 4. If you try to file any kind of motion in traffic court, including a challenge to jurisdiction, the non-judge “commissioner”  
11 who runs this pseudo-court usually punts and pawns you off to a REAL criminal or civil court on the other side of town.  
12 He is mostly the gatekeeper to prevent clogging the REAL courts with traffic cases. That is why:

13 4.1. Most traffic courts do not have rules posted on their website: because they don’t want you filing motions and  
14 making work for them.

15 4.2. If you call the clerk’s office, they will not tell you what their procedure is for filing motions in the court. Instead,  
16 they will argue that they can’t give you legal advice.

17 4.3. When you file the motion, they will tell you it is wrong but they won’t tell you in advance how to do it right or give  
18 you written rules or instructions on how to do it right.

19 Not all traffic courts play all of the above games, but most play at least a few of them.

20 If you do get past the gate guards in traffic court, which is a sham administrative franchise court, and finally get your case  
21 into a REAL criminal court, the judges violate ALL the rules for criminal cases because they all know that they are  
22 administering private contract law codified as a franchise agreement. A real criminal case requires a flesh and blood injured  
23 party, but most traffic cases are victimless crimes. The following “crimes” under the motor vehicle code, for instance, are  
24 “victimless crimes”, which is what lawyers call “malum prohibitum” cases:

- 25 1. Driving without a license.  
26 2. Driving without a seatbelt.  
27 3. Speeding.

28 Therefore, the whole motor vehicle code is a FRAUD in most cases. It is actually a “compact” or private law agreement  
29 disguised to LOOK like “law”, even though it technically isn’t. Here is an example of WHY it isn’t “law” for anyone who  
30 did not procure the status of “driver” by signing up for the franchise:

31 “Municipal law, thus understood, is properly defined to be “a rule of civil conduct prescribed by the supreme  
32 power in a state, commanding what is right and prohibiting what is wrong.”

33 [ . . . ]

34 It is also called a rule to distinguish it from a compact or agreement; for a compact is a promise proceeding  
35 from us, law is a command directed to us. The language of a compact is, “I will, or will not, do this”; that of a  
36 law is, “thou shalt, or shalt not, do it.” It is true there is an obligation which a compact carries with it, equal  
37 in point of conscience to that of a law; but then the original of the obligation is different. In compacts we  
38 ourselves determine and promise what shall be done, before we are obliged to do it; in laws we are obliged to  
39 act without ourselves determining or promising anything at all. Upon these accounts law is defined to be “a  
40 rule.”

41 [Readings on the History and System of the Common Law, Second Edition, Roscoe Pound, 1925, p. 4]

42 The U.S. Supreme Court enunciated the above slightly differently:

43 “[l]aw . . . must be not a special rule for a particular person or a particular case, but . . . the general law . . . so  
44 that every citizen shall hold his life, liberty, property and immunities under the protection of the general rules  
45 which govern society.”

46 [Hurtado v. California, 110 U.S. 516, 535-536 (1884)]

47 A famous freedom fighter has written an entire book about FRAUD in the criminal courts relating to the enforcement of the  
48 motor vehicle code, and how to fight it. Below are details on his book:

## 17 Proof that Statutory citizens/residents are a franchise status that has nothing to do with your domicile<sup>184</sup>

The following subsections will prove that statutory “U.S. citizen” or “national and citizen of the United States” status found in 8 U.S.C. §1401, 26 U.S.C. §3121(e), and 26 C.F.R. §1.1-1(c) is a franchise status that has nothing to do with one’s domicile. As a franchisee, they become officers of a corporation and “persons” under federal law, and thereby act as the equivalent of a corporation sole wholly owned by the U.S. government. The U.S. Supreme Court has already held that turning citizens and residents into the equivalent of a “corporation sole” is unconstitutional and thereby illegal:

*“But if the plain dictates of our senses be relied on, what state of facts have we exhibited here? 898\*898 **Making a person, makes a case**; and thus, a government which cannot exercise jurisdiction unless an alien or citizen of another State be a party, makes a party which is neither alien nor citizen, and then claims jurisdiction because it has made a case. **If this be true, why not make every citizen a corporation sole, and thus bring them all into the Courts of the United States quo minus? Nay, it is still worse, for there is not only an evasion of the constitution implied in this doctrine, but a positive power to violate it. Suppose every individual of this corporation were citizens of Ohio, or, as applicable to the other case, were citizens of Georgia, the United States could not give any one of them, individually, the right to sue a citizen of the same State in the Courts of the United States; then, on what principle could that right be communicated to them in a body? But the question is equally unanswerable, if any single member of the corporation is of the same State with the defendant, as has been repeatedly adjudged.**”*

[Osborn v. Bank of U.S., 22 U.S. 738 (1824); SOURCE: <http://scholar.google...760256043512250/>]

### 17.1 Legal Dictionary

The legal dictionary confirms that statutory “citizen” status equates with being a “subject”, AND that said “subject” status is, indeed a voluntary franchise:

*“**Subject.** Constitutional law. One that owes allegiance to a sovereign and is governed by his laws. The natives of Great Britain are subjects of the British government. **Men in free governments are subjects as well as citizens; as citizens they enjoy rights and franchises; as subjects they are bound to obey the laws. The term is little used, in this sense, in countries enjoying a republican form of government. Swiss Nat. Ins. Co. v. Miller, 267 U.S. 42, 45 S.Ct. 213, 214, 69 L.Ed. 504.**”*

*Legislation. The matter of public or private concern for which law is enacted. Thing legislated about or matters on which legislature operates to accomplish a definite object or objects reasonably related one to the other. Crouch v. Benet, 198 S.C. 185, 17 S.E.2d. 320, 322. The matter or thing forming the groundwork of the act. McCombs v. Dallas County, Tex.Civ.App., 136 S.W.2d. 975,982.*

*The constitutions of several of the states require that every act of the legislature shall relate to but one subject, which shall be expressed in the title of the statute. But term “subject” within such constitutional provisions is to be given a broad and extensive meaning so as to allow legislature full scope to include in one act . all matters having a logical or natural connection. Jaffee v. State, 76 Okl.Cr. 95, 134 P.2d. 1027, 1032.  
[Black’s Law Dictionary, Sixth Edition, p. 1425]*

Note from the above that:

1. Republican governments such as that in America DO NOT have “subjects”. You cannot be a “taxpayer” WITHOUT being a “subject”.

*“The **term is little used, in this sense, in countries enjoying a republican form of government.** Swiss Nat. Ins. Co. v. Miller, 267 U.S. 42, 45 S.Ct. 213, 214, 69 L.Ed. 504.”*

2. You have to be “in the government” to be a subject or statutory citizen, and that when you join the government, THE GOVERNMENT is free, but YOU, the SUBJECT, are not only NOT free, but become a slave to their protection contract or “social compact”:

<sup>184</sup> Adapted from the following with permission: *Why You are a “national”, “state national”, and Constitutional but not Statutory Citizen*, Form #05.006, Section 4; <http://sedm.org/Forms/FormIndex.htm>.

1 "Men in free governments are..."

2 3. Being a statutory "citizen" is identified as a voluntary franchise:

3 "Men in free governments are subjects as well as citizens; **as citizens they enjoy rights and franchises**".

4 The above admissions are deliberate double speak to cloud the issues, but they do state some of the truth plainly. They are  
5 using double speak because they know they are abusing the law to destroy rights and enslave people they are supposed to be  
6 protecting through the abuse of "words of art" and oxymorons.

7 "For where envy and self-seeking [by a corrupted de facto government towards YOUR property] exist,  
8 [manufactured] confusion and every evil thing are there. But the wisdom that is from above is first pure, then  
9 peaceable, gentle, willing to yield, full of mercy and good fruits, without partiality and without hypocrisy."  
10 [James 3:16-17, Bible, NKJV]

11 Here is some of the double speak designed to enforce the stealthful and unconstitutional GOVERNMENT PLUNDER of  
12 your rights and property using "words of art":

- 13 1. They say "men in free governments", implying that the GOVERNMENT is free but the "men" are NOT. No "subject"  
14 who is subservient to anyone can ever truly be "free". In any economic system, there are only two roles you can fill:  
15 predator or prey, sovereign or subject.  
16 2. They admit that governments that are "republican in form" cannot have "subjects", but:  
17 2.1. They don't mention that America, in Constitution Article 4, Section 4, is republican in form.  
18 2.2. They deliberately don't explain how you can "govern" people who are not "subjects" but sovereigns such as those  
19 in America.

20 In fact, if they dealt with the above two issues, their FRAUD would have to come to an IMMEDIATE end. It is a  
21 maxim of law that when TWO rights exist in the same person, it is as if there were TWO PERSONS. This means that  
22 the statutory "citizen" or "subject" they are REALLY talking about is a SEPARATE LEGAL PERSON who is, in fact,  
23 a public office in the U.S. government. 4 U.S.C. §72 says that office cannot lawfully exist in a constitutional state of  
24 the Union without permission from Congress that has never expressly been given and CANNOT lawfully be given  
25 without violating the separation of powers doctrine which is the foundation of the U.S. Constitution:

26 "Quando duo juro concurrunt in und personâ, aequum est ac si essent in diversis.  
27 When two rights [for a RIGHT and a PRIVILEGE] concur in one person, it is the same as if they were in two  
28 separate persons. 4 Co. 118."  
29 [Bouvier's Maxims of Law, 1856;  
30 SOURCE: <http://famguardian.org/Publications/BouvierMaximsOfLaw/BouviersMaxims.htm>]

- 31 3. They use the phrase "rights and franchises". These two things cannot rationally coexist in the same person. Rights are  
32 unalienable, meaning that they cannot lawfully be surrendered or bargained away. Franchises are alienable and can be  
33 taken away at the whim of the legislature. You cannot sign up for a government franchise without alienating an  
34 unalienable right. Therefore, no one who has rights can also at the same time have privileges, and the only people who  
35 can lawfully sign up for franchises are those who HAVE no rights because domiciled on federal territory not protected  
36 by the constitution and not within any state of the Union.

37 "We hold these truths to be self-evident, that **all men are created equal, that they are endowed by their Creator**  
38 **with certain unalienable Rights**, that among these are Life, Liberty and the pursuit of Happiness.--That to secure  
39 these rights, Governments are instituted among Men, deriving their just powers from the consent of the governed,  
40 --"  
41 [Declaration of Independence]

42 "Unalienable. Inalienable; incapable of being aliened, that is, sold and transferred."  
43 [Black's Law Dictionary, Fourth Edition, p. 1693]

- 44 4. They don't address how the national government can lawfully implement franchises within a Constitutional state, and  
45 therefore deliver the "rights and franchises" associated with being a statutory but not constitutional "citizen". The U.S.  
46 Supreme Court has held more than once that Congress CANNOT lawfully establish or enforce ANY franchise within  
47 the borders of a constitutional state of the Union. The following case has NEVER been overruled.

48 "Thus, Congress having power to regulate commerce with foreign nations, and among the several States, and  
49 with the Indian tribes, may, without doubt, provide for **granting** coasting **licenses**, licenses to pilots, licenses to



trade with the Indians, and any other **licenses** necessary or proper for the exercise of that great and extensive power; and the same observation is applicable to every other power of Congress, to the exercise of which the granting of licenses may be incident. All such licenses confer authority, and give rights to the licensee.

But very different considerations apply to the **internal commerce** or **domestic trade** of the **States**. Over this commerce and trade Congress has **no power of regulation nor any direct control**. This power belongs **exclusively** to the States. **No interference by Congress with the business of citizens transacted within a State is warranted by the Constitution, except such as is strictly incidental to the exercise of powers clearly granted to the legislature**. The power to authorize a business within a State is plainly repugnant to the exclusive power of the State over the same subject. It is true that the power of Congress to tax is a very extensive power. It is given in the Constitution, with only one exception and only two qualifications. Congress cannot tax exports, and it must impose direct taxes by the rule of apportionment, and indirect taxes by the rule of uniformity. Thus limited, and thus only, it reaches every subject, and may be exercised at discretion. But, it reaches only existing subjects. **Congress cannot authorize [LICENSE] a trade or business within a State in order to tax it.**”  
[License Tax Cases, 72 U.S. 462, 18 L.Ed. 497, 5 Wall. 462, 2 A.F.T.R. 2224 (1866)]

And here is yet another example from Black’s Law Dictionary proving that statutory citizenship is a franchise:

**FRANCHISE. A special privilege conferred by government on individual or corporation, and which does not belong to citizens of country generally of common right.** Elliott v. City of Eugene, 135 Or. 108, 294 P. 358, 360. In England it is defined to be a royal privilege in the hands of a subject.

A “franchise,” as used by Blackstone in defining quo warranto, (3 Com. 262 [4th Am. Ed.] 322), had reference to a royal privilege or branch of the king’s prerogative subsisting in the hands of the subject, and must arise from the king’s grant, or be held by prescription, but today we understand a franchise to be some special privilege conferred by government on an individual, natural or artificial, which is not enjoyed by its citizens in general. State v. Fernandez, 106 Fla. 779, 143 So. 638, 639, 86 A.L.R. 240.

**In this country a franchise is a privilege or immunity of a public nature, which cannot be legally exercised without legislative grant. To be a corporation is a franchise.** The various powers conferred on corporations are franchises. The execution of a policy of insurance by an insurance company [e.g. **Social Insurance/Socialist Security**], and the issuing a bank note by an incorporated bank [such as a **Federal Reserve NOTE**], are franchises. People v. Utica Ins. Co., 15 Johns. (N.Y.) 387, 8 Am.Dec. 243. But it does not embrace the property acquired by the exercise of the franchise. Bridgeport v. New York & N.H. R. Co., 36 Conn. 255, 4 Am.Rep. 63. Nor involve interest in land acquired by grantee. Whitbeck v. Funk, 140 Or. 70, 12 P.2d. 1019, 1020. **In a popular sense, the political rights of subjects and citizens are franchises, such as the right of suffrage. etc.** Pierce v. Emery, 32 N.H. 484; State v. Black Diamond Co., 97 Ohio.St. 24, 119 N.E. 195, 199, L.R.A.1918E, 352.

Elective Franchise. The right of suffrage: the right or privilege of voting in public elections.

[Black’s Law Dictionary, Fourth Edition, pp. 786-787]

Note the phrase “a franchise is a privilege or immunity of a public nature”, meaning that those who exercise it are public officers. They also say “In a popular sense, the political rights of subjects and citizens are franchises, such as the right of suffrage” and by this:

1. They refer to franchises as having a “public nature”, meaning that those who exercise them are public officers.
2. They can only mean STATUTORY citizens and not CONSTITUTIONAL citizens.
3. They are referring to a “Congressionally created right” and therefore statutory privilege available only to those subject to the exclusive jurisdiction of Congress because domiciled on federal territory.

It therefore appears to us that:

1. The only “subjects” within a republican form of government are public officers IN the government and not private human beings.
2. In order to create “subjects” within a republican form of government, you must create a statutory franchise called “U.S. citizen” or “U.S. resident” that is a public office in the government, and fool people through the abuse of “words of art” into volunteering into the franchise.
3. A government that abuses its legislative authority to create franchises that alienate rights that are supposed to be unalienable is engaging in TREASON and violating the Constitution. Any government that makes a profitable business or franchise out of alienating rights that are supposed to be unalienable is not a de jure government, but a de facto government.

## 17.2 Criminalization of being a “citizen of the United States” in 18 U.S.C. §911

You may also wonder as we have how it is that Congress can make it a crime to falsely claim to be a statutory “U.S. citizen” in 18 U.S.C. §911.

[TITLE 18 > PART 1 > CHAPTER 43 > § 911](#)  
[§ 911. Citizen of the United States](#)

*Whoever falsely and willfully represents himself to be a citizen of the United States [\*\*] shall be fined under this title or imprisoned not more than three years, or both.*

The reason is that you cannot tax or regulate something until abusing it becomes harmful. A “license”, after all, is legally defined as permission from the state to do that which is otherwise illegal or harmful or both. And of course, you can only tax or regulate things that are harmful and licensed. Hence, they had to:

1. Create yet another franchise.
2. Attach a “status” to the franchise called “citizen of the United States\*\*”, where “United States” implies the GOVERNMENT and not any geographical place.
3. Criminalize the abuse of the “status” and the rights that attach to the status. See, for instance, 18 U.S.C. §911, which makes it a crime to impersonate a statutory “citizen of the United States\*\*”.
4. Make adopting the status entirely discretionary on the part of those participating. Hence, invoking the “status” and the “benefits” and “privileges” associated with the status constitutes constructive consent to abide by all the statutes that regulate the status.

[California Civil Code](#)  
DIVISION 3. OBLIGATIONS  
PART 2. CONTRACTS  
TITLE 1. NATURE OF A CONTRACT  
CHAPTER 3. CONSENT

*1589. A voluntary acceptance of the benefit of a transaction is equivalent to a consent to all the obligations arising from it, so far as the facts are known, or ought to be known, to the person accepting.*

[SOURCE:  
[http://leginfo.ca.gov/faces/codes\\_displaySection.xhtml?sectionNum=1589.&lawCode=CIV](http://leginfo.ca.gov/faces/codes_displaySection.xhtml?sectionNum=1589.&lawCode=CIV)]

5. Impose a tax or fine or “licensing fee” for those adopting or invoking the status. That tax, in fact, is the federal income tax codified in Internal Revenue Code, Subtitle A.

Every type of franchise works and is implemented exactly the same way, and the statutory “U.S. citizen” or “citizen of the United States\*\*” franchise is no different. This section will prove that being a “citizen of the United States\*\*” under the I.R.C. is, in fact, a franchise, that the franchise began in 1924 by judicial pronouncement, and that because the status is a franchise and all franchises are voluntary, you don’t have to participate, accept the “benefits”, or pay for the costs of the franchise if you don’t consent.

As you will learn in the next section, one becomes a “citizen” in a common law or constitutional sense by being born or naturalized in a country and exercising their First Amendment right of political association by voluntarily choosing a national and a municipal domicile in that country. How can Congress criminalize the exercise of the First Amendment right to politically associate with a “state” and thereby become a citizen? After all, the courts have routinely held that Congress cannot criminalize the exercise of a right protected by the Constitution.

*“It is an unconstitutional deprivation of due process for the government to penalize a person merely because he has exercised a protected statutory or constitutional right. United States v. Goodwin, 457 U.S. 368, 372, 102 S.Ct. 2485, 2488, 73 L.Ed.2d. 74 (1982).”*  
*[People of Territory of Guam v. Fegurgur, 800 F.2d. 1470 (9th Cir. 1986)]*

Even the U.S. Code recognizes the protected First Amendment right to *not* associate during the passport application process. Being a statutory and not constitutional “citizen” is an example of type of membership, because domicile is civil membership in a territorial community usually called a county, and you cannot be a “citizen” without a domicile:

A passport may not be denied issuance, revoked, restricted, or otherwise limited because of any speech, activity, belief, affiliation, or membership, within or outside the United States, which, if held or conducted within the United States, would be protected by the first amendment to the Constitution of the United States.

The answer to how Congress can criminalize the exercise of a First Amendment protected right of political association that is the foundation of becoming a “citizen” therefore lies in the fact that the statutory “U.S.\*\* citizen” mentioned in 18 U.S.C. §911 is not a constitutional citizen protected by the Constitution, but rather is:

1. Not a human being or a private person but a statutory creation of Congress. The ability to regulate private conduct, according to the U.S. Supreme Court, is repugnant to the U.S. Constitution and therefore Congress can ONLY regulate public conduct and the public offices and franchises that it creates.

“The power to “legislate generally upon” life, liberty, and property, as opposed to the “power to provide modes of redress” against offensive state action, was “repugnant” to the Constitution. *Id.*, at 15. See also *United States v. Reese*, 92 U.S. 214, 218 (1876); *United States v. Harris*, 106 U.S. 629, 639 (1883); *James v. Bowman*, 190 U.S. 127, 139 (1903). Although the specific holdings of these early cases might have been superseded or modified, see, e.g., *Heart of Atlanta Motel, Inc. v. United States*, 379 U.S. 241 (1964); *United States v. Guest*, 383 U.S. 745 (1966), their treatment of Congress’ §5 power as corrective or preventive, not definitional, has not been questioned.”  
[*City of Boerne v. Flores, Archbishop of San Antonio*, 521 U.S. 507 (1997)]

2. A statutory franchise and a federal corporation created on federal territory and domiciled there. Notice the key language “Whenever the public and private acts of the government seem to commingle [in this case, through the offering and enforcement of PRIVATE franchises to the public at large such as income taxes], a citizen or corporate body must by supposition be substituted in its place...” What Congress did was perform this substitution in the franchise agreement itself (the I.R.C.) BEFORE the controversy ever even reached the court such that this judicial doctrine could be COVERTLY applied! They want to keep their secret weapon secret.

See also *Clearfield Trust Co. v. United States*, 318 U.S. 363, 369 (1943) (“The United States does business on business terms”) (quoting *United States v. National Exchange Bank of Baltimore*, 270 U.S. 527, 534 (1926)); *Perry v. United States*, *supra* at 352 (1935) (“When the United States, with constitutional authority, makes contracts for franchises, it has rights and incurs responsibilities similar to those of individuals who are parties to such instruments. There is no difference . . . except that the United States cannot be sued without its consent”) (citation omitted); *United States v. Bostwick*, 94 U.S. 53, 66 (1877) (“The United States, when they contract with their citizens, are controlled by the same laws that govern the citizen in that behalf”); *Cooke v. United States*, 91 U.S. 389, 398 (1875) (explaining that when the United States “comes down from its position of sovereignty, and enters the domain of commerce, it submits itself to the same laws that govern individuals there”).

See *Jones*, 1 Cl.Ct. at 85 (“Wherever the public and private acts of the government seem to commingle, a citizen or corporate body must by supposition be substituted in its place, and then the question be determined whether the action will lie against the supposed defendant”); *O’Neill v. United States*, 231 Ct.Cl. 823, 826 (1982) (sovereign acts doctrine applies where, “[w]ere [the] contracts exclusively between private parties, the party hurt by such governing action could not claim compensation from the other party for the governing action”). The dissent ignores these statements (including the statement from *Jones*, from which case *Horowitz* drew its reasoning literally verbatim), when it says, *post* at 931, that the sovereign acts cases do not emphasize the need to treat the government-as-contractor the same as a private party.  
[*United States v. Winstar Corp.*, 518 U.S. 839 (1996)]

3. Property of the U.S. government. All franchises and statuses incurred under franchises are property of the government grantor. The government has always had the right to criminalize abuses of its property.
4. A public office in the government like all other franchise statuses.
5. An officer of a corporation, which is “U.S. Inc.” and is described in 28 U.S.C. §3002(15)(A). All federal corporations are “citizens”, and therefore a statutory “U.S. citizen” is really just the corporation that you are representing as a public officer.

“A corporation is a citizen, resident, or inhabitant of the state or country by or under the laws of which it was created, and of that state or country only.”  
[19 *Corpus Juris Secundum* (C.J.S.), *Corporations*, §886 (2003)]

Ordinarily, and especially in the case of states of the Union, domicile within that state by the state “citizen” is the determining factor as to whether an income tax is owed to the state by that citizen:

*"**domicile.** A person's legal home. That place where a man has his true, fixed, and **permanent home** and principal establishment, and to which whenever he is absent he has the intention of returning. Smith v. Smith, 206 Pa.Super. 310, 213 A.2d. 94. Generally, physical presence within a state and the intention to make it one's home are the requisites of establishing a "domicile" therein. The permanent residence of a person or the place to which he intends to return even though he may actually reside elsewhere. A person may have more than one residence but only one domicile. The legal domicile of a person is important since it, rather than the actual residence, often controls the jurisdiction of the taxing authorities and determines where a person may exercise the privilege of voting and other legal rights and privileges."*  
[Black's Law Dictionary, Sixth Edition, p. 485]

*"**Thus, the Court has frequently held that domicile or residence, more substantial than mere presence in transit or sojourn, is an adequate basis for taxation, including income, property, and death taxes.** Since the Fourteenth Amendment makes one a citizen of the state wherein he resides, the fact of residence creates universally reciprocal duties of protection by the state and of allegiance and support by the citizen. The latter obviously includes a duty to pay taxes, and their nature and measure is largely a political matter. Of course, the situs of property may tax it regardless of the citizenship, domicile, or residence of the owner, the most obvious illustration being a tax on realty laid by the state in which the realty is located."*  
[Miller Brothers Co. v. Maryland, 347 U.S. 340 (1954)]

We also establish the connection between domicile and tax liability in the following article.

<p><i>Why Domicile and Becoming a "Taxpayer" Require Your Consent</i>, Form #05.002 <a href="http://sedm.org/Forms/FormIndex.htm">http://sedm.org/Forms/FormIndex.htm</a></p>
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### 17.3 U.S. Supreme Court: Murphy v. Ramsey

Below is how the U.S. Supreme Court describes the political rights of those domiciled on federal territory and therefore statutory "U.S. citizens" and "U.S. residents" as follows:

*The counsel for the appellants in argument seem to question the constitutional power of Congress to pass the Act of March 22, 1882, so far as it abridges the rights of electors in the territory under previous laws. **But that question is, we think, no longer open to discussion. It has passed beyond the stage of controversy into final judgment.** The people of the United States, as sovereign owners of the national territories, have supreme power over them and their inhabitants. In the exercise of this sovereign dominion, they are represented by the government of the United States, to whom all the powers of government over that subject have been delegated, subject only to such restrictions as are expressed in the Constitution or are necessarily implied in its terms or in the purposes and objects of the power itself, for it may well be admitted in respect to this, as to every power of society over its members, that it is not absolute and unlimited. But in ordaining government for the territories and the people who inhabit them, all the discretion which belongs to legislative power is vested in Congress, and that extends beyond all controversy to determining by law, from time to time, the form of the local government in a particular territory and the qualification of those who shall administer it. It rests with Congress to say whether in a given case any of the people resident in the territory shall participate in the election of its officers or the making of its laws, and it may therefore take from them any right of suffrage it may previously have conferred, or at any time modify or abridge it, as it may deem expedient. The right of local self-government, as known to our system as a constitutional franchise, belongs under the Constitution to the states and to the people thereof, by whom that Constitution was ordained, and to whom, by its terms, all power not conferred by it upon the government of the United States, was expressly reserved. The personal and civil rights of the inhabitants of the territories are secured to them, as to other citizens, by the principles of constitutional liberty, which restrain all the agencies of government, state and national; their political rights are franchises which they hold as privileges in the legislative discretion of the Congress of the United States. This doctrine was fully and forcibly declared by THE CHIEF JUSTICE, delivering the opinion of the Court in National Bank v. County of Yankton, 101 U.S. 129. See also American Ins. Co. v. Canter, 1 Pet. 511; United States v. Gratiot, 14 Pet. 526; Cross v. Harrison, 16 How. 164; Dred Scott v. Sandford, 19 How. 393.*  
[Murphy v. Ramsey, 114 U.S. 15 (1885)]

So in other words, those domiciled on federal territory are exercising “privileges” and franchises. The above case, however, does not refer and cannot refer to those domiciled within states of the Union.

### 17.4 U.S. Supreme Court: Cook v. Tait

The U.S. Supreme Court confirmed that the statutory “citizen of the United States\*\*” mentioned in the Internal Revenue Code at 26 U.S.C. §911 and at 26 C.F.R. §1.1-1(c) is not associated with either domicile OR with constitutional citizenship



(nationality) of the human being who is the “public officer” in the following case. The party they mentioned, Cook, was domiciled within Mexico at the time, which meant he was NOT a statutory “citizen of the United States\*\*\*” under the Internal Revenue Code but rather a “nonresident alien”. However, because he CLAIMED to be a statutory “citizen of the United States\*\*\*” and the Supreme Court colluded with that FRAUD, they treated him as one ANYWAY.

*We may make further exposition of the national power as the case depends upon it. It was illustrated at once in United States v. Bennett by a contrast with the power of a state. It was pointed out that there were limitations upon the latter that were not on the national power. The taxing power of a state, it was decided, encountered at its borders the taxing power of other states and was limited by them. There was no such limitation, it was pointed out, upon the national power, and that the limitation upon the states affords, it was said, no ground for constructing a barrier around the United States, 'shutting that government off from the exertion of powers which inherently belong to it by virtue of its sovereignty.'*

*“The contention was rejected that a citizen's property without the limits of the United States derives no benefit from the United States. The contention, it was said, came from the confusion of thought in 'mistaking the scope and extent of the sovereign power of the United States as a nation and its relations to its citizens and their relation to it.' And that power in its scope and extent, it was decided, is based on the presumption that government by its very nature benefits the citizen and his property wherever found, and that opposition to it holds on to citizenship while it 'belittles and destroys its advantages and blessings by denying the possession by government of an essential power required to make citizenship completely beneficial.' In other words, the principle was declared that the government, by its very nature, benefits the citizen and his property wherever found, and therefore has the power to make the benefit complete. Or, to express it another way, the basis of the power to tax was not and cannot be made dependent upon the situs of the property in all cases, it being in or out of the United States, nor was not and cannot be made dependent upon the domicile of the citizen, that being in or out of the United States, but upon his relation as citizen to the United States and the relation of the latter to him as citizen. The consequence of the relations is that the native citizen who is taxed may have domicile, and the property from which his income is derived may have situs, in a foreign country and the tax be legal—the government having power to impose the tax.”*  
[Cook v. Tait, 265 U.S. 47 (1924)]

How can they tax someone without a domicile in the statutory United States and with no earnings from the statutory United States in the case of Cook, you might ask? Well, the REAL “taxpayer” is a public office in the U.S. government. That office REPRESENTS the “United States” federal corporation. All corporations are “citizens” of the place of their incorporation, and therefore under Federal Rule of Civil Procedure 17(b), the effective domicile of the “taxpayer” is the District of Columbia.<sup>185</sup> All taxes are a civil liability that are implemented with civil law. The only way they could have reached extraterritorially with civil law to tax Cook without him having a domicile or residence anywhere in the statutory “United States\*\*\*” was through a private law franchise contract in which he was a public officer. It is a maxim of law that debt and contract know no place, meaning that they can be enforced anywhere.

*Debt and contract [franchise agreement, in this case] are of no particular place.*

*Locus contractus regit actum.*

*The place of the contract [franchise agreement, in this case] governs the act.*

*[Bouvier's Maxims of Law, 1856;*

*SOURCE: <http://famguardian.org/Publications/BouvierMaximsOfLaw/BouviereMaxims.htm>]*

The feds have jurisdiction over their own public officers wherever they are but the EFFECTIVE civil domicile of all such offices and officers is the District of Columbia pursuant to Federal Rule of Civil Procedure 17(b). Hence, the ONLY thing such a statutory “citizen of the United States\*\*\*” could be within the I.R.C. is a statutory creation of Congress that is actually a public office which is domiciled in the statutory but not constitutional “United States\*\*\*” in order for the ruling in Cook to be constitutional or even lawful. AND, according to the Cook case, having that status is a discretionary choice that has NOTHING to do with your circumstances, because Cook was NOT a statutory “citizen of the United States\*\*\*” as someone not domiciled in the statutory but not constitutional “United States\*\*\*”. Instead, he was a nonresident alien but the court allowed him to accept the voluntary “benefit” of the statutory status and hence, it had nothing to do with his circumstances, but rather his CHOICE to nominate a “protector” and join a franchise. Simply INVOKING the status of being a statutory “citizen of the United States\*\*\*” on a government form is the only magic word needed to give one’s consent to become a “taxpayer” in that case. It is what the court called a “benefit”, and all “benefits” are voluntary and the product of a franchise contract or agreement. It was a quasi-contract as all taxes are, because the consent was implied rather than explicit, and it manifested itself by using property of the government, which in this case was the STATUS he claimed.

<sup>185</sup> "A corporation is a citizen, resident, or inhabitant of the state or country by or under the laws of which it was created, and of that state or country only."  
[19 Corpus Juris Secundum (C.J.S.), Corporations, §886 (2003)]



“Even if the judgment is deemed to be colored by the nature of the obligation whose validity it establishes, and we are free to re-examine it, and, if we find it to be based on an obligation penal in character, to refuse to enforce it outside the state where rendered, see *Wisconsin v. Pelican Insurance Co.*, 127 U.S. 265, 292, et seq. 8 S.Ct. 1370, compare *Fauntleroy v. Lum*, 210 U.S. 230, 28 S.Ct. 641, **still the obligation to pay taxes is not penal. It is a statutory liability, quasi contractual in nature, enforceable, if there is no exclusive statutory remedy, in the civil courts by the common-law action of debt or indebitatus assumpsit.** *United States v. Chamberlin*, 219 U.S. 250, 31 S.Ct. 155; *Price v. United States*, 269 U.S. 492, 46 S.Ct. 180; *Dollar Savings Bank v. United States*, 19 Wall. 227; and see *Stockwell v. United States*, 13 Wall. 531, 542; *Meredith v. United States*, 13 Pet. 486, 493. **This was the rule established in the English courts before the Declaration of Independence.** *Attorney General v. Weeks*, *Bunbury's Exch. Rep.* 223; *Attorney General v. Jewers and Batty*, *Bunbury's Exch. Rep.* 225; *Attorney General v. Hatton*, *Bunbury's Exch. Rep.* [296 U.S. 268, 272] 262; *Attorney General v. —*, 2 *Ans.Rep.* 558; see *Comyn's Digest* (Title 'Dett,' A, 9); 1 *Chitty on Pleading*, 123; cf. *Attorney General v. Sewell*, 4 M.&W. 77. “*[Milwaukee v. White, 296 U.S. 268 (1935)]*

You might reasonably ask of the Cook case, as we have, the following question:

“HOW did the government create the public office that they could tax and which Cook apparently occupied as a franchisee?”

Well, apparently the “citizen of the United States\*\*” status he claimed is a franchise and an office in the U.S. government that carries with it the “public right” to make certain demands upon those who claim this status. Hence, it represents a “property interest” in the services of the United States federal corporation. In law:

1. All rights are property.
2. Anything that conveys rights is property.
3. Contracts convey rights and are therefore property.
4. All franchises are contracts and therefore property.

A “public officer” is legally defined as someone in charge of the property of the public, and the property Cook was in possession of was the public rights that attach to the status of being a statutory “citizen of the United States\*\*”.

“**Public office.** The right, authority, and duty created and conferred by law, by which for a given period, either fixed by law or enduring at the pleasure of the creating power, an individual is invested with some portion of the sovereign functions of government for the benefit of the public. *Walker v. Rich*, 79 Cal.App. 139, 249 P. 56, 58. An agency for the state, the duties of which involve in their performance the exercise of some portion of the sovereign power, either great or small. *Yaselli v. Goff*, C.C.A., 12 F.2d. 396, 403, 56 A.L.R. 1239; *Lacey v. State*, 13 Ala.App. 212, 68 So. 706, 710; *Curtin v. State*, 61 Cal.App. 377, 214 P. 1030, 1035; *Shelmadine v. City of Elkhart*, 75 Ind.App. 493, 129 N.E. 878. *State ex rel. Colorado River Commission v. Frohmiller*, 46 Ariz. 413, 52 P.2d. 483, 486. **Where, by virtue of law, a person is clothed, not as an incidental or transient authority, but for such time as de- notes duration and continuance, with Independent power to control the property of the public,** or with public functions to be exercised in the supposed interest of the people, the service to be compensated by a stated yearly salary, and the occupant having a designation or title, the position so created is a public office. *State v. Brennan*, 49 Ohio St. 33, 29 N.E. 593. [Black's Law Dictionary, Fourth Edition, p. 1235]

For Cook, the statutory status he FALSELY claimed of being a “citizen of the United States\*\*” was the “res” that “identified” him within the jurisdiction of the federal courts, and hence made him a “res-ident” or “resident” subject to the tax with standing to sue in a territorial franchise court, which is what all U.S. District Courts are. In effect, he waived sovereign immunity and became a statutory “resident alien” by invoking the services of the federal courts, and as such, he had to pay for their services by paying the tax. Otherwise, he would have no standing to sue in the first place because he would be a “stateless person” and they would have had to dismiss either his case, or him as a party to it as the U.S. Supreme Court correctly did in *Newman-Green v. Alfonso Larrain*, 490 U.S. 826 (1989) in the case of an American National domiciled in Venezuela and therefore OUTSIDE the statutory but not constitutional “United States”.

“At oral argument before a panel of the Seventh Circuit Court of Appeals, Judge Easterbrook inquired as to the statutory basis for diversity jurisdiction, an issue which had not been previously raised either by counsel or by the District Court Judge. In its complaint, *Newman-Green* had invoked 28 U.S.C. §1332(a)(3), which confers jurisdiction in the District Court when a citizen of one State sues both aliens and citizens of a State (or States) different from the plaintiffs. **In order to be a citizen of a State within the meaning of the diversity statute, a**

natural person must both be a citizen of the United States and be domiciled within the State. See *Robertson v. Cease*, 97 U.S. 646, 648-649 (1878); *Brown v. Keene*, 8 Pet. 112, 115 (1834). The problem in this case is that Bettison, although a [CONSTITUTIONAL] United States citizen, has no domicile in any State [FEDERAL STATE, meaning a federal TERRITORY per 28 U.S.C. §1332(e)]. He is therefore "stateless" for purposes of § 1332(a)(3). Subsection 1332(a)(2), which confers jurisdiction in the District Court when a citizen of a State sues aliens only, also could not be satisfied because Bettison is a United States citizen. [490 U.S. 829]

When a plaintiff sues more than one defendant in a diversity action, the plaintiff must meet the requirements of the diversity statute for each defendant or face dismissal. *Strawbridge v. Curtiss*, 3 Cranch 267 (1806).{1} Here, Bettison's "stateless" status destroyed complete diversity under § 1332(a)(3), and his United States citizenship destroyed complete diversity under § 1332(a)(2). Instead of dismissing the case, however, the Court of Appeals panel granted Newman-Green's motion, which it had invited, to amend the complaint to drop Bettison as a party, thereby producing complete diversity under § 1332(a)(2). 832 F.2d. 417 (1987). The panel, in an opinion by Judge Easterbrook, relied both on 28 U.S.C. §1653 and on Rule 21 of the Federal Rules of Civil Procedure as sources of its authority to grant this motion. The panel noted that, because the guarantors are jointly and severally liable, Bettison is not an indispensable party, and dismissing him would not prejudice the remaining guarantors. 832 F.2d. at 420, citing Fed.Rule Civ.Proc. 19(b). The panel then proceeded to the merits of the case, ruling in Newman-Green's favor in large part, but remanding to allow the District Court to quantify damages and to resolve certain minor issues.{2}

[[Newman-Green v. Alfonso Larrain](#), 490 U.S. 826 (1989)]

Notice the above case dealt with federal franchises instead of constitutional rights, because they invoked STATUTORY diversity under 28 U.S.C. §1332 instead of Constitutional diversity under Article III, Section 2. Statutory diversity under 28 U.S.C. §1332 is for STATUTORY "U.S. citizens". Constitutional diversity under Article III, Section 2 is for CONSTITUTIONAL "citizens of the United States" under the Fourteenth Amendment.

If you would like a much more thorough discussion of all of the nuances of the Cook case, we strongly recommend the following:

[Federal Jurisdiction](#), Form #05.018, Section 5  
<http://sedm.org/Forms/FormIndex.htm>

Here is another HUGE clue about what they think a "U.S. citizen" really is in federal statutes. Look at the definition below, and then consider that you CAN'T own a human being as property. That's called slavery:

[TITLE 46 > Subtitle V > Part A > CHAPTER 505 > § 50501](#)  
[§ 50501. Entities deemed citizens of the United States](#)

(a) *In General.*—

*In this subtitle, a corporation, partnership, or association is deemed to be a citizen of the United States only if the controlling interest is owned by citizens of the United States. However, if the corporation, partnership, or association is operating a vessel in the coastwise trade, at least 75 percent of the interest must be owned by citizens of the United States.*

Now look at what the U.S. Supreme Court said about "ownership" of human beings. You can't "own" a human being as chattel. The Thirteenth Amendment prohibits that. Therefore, the statutory "U.S. citizen" they are talking about above is an instrumentality and public office within the United States. They can only tax, regulate, and legislate for PUBLIC objects and public offices of the United States under Article 4, Section 3, Clause 2. The ability to regulate PRIVATE conduct of human beings has repeatedly been held by the U.S. Supreme Court to be "repugnant to the constitution" and beyond the jurisdiction of Congress.

"It [the contract] is, in substance and effect, a contract for servitude, with no limitation but that of time; leaving the master to determine what the service should be, and the place where and the person to whom it should be rendered. Such a contract, it is scarcely necessary to say, is against the policy of our institutions and laws. If such a sale of service could be lawfully made for five years, it might, from the same reasons, for ten, and so for the term of one's life. The door would thus be opened for a species of servitude inconsistent with the first and fundamental article of our declaration of rights, which, proprio vigore, not only abolished every vestige of slavery then existing in the commonwealth, but rendered every form of it thereafter legally impossible. That article has always been regarded, not simply as the declaration of an abstract principle, but as having the active force and conclusive authority of law.' Observing that one who voluntarily subjected himself to the laws of the state must find in them the rule of restraint as well as the rule of action, the court proceeded: 'Under this contract the plaintiff had no claim for the labor of the servant for the term of five years, or for any term whatever. She was under no legal obligation to remain in his service. There was no time during which her service was due to the plaintiff, and during which she was kept from such service by the acts of the defendants.'

[...]

*Under the contract of service it was at the volition of the master to entail service upon these appellants for an indefinite period. So far as the record discloses, it was an accident that the vessel came back to San Francisco when it did. By the shipping articles, the appellants could not quit the vessel until it returned to a port of the \*296 United States, and such return depended absolutely upon the will of the master. He had only to land at foreign ports, and keep the vessel away from the United States, in order to prevent the appellants from leaving his service.*

[...]

*The supreme law of the land now declares that involuntary servitude, except as a punishment for crime, of which the party shall have been duly convicted, shall not exist any where within the United States.*  
*[Robertson v. Baldwin, 165 U.S. 275, 17 S.Ct. 326 (U.S. 1897)]*

Federal courts also frequently use the phrase “privileges and immunities of citizens of the United States”. Below is an example:

*“The privileges and immunities of citizens of the United States do not necessarily include all the rights protected by the first eight amendments to the Federal Constitution against the powers of the Federal Government.*

*The trial of a person accused as a criminal by a jury of only eight persons instead of twelve, and his subsequent imprisonment after conviction do not abridge his privileges and immunities under the Constitution as a citizen of the United States and do not deprive him of his liberty without due process of law.”*  
*[Maxwell v. Dow, 176 U.S. 581 (1899)]*

Note that the “citizen of the United States\*\*” described above is a statutory rather than constitutional citizen, which is why the court admits that the rights of such a person are inferior to those possessed by a “citizen” within the meaning of the United States Constitution. A constitutional but not statutory citizen is, in fact, NOT “privileged” in any way and none of the rights guaranteed by the Constitution can truthfully be called “privileges” without violating the law. It is a tort and a violation of due process, in fact, to convert rights protected by the Constitution and the common law into “privileges” or franchises or “public rights” under statutory law without at least your consent, which anyone in their right mind should NEVER give.

*“It has long been established that a State may not impose a penalty upon those who exercise a right guaranteed by the Constitution.” Frost & Frost Trucking Co. v. Railroad Comm’n of California, 271 U.S. 583. “Constitutional rights would be of little value if they could be indirectly denied,” Smith v. Allwright, 321 U.S. 649, 644, or manipulated out of existence [by converting them into statutory “privileges”/franchises], Gomillion v. Lightfoot, 364 U.S. 339, 345.”*  
*[Harman v. Forssenius, 380 U.S. 528 at 540, 85 S.Ct. 1177, 1185 (1965)]*

It is furthermore proven in the following memorandum of law that statutory civil law pertains almost exclusively to government officers and employers and cannot and does not pertain to human beings or private persons not engaged in federal franchises/privileges:

<p><u>Why Statutory Civil Law is Law for Government and Not Private Persons, Form #05.037</u> <a href="http://sedm.org/Forms/FormIndex.htm">http://sedm.org/Forms/FormIndex.htm</a></p>
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Consequently, if a court refers to “privileges and immunities” in relation to you, chances are they are presuming, usually FALSELY, that you are a statutory “U.S. citizen” and NOT a constitutional citizen. If you want to prevent them from making such false presumptions, we recommend attaching the following forms at least to your initial complaint and/or response in any action in court:

1. Federal Pleading/Motion/Petition Attachment, Litigation Tool #01.002  
<http://sedm.org/Litigation/LitIndex.htm>
2. Affidavit of Citizenship, Domicile, and Tax Status, Form #02.001  
<http://sedm.org/Forms/FormIndex.htm>

## **17.5 U.S. v. Valentine, 288 F.Supp. 958, 980 (1968)**

In U.S. v. Valentine, at page 980, the court admitted that:

1 "...The only absolute and unqualified right of citizenship is to residence within territorial boundaries of United  
2 States; a citizen cannot be either deported or denied re-entry..."  
3 [U.S. v. Valentine, 288 F.Supp. 957, 980 (1968)]

4 Now, contrast the above excerpt to what appears on page 960, #26, where the phrase "United States citizen" is used. Thus  
5 confirming that when the court used the term "citizenship" within the body of the decision, they were referring exclusively  
6 to federal citizenship, and to domicile on federal territory. "Residence", after all, means domicile RATHER than the  
7 "nationality" of the person.

8 Note that they use the word "residence", which means consent to the civil laws of that place as defined in the I.R.C., rather  
9 than simply "physical presence". And "residence" is associated with "aliens" and not constitutional citizens in the I.R.C. In  
10 other words, the only thing you are positively allowed to do as a "U.S. citizen" is:

- 11 1. Lie about your status by calling yourself a privileged ALIEN with no rights.
- 12 2. Consent to be governed by the civil laws of legislatively foreign jurisdiction, the District of Criminals by falsely calling  
13 yourself a "resident".

14 Title 26: Internal Revenue  
15 PART 1—INCOME TAXES  
16 nonresident alien individuals  
17 § 1.871-2 Determining residence of alien individuals.

18 (B) Residence defined.

19 An alien actually present in the United States who is not a mere transient or sojourner is a resident of the  
20 United States for purposes of the income tax. Whether he is a transient is determined by his intentions with regard  
21 to the length and nature of his stay. A mere floating intention, indefinite as to time, to return to another country  
22 is not sufficient to constitute him a transient. If he lives in the United States and has no definite intention as to his  
23 stay, he is a resident. One who comes to the United States for a definite purpose which in its nature may be  
24 promptly accomplished is a transient but, if his purpose is of such a nature that an extended stay may be necessary  
25 for its accomplishment, and to that end the alien makes his home temporarily in the United States, he becomes a  
26 resident, though it may be his intention at all times to return to his domicile abroad when the purpose for which  
27 he came has been consummated or abandoned. An alien whose stay in the United States is limited to a definite  
28 period by the immigration laws is not a resident of the United States within the meaning of this section, in the  
29 absence of exceptional circumstances.

30 There is NO statutory definition of "residence" that describes the place of DOMICILE of a CONSTITUTIONAL but not  
31 STATUTORY Citizen. The only people who can have a "residence" are "aliens" in the Internal Revenue Code (I.R.C.).  
32 Aliens, in fact, are the ONLY subject of the I.R.C. "Citizens" are only mentioned in 26 U.S.C. §911, and in that capacity,  
33 they too are "aliens" in relation to the foreign country they are in who connect to the I.R.C. as aliens under a tax treaty with  
34 the country they are in.

35 If this same statutory "U.S. citizen", as the courts describes him, exercises their First Amendment right of freedom from  
36 compelled association by declaring themselves a transient foreigner or nonresident, they don't have a "residence" as legally  
37 defined. Hence, the implication of the above ruling is that THEY can be deported because they refuse to contract with the  
38 government under what the courts call "the social compact".

39 When one becomes a member of society, he necessarily parts with some rights or privileges which, as an  
40 individual not affected by his relations to others, he might retain. "A body politic," as aptly defined in the  
41 preamble of the Constitution of Massachusetts, "is a social compact by which the whole people covenants with  
42 each citizen, and each citizen with the whole people, that all shall be governed by certain laws for the common  
43 good." This does not confer power upon the whole people to control rights which are purely and exclusively  
44 private, Thorpe v. R. & B. Railroad Co., 27 Vt. 143; but it does authorize the establishment of laws requiring  
45 each citizen to so conduct himself, and so use his own property, as not unnecessarily to injure another. This is  
46 the very essence of government, and 125\*125 has found expression in the maxim sic utere tuo ut alienum non  
47 laedas. From this source come the police powers, which, as was said by Mr. Chief Justice Taney in the License  
48 Cases, 5 How. 583, "are nothing more or less than the powers of government inherent in every sovereignty, . .  
49 . that is to say, . . . the power to govern men and things."  
50 [Munn v. Illinois, 94 U.S. 113 (1876),  
51 SOURCE: [http://scholar.google.com/scholar\\_case?case=6419197193322400931](http://scholar.google.com/scholar_case?case=6419197193322400931)]

In other words, if you don't politically associate by choosing or consenting to a domicile or "residence" and thereby give up rights that the Constitution is SUPPOSED to protect, then you can be deported. This works a purpose OPPOSITE to the reason for which civil government is established, which is to PROTECT, not compel the surrender, of PRIVATE rights.

## 17.6 Summary

It therefore appears to us that a statutory "citizen" or "resident" is really just a public office in the U.S. government. That office is a franchisee with an effective domicile on federal territory not within any state of the Union. The corrupt courts are unlawfully allowing the creation of this public office, legal "person", "res", and franchisee using your consent. They have thus made a profitable business out of alienating rights that are supposed to be unalienable, in violation of the legislative intent of the Declaration of Independence and the U.S. Constitution. The money changers., who are priests of the civil religion of socialism called "judges", have taken over the civic temple called government and made it into a WHOREHOUSE for their own lucrative PERSONAL gain:

*"But those who desire to be rich fall into temptation and a snare, and into many foolish and harmful lusts which drown men in destruction and perdition. **For the love of money is a root of all kinds of evil, for which some have strayed from the faith in their greediness, and pierced themselves through with many sorrows.**"*  
[1 Tim. 6: 9-10, Bible, NKJV]

*"franchise court. Hist. A privately held court that (usu.) exists by virtue of a royal grant [privilege], with jurisdiction over a variety of matters, depending on the grant and whatever powers the court acquires over time. In 1274, Edward I abolished many of these feudal courts by forcing the nobility to demonstrate by what authority (quo warrant) they held court. If a lord could not produce a charter reflecting the franchise, the court was abolished. - Also termed courts of the franchise.*

*Dispensing justice was profitable. Much revenue could come from the fees and dues, fines and amercements. This explains the growth of the second class of feudal courts, the Franchise Courts. They too were private courts held by feudal lords. Sometimes their claim to jurisdiction was based on old pre-Conquest grants ... But many of them were, in reality, only wrongful usurpations of private jurisdiction by powerful lords. These were put down after the famous Quo Warranto enquiry in the reign of Edward I." W.J.V. Windeyer, Lectures on Legal History 56-57 (2d ed. 1949)."*  
[Black's Law Dictionary, Seventh Edition, p. 668]

Notice the above language: "private courts held by feudal lords". Judges who enforce their own franchises within the courtroom by imputing a franchise status against those protected by the Constitution but who are not lawfully allowed to alienate their rights or give them away are acting in a private capacity to benefit themselves personally. That private capacity is associated with a de facto government in which greed is the only uniting factor. Contrast this with love for our neighbor, which is the foundation of a de jure government. When judges act in such a private, de facto capacity, the follow results:

1. The judge is the "feudal lord" and you become his/her personal serf.
2. Rights become privileges, and the transformation usually occurs at the point of a gun held by a corrupt officer of the government intent on enlarging his/her pay check or retirement check. And he/she is a CRIMINAL for proceeding with such a financial conflict of interest:

TITLE 18 > PART I > CHAPTER 11 > § 208  
§ 208. Acts affecting a personal financial interest

*(a) Except as permitted by subsection (b) hereof, **whoever, being an officer or employee of the executive branch of the United States Government, or of any independent agency of the United States, a Federal Reserve bank director, officer, or employee, or an officer or employee of the District of Columbia, including a special Government employee, participates personally and substantially as a Government officer or employee, through decision, approval, disapproval, recommendation, the rendering of advice, investigation, or otherwise, in a judicial or other proceeding, application, request for a ruling or other determination, contract, claim, controversy, charge, accusation, arrest, or other particular matter in which, to his knowledge, he, his spouse, minor child, general partner, organization in which he is serving as officer, director, trustee, general partner or employee, or any person or organization with whom he is negotiating or has any arrangement concerning prospective employment, has a financial [or personal/private] interest—***

*Shall be subject to the penalties set forth in section 216 of this title.*

3. Equality and equal protection are replaced with the following consequences under a franchise:
  - 3.1. Privilege.



3.2. Partiality.

3.3. Bribes.

3.4. Servitude and slavery.

4. The franchise statutes are the “bible” of a pagan state-sponsored religion. The bible isn’t “law” for non-believers, and franchise statutes aren’t “law” for those who are not consensually occupying a public office in the government as a public officer representing statutory public offices such as “citizen”, “resident”, “taxpayer”, “driver”, etc. See:

*Socialism: The New American Civil Religion*, Form #05.016

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

5. You join the religion by “worshipping”, and therefore obeying what are actually voluntary franchises. The essence of “worship”, in fact, is obedience to the dictates of a superior being. Franchises make your public servants into superior beings and replace a republic with a dulocracy. “Worship” and obedience becomes legal evidence of consent to the franchise.

*“And the Lord said to Samuel, ‘Heed the voice of the people in all that they say to you; for they have rejected Me [God], that I should not reign over them.’ According to all the works which they have done since the day that I brought them up out of Egypt, even to this day—with which they have forsaken Me and served [as PUBLIC OFFICERS/FRANCHISEES] other gods [Rulers or Kings, in this case]—so they are doing to you also [government becoming idolatry].”*  
[1 Sam 8:4-20, Bible, NKJV]

6. “Presumption” serves as a substitute for religious “faith” and is employed to create an unequal relationship between you and your public servants. It turns the citizen/public servant relationship with the employer/employee relationship, where you are the employee of your public servant. See:

*Presumption: Chief Weapon for Unlawfully Enlarging Federal Jurisdiction*, Form #05.017

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

7. “Taxes” serve as a substitute for “tithes” to the state-sponsored church of socialism that worships civil rulers, men and creations of men instead of the true and living God.

8. The judge’s bench becomes:

8.1. An altar for human sacrifices, where YOU and your property are the sacrifice. All pagan religions are based on sacrifice of one kind or another.

8.2. What the Bible calls a “throne of iniquity”:

*“Shall the throne of iniquity, which devises evil by law, have fellowship with You? They gather together against the life of the righteous, and condemn innocent blood. But the Lord has been my defense, and my God the rock of my refuge. He has brought on them their own iniquity, and shall cut them off in their own wickedness; **the Lord our God shall cut them off.**”*  
[Psalm 94:20-23, Bible, NKJV]

9. All property belongs to this pagan god and you are just a custodian over it as a public officer. You have EQUITABLE title but not LEGAL title to the property you FALSELY BELIEVE belongs to you. The Bible franchise works the same way, because the Bible says the Heavens and the Earth belong the LORD and NOT to believers. Believers are “trustees” over God’s property under the Bible trust indenture. Believers are the “trustees”:

*“Indeed heaven and the highest heavens belong to the LORD your God, also the earth with all that is in it.”*  
[Deut. 10:15, Bible, NKJV]

*“The ultimate ownership of all property is in the State; individual so-called “ownership” is only by virtue of Government, i.e., law, amounting to mere user; and use must be in accordance with law and subordinate to the necessities of the State.”*

[Senate Document #43, Senate Resolution No. 62, p. 9, paragraph 2, 1933

SOURCE: <http://www.famguardian.org/Subjects/MoneyBanking/History/SenateDoc43.pdf>

10. The court building is a “church” where you “worship”, meaning obey, the pagan idol of government.

*“Now, Mr. Speaker, **this Capitol is the civic temple of the people**, and we are here by direction of the people to reduce the tariff tax and enact a law in the interest of all the people. This was the expressed will of the people at the polls, and you promised to carry out that will, but **you have not kept faith with the American people.**”*  
[44 Cong.Rec. 4420, July 12, 1909; Congressman Heflin talking about the enactment of the Sixteenth Amendment]

11. The licensed attorneys are the “deacons” of the state sponsored civil religion who conduct the “worship services” directed at the judge at his satanic altar/bench. They are even ordained by the “chief priests” of the state supreme court, who are the chief priests of the civil religion.
12. Pleadings are “prayers” to this pagan deity. Even the U.S. Supreme Court still calls pleadings “prayers”, and this is no accident.
13. Like everything that SATAN does, the design of this state-sponsored satanic church of socialism that worships men instead of God is a cheap IMITATION of God’s design for de jure government found throughout the Holy Bible.

NOW do you understand why in Britain, judges are called “your worship”? Because they are like gods:

*“worship 1. chiefly Brit: a person of importance—used as a title for various officials (as magistrates and some mayors) 2: reverence offered a divine being or supernatural power; also: an act of expressing such reverence 3: a form of religious practice with its creed and ritual 4: extravagant respect or admiration for or devotion to an object of esteem <~ the dollar>.”*  
[Webster’s Ninth New Collegiate Dictionary, 1983, ISBN 0-87779-510-X, p. 1361]

Psalm 82 (Amplified Bible)  
A Psalm of Asaph.

**GOD STANDS** in the assembly [of the representatives] of God; **in the midst of the magistrates or judges** He gives judgment [as] among the gods.

**How long will you [magistrates or judges] judge unjustly and show partiality to the wicked?** Selah [pause, and calmly think of that]!

Do justice to the weak (poor) and fatherless; maintain the rights of the afflicted and needy.

Deliver the poor and needy; rescue them out of the hand of the wicked.

**[The magistrates and judges] know not, neither will they understand; they walk on in the darkness [of complacent satisfaction]; all the foundations of the earth [the fundamental principles upon which rests the administration of justice] are shaking.**

**I said, You are gods [since you judge on My behalf, as My representatives]; indeed, all of you are children of the Most High.**

But you shall die as men and fall as one of the princes.

Arise, O God, judge the earth! For to You belong all the nations.  
[Psalm 82, Amplified Bible]

## **18 Effect of Privileges, Franchises, and other Special Burdens upon equal protection**

The next important issue we must address is the effect that franchises have on the constitutional requirement for equal protection and equal treatment. Up until now, we have shown how franchises essentially eliminate equal protection and equal treatment and elevate the government into a “parens patriae” and dictator in relation to those who participate in franchises. We repeatedly pointed out in sections 4 and 23.1, for instance, that the very purpose of franchises is inequality and the singling out of one group to receive a special benefit or privileges over and above the public at large. How can the enforcement of INEQUALITY in places protected by the Constitution be reconciled? That is the subject of this section.

Equal protection and equal treatment of ALL is the cornerstone of the United States Constitution. However, there are two jurisdictions or venues within our country, one which is protected by the Constitution and mandates EQUALITY, and one which is not and therefore mandates INEQUALITY.

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

Those domiciled on federal territory not protected by the Constitution live under the equivalent of a British monarchy and are completely privileged, while those domiciled in states of the Union and protected by the Constitution can only be subject to government civil statutes by their express consent because of the prohibition against involuntary servitude:

*"Indeed, the practical interpretation put by Congress upon the Constitution has been long continued and uniform to the effect [182 U.S. 244, 279] that the Constitution is applicable to territories acquired by purchase or conquest, only when and so far as Congress shall so direct. Notwithstanding its duty to 'guarantee to every state in this Union a republican form of government' (art. 4, 4), by which we understand, according to the definition of Webster, 'a government in which the supreme power resides in the whole body of the people, and is exercised by representatives elected by them,' Congress did not hesitate, in the original organization of the territories of Louisiana, Florida, the Northwest Territory, and its subdivisions of Ohio, Indiana, Michigan, Illinois, and Wisconsin and still more recently in the case of Alaska, to establish a form of government bearing a much greater analogy to a British Crown colony than a republican state of America, and to vest the legislative power either in a governor and council, or a governor and judges, to be appointed by the President. It was not until they had attained a certain population that power was given them to organize a legislature by vote of the people. In all these cases, as well as in territories subsequently organized west of the Mississippi, Congress thought it necessary either to extend to Constitution and laws of the United States over them, or to declare that the inhabitants should be entitled to enjoy the right of trial by jury, of bail, and of the privilege of the writ of habeas corpus, as well as other privileges of the bill of rights."*  
[Downes v. Bidwell, [182 U.S. 244](#) (1901)]

The maintenance of the separation between these two jurisdictions has been identified as THE MOST IMPORTANT JOB of any judge you appear before in any court:

*"I take leave to say that, if the principles thus announced should ever receive the sanction of a majority of this court, a radical and mischievous change in our system of government will result. We will, in that event, pass from the era of constitutional liberty guarded and protected by a written constitution into an era of legislative absolutism.."*

[. . .]

*"The idea prevails with some, indeed it has found expression in arguments at the bar, that we have in this country substantially two national governments; one to be maintained under the Constitution, with all of its restrictions; the other to be maintained by Congress outside the independently of that instrument, by exercising such powers [of absolutism] as other nations of the earth are accustomed to..*

[. . .]

*It will be an evil day for American liberty if the theory of a government outside the supreme law of the land finds lodgment in our constitutional jurisprudence. No higher duty rests upon this court than to exert its full authority to prevent all violation of the principles of the Constitution."*  
[Downes v. Bidwell, [182 U.S. 244](#) (1901), Justice Harlan, Dissenting]

Franchises are defined as follows. Note that they are referred to as "a special privilege...which does NOT belong to citizens of country generally of common right". This means, that by definition, it promotes inequality. They also use the phrase "royal privilege" in association with franchise, as if to imply that the GRANTOR is a KING in relation to the franchisee, which is consistent with the above:

*FRANCHISE. A special privilege conferred by government on individual or corporation, and which does not belong to citizens of country generally of common right.* Elliott v. City of Eugene, 135 Or. 108, 294 P. 358, 360.  
In England it is defined to be a royal privilege in the hands of a subject.

A "franchise," as used by Blackstone in defining quo warranto, (3 Com. 262 [4th Am. Ed.] 322), had reference to a royal privilege or branch of the king's prerogative subsisting in the hands of the subject, and must arise from the king's grant, or be held by prescription, but today we understand a franchise to be some special privilege conferred by government on an individual, natural or artificial, which is not enjoyed by its citizens in general. State v. Fernandez, 106 Fla. 779, 143 So. 638, 639, 86 A.L.R. 240.

*In this country a franchise is a privilege or immunity of a public nature, which cannot be legally exercised without legislative grant. To be a corporation is a franchise. The various powers conferred on corporations are franchises. The execution of a policy of insurance by an insurance company [e.g. Social Insurance/Socialist Security], and the issuing a bank note by an incorporated bank [such as a Federal Reserve NOTE], are franchises. People v. Utica Ins. Co., 15 Johns. (N.Y.) 387, 8 Am.Dec. 243. But it does not embrace the property acquired by the exercise of the franchise. Bridgeport v. New York & N.H. R. Co., 36 Conn. 255, 4 Am.Rep. 63. Nor involve interest inland acquired by grantee. Whitbeck v. Funk, 140 Or. 70, 12 P.2d. 1019, 1020. In a popular*

sense, the political rights of subjects and citizens are franchises, such as the right of suffrage, etc. Pierce v. Emery, 32 N.H. 484; State v. Black Diamond Co., 97 Ohio.St. 24, 119 N.E. 195, 199, L.R.A.1918E, 352.

*Elective Franchise. The right of suffrage: the right or privilege of voting in public elections.*

*Exclusive Franchise. See Exclusive Privilege or Franchise.*

*General and Special. The charter of a corporation is its "general" franchise, while a "special" franchise consists in any rights granted by the public to use property for a public use but-with private profit. Lord v. Equitable Life Assur. Soc., 194 N.Y. 212, 87 N.E. 443, 22 L.R.A. (N.S.) 420.*

*Personal Franchise. A franchise of corporate existence, or one which authorizes the formation and existence of a corporation, is sometimes called a "personal" franchise. as distinguished from a "property" franchise, which authorizes a corporation so formed to apply its property to some particular enterprise or exercise some special privilege in its employment, as, for example, to construct and operate a railroad. See Sandham v. Nye, 9 Misc.Rep. 541, 30 N.Y.S. 552.*

*Secondary Franchises. The franchise of corporate existence being sometimes called the "primary" franchise of a corporation, its "secondary" franchises are the special and peculiar rights, privileges, or grants which it may, receive under its charter or from a municipal corporation, such as the right to use the public streets, exact tolls, collect fares, etc. State v. Topeka Water Co., 61 Kan. 547, 60 P. 337; Virginia Canon Toll Road Co. v. People, 22 Colo. 429, 45 P. 398 37 L.R.A. 711. The franchises of a corporation are divisible into (1) corporate or general franchises; and (2) "special or secondary franchises. The former is the franchise to exist as a corporation, while the latter are certain rights and privileges conferred upon existing corporations. Gulf Refining Co. v. Cleveland Trust Co., 166 Miss. 759, 108 So. 158, 160.*

*Special Franchisee. See Secondary Franchises, supra.  
[Black's Law Dictionary, Fourth Edition, pp. 786-787]*

The only kind of EQUALITY spoken of about those domiciled on federal territory is the mandate that everyone is subject to all acts of Congress. In contrast, those in states of the Union cannot alienate their rights even with their consent, and therefore can be subject to NO acts of Congress. People domiciled on federal territory are "subjects", while those domiciled in a constitutional state are sovereign and you can't be sovereign and a subject at the same time:

[TITLE 42 > CHAPTER 21 > SUBCHAPTER I > § 1981](#)  
[§ 1981. Equal rights under the law](#)

**(a) Statement of equal rights**

*All persons within the jurisdiction of the United States shall have the same right in every State and Territory to make and enforce contracts, to sue, be parties, give evidence, and to the full and **equal benefit of all laws** and proceedings for the security of persons and property as is enjoyed by white citizens, and **shall be subject to like punishment, pains, penalties, taxes, licenses, and exactions of every kind, and to no other.***

Any use of the word "benefit" implies a franchise. Everything that happens on federal territory is a franchise and a privilege. The implication of the above is that the laws Congress enacts are a "benefit". We don't think of them that way at all. Rather, we view any attempt by Congress to civilly control, govern, penalize, or regulate a free man as an injury, a usurpation, and slavery. To call such slavery a "benefit", make it into a franchise, and then charge for it is the height of hypocrisy, in fact. The only thing Congress can pass civil laws to regulate, in fact, are public officers because the ability to regulate, control, tax, or burden EXCLUSIVELY PRIVATE rights is "repugnant to the Constitution", as held by the U.S. Supreme Court. That is the conclusion of the following pamphlet:

[Why Statutory Civil Law is Law for Government and Not Private Persons](http://sedm.org/Forms/FormIndex.htm), Form #05.037  
<http://sedm.org/Forms/FormIndex.htm>

The following subsections shall analyze the relationship between the requirement for equal protection that protects the Constitutional states on the one hand, with the privileges, franchises, and other special burdens that may lawfully be imposed only within federal territory and upon those domiciled on federal territory.

## 18.1 Residence and state citizenship

This subsection builds upon sections 6.4 through 12.5, in which we proved that the only place where franchises can even lawfully be offered is on federal territory not protected by the Bill of Rights, and that the offering of government franchises within states of the Union or outside of federal territory is unconstitutional and illegal.

In considering the application of the Equal Protection Clause of the Fourteenth Amendment to legislation discriminating between the residents and nonresidents of a state, the Equal Protection Clause cannot be invoked unless the action of a state denies the equal protection of the laws to persons "within its jurisdiction." If persons are, however, in the purview of this clause, within the jurisdiction of a state, the clause guarantees to all so situated, whether citizens or residents of the state or not, the protection of the state's laws equally with its own citizens.<sup>186</sup> A state is not at liberty to establish varying codes of law, one for its own citizens and another governing the same conduct for citizens of sister states, except in a case when the apparent discrimination is not to cast a heavier burden upon the nonresident in its ultimate operation than the one falling upon residents, but is to restore the equilibrium by withdrawing an unfair advantage.<sup>187</sup> On the other hand, a nonresident may not complain of a restriction no different from that placed upon residents.<sup>188</sup>

The limitation on the right of one state to establish preferences in favor of its own citizens does not depend solely on the guarantee of equal protection of the laws,<sup>189</sup> which does not protect persons not within the jurisdiction of such a state. These limitations are broader, and nonresidents of a state who are noncitizens are also—even though they are not within the jurisdiction of a state, as that phrase is employed in the Equal Protection Clause—protected from discrimination by Article IV, §2 of the Federal Constitution, which secures equal privileges and immunities in the several states to the citizens of each state. Moreover, any citizen of the United States, regardless of residence or whether he or she is within the jurisdiction of a state, is protected in the privileges and immunities which arise from his United States citizenship by the privileges and immunities clause of the Fourteenth Amendment.

There is much authority which recognizes the right of the state under certain circumstances to classify residents and nonresidents.<sup>190</sup> Utilization of different, but otherwise constitutionally adequate, procedures for residents and nonresidents

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<sup>186</sup> *Wheeling Steel Corp. v. Glander*, 337 U.S. 562, 69 S.Ct. 1291, 93 L.Ed. 1544, 40 Ohio.Op. 101, 55 Ohio.L.Abs. 305 (1949).

South Carolina's exemption statute that limits exemption for personal injury awards to only South Carolina residents did not deprive a nonresident of equal protection of the laws where the classification of residents versus nonresidents was reasonably related to the legislative purpose of protecting residents from financial indigency, and where the classification was based upon the state's interest in preventing its citizens from becoming dependent on the state for support. *American Service Corp. of South Carolina v. Hickie*, 312 S.C. 520, 435 S.E.2d. 870 (1993), reh'g denied, (Oct. 20, 1993) and cert. denied, 510 U.S. 1193, 114 S.Ct. 1298, 127 L.Ed.2d. 651 (1994).

<sup>187</sup> *Smith v. Loughman*, 245 N.Y. 486, 157 N.E. 753 (1927), cert. denied, 275 U.S. 560, 48 S.Ct. 119, 72 L.Ed. 426 (1927) and reargument denied, 247 N.Y. 546, 161 N.E. 176 (1928).

A statute requiring out-of-state hunters to be accompanied by resident guides denied equal protection; the statutory classification and its legitimate objectives were tenuous and remote. *State v. Jack*, 167 Mont. 456, 539 P.2d. 726 (1975).

<sup>188</sup> *People ex rel. Salisbury Axle Co. v. Lynch*, 259 N.Y. 228, 181 N.E. 460 (1932).

<sup>189</sup> *Smith Setzer & Sons, Inc. v. South Carolina Procurement Review Panel*, 20 F.3d. 1311 (4th Cir. 1994); *Kasom v. City of Sterling Heights*, 600 F.Supp. 1555 (E.D. Mich. 1985), judgment aff'd, 785 F.2d. 308 (6th Cir. 1986).

The state had a legitimate and substantial interest in granting a preference to bidders for state highway contracts who contribute to the state's economy through construction activities within the state. *APAC-Mississippi, Inc. v. Deep South Const. Co., Inc.*, 288 Ark. 277, 704 S.W.2d. 620 (1986).

Classifications between resident and nonresident vendors established by a statute which gives preference to resident vendors, under certain circumstances, when the state purchases supplies, services, and goods are rationally related to the state's legitimate interest to benefit its taxpayers, and thus do not deny equal protection of the laws to nonresidents, even though nonresidents who maintain offices in the state and pay state taxes are accorded a preference over other nonresidents. *Gary Concrete Products, Inc. v. Riley*, 285 S.C. 498, 331 S.E.2d. 335 (1985).

Note, however, that such schemes may violate the privileges and immunities clauses of Article IV, §2 of the United States Constitution, and the Fourteenth Amendment thereto.

<sup>190</sup> *Martinez v. Bynum*, 461 U.S. 321, 103 S.Ct. 1838, 75 L.Ed.2d. 879, 10 Ed.Law.Rep. 11 (1983) (nonresident school students); *Zobel v. Williams*, 457 U.S. 55, 102 S.Ct. 2309, 72 L.Ed.2d. 672 (1982) (holding that new residents of a state may not be subjected to discriminatory treatment simply because of their recent migration); *Jones v. Helms*, 452 U.S. 412, 101 S.Ct. 2434, 69 L.Ed.2d. 118 (1981), on remand to, 660 F.2d. 120 (5th Cir. 1981); *Fireside Nissan, Inc. v. Fanning*, 30 F.3d. 206 (1st Cir. 1994) (nonresident automobile dealership owners); *Mohme v. City of Cocoa*, 328 So.2d. 422 (Fla. 1976), appeal after remand, 356 So.2d. 2 (Fla. Dist. Ct. App. 4th Dist. 1977); *State v. Alley*, 274 A.2d. 718 (Me. 1971).

A program of state bounties for destruction of Maryland-titled junk cars was not violative of the Equal Protection Clause, despite stricter proof of ownership requirements for out-of-state scrap processors. *Hughes v. Alexandria Scrap Corp.*, 426 U.S. 794, 96 S.Ct. 2488, 49 L.Ed.2d. 220 (1976).



1 does not, by itself, trigger heightened scrutiny under the Equal Protection Clause.<sup>191</sup> Thus, reasonable residency requirements  
2 are permissible under the Equal Protection Clause in cases involving voting in elections,<sup>192</sup> or local referendums,<sup>193</sup> for  
3 holding public office,<sup>194</sup> for jury service,<sup>195</sup> and for the purpose of receiving various types of government benefits,<sup>196</sup> or for  
4 tuition purposes,<sup>197</sup> are quite common, and are generally, though not always, held to be valid and proper. However, a statute  
5 providing for county-wide territorial jurisdiction of a municipal court may violate the equal protection rights of county  
6 residents who are subject to the municipal court's territorial jurisdiction, but not enfranchised to elect municipal judges.<sup>198</sup>  
7 Residence may also be a proper condition precedent to commencement of various civil suits. On the other hand, many license  
8 and tax laws which discriminate against nonresidents have been held to violate the Equal Protection Clause.<sup>199</sup>

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A Kansas statute and rules of court permitting an out-of-state lawyer to practice before Kansas tribunals only if he associates a member of the Kansas bar with him, as an attorney of record, does not violate the Fourteenth Amendment either on its face or as applied to a lawyer maintaining law offices and a practice of law both out of state and in Kansas. *Martin v. Walton*, 368 U.S. 25, 82 S.Ct. 1, 7 L.Ed.2d. 5 (1961), reh'g denied, 368 U.S. 945, 82 S.Ct. 376, 7 L.Ed.2d. 341 (1961).

<sup>191</sup> *Whiting v. Town of Westerly*, 942 F.2d. 18 (1st Cir. 1991).

<sup>192</sup> *Rosario v. Rockefeller*, 410 U.S. 752, 93 S.Ct. 1245, 36 L.Ed.2d. 1 (1973), reh'g denied, 411 U.S. 959, 93 S.Ct. 1920, 36 L.Ed.2d. 419 (1973) (a 30-day residential requirement is permissible); *Marston v. Lewis*, 410 U.S. 679, 93 S.Ct. 1211, 35 L.Ed.2d. 627 (1973) (a 50-day durational voter residency requirement and a 50-day voter registration requirement for state and local elections are not unconstitutional under the Equal Protection Clause); *Ballas v. Symm*, 494 F.2d. 1167 (5th Cir. 1974); *Opinion of the Justices*, 111 N.H. 146, 276 A.2d. 825 (1971).

A governmental unit may, consistently with equal protection requirements, legitimately restrict the right to participate in its political processes to those who reside within its borders. *Holt Civic Club v. City of Tuscaloosa*, 439 U.S. 60, 99 S.Ct. 383, 58 L.Ed.2d. 292 (1978).

Excluding out-of-state property owners from voting on a water district matter while granting that right to Colorado residents who own property within the district but who do not live within the district does not violate the Fourteenth Amendment. *Millis v. Board of County Com'rs of Larimer County*, 626 P.2d. 652 (Colo. 1981).

On the other hand, under the Equal Protection Clause, persons living on the grounds of the National Institutes of Health, a federal enclave situated in Maryland, are entitled to protect their stake in elections by exercising their right to vote, and their living on such grounds cannot constitutionally be treated as basis for concluding that they do not meet Maryland residency requirements for voting. *Evans v. Cornman*, 398 U.S. 419, 90 S.Ct. 1752, 26 L.Ed.2d. 370 (1970).

<sup>193</sup> As to residence qualifications of the signers of initiative or referendum petitions, see 42 American Jurisprudence 2d, Initiative and Referendum, §29 (1999).

<sup>194</sup> See 63C American Jurisprudence 2d, Public Officers and Employees, §81 (1999).

<sup>195</sup> See 47 American Jurisprudence 2d, Jury §§100, 147-149 (1999).

<sup>196</sup> *Memorial Hospital v. Maricopa County*, 415 U.S. 250, 94 S.Ct. 1076, 39 L.Ed.2d. 306 (1974) (a state statute requiring a year's residence in a county as a condition to an indigent's receiving nonemergency hospitalization or medical care at the county's expense is repugnant to the Equal Protection Clause); *Cole v. Housing Authority of City of Newport*, 435 F.2d. 807 (1st Cir. 1970) (two-year residency requirement for eligibility for low-income housing violates the Equal Protection Clause).

In the absence of a showing that the provisions of state statutes and of a District of Columbia statute enacted by Congress, prohibiting public assistance benefits to residents of less than a year, were necessary to promote compelling governmental interests, such prohibitions create a classification which constitutes an invidious discrimination denying such residents equal protection of the laws. *Shapiro v. Thompson*, 394 U.S. 618, 89 S.Ct. 1322, 22 L.Ed.2d. 600 (1969).

But the exclusion of migrant agricultural workers from the beneficial provisions of various federal and state statutes concerning social legislation in such areas as unemployment compensation, minimum hours and wages, Social Security, and worker's compensation is not unconstitutional. *Doe v. Hodgson*, 478 F.2d. 537, 21 Wage & Hour Cas. (BNA) 23, 71 Lab. Cas. (CCH) ¶ 32909 (2d Cir. 1973), cert. denied, 414 U.S. 1096, 94 S.Ct. 732, 38 L.Ed.2d. 555, 21 Wage & Hour Cas. (BNA) 446, 72 Lab. Cas. (CCH) ¶ 33004 (1973).

<sup>197</sup> *Vlandis v. Kline*, 412 U.S. 441, 93 S.Ct. 2230, 37 L.Ed.2d. 63 (1973).

For a state university to require proof that a law student had actually secured postgraduation employment in the state as a condition precedent to granting him residence status for purposes of tuition fees violated the Equal Protection Clause. *Kelm v. Carlson*, 473 F.2d. 1267, 67 Ohio.Op.2d. 275 (6th Cir. 1973).

But a state statute requiring four months' continuous residency independent of school attendance in order to establish domicile in the state for tuition purposes does not violate the Equal Protection Clause. *Thompson v. Board of Regents of University of Nebraska*, 187 Neb. 252, 188 N.W.2d. 840 (1971).

<sup>198</sup> *State v. Webb*, 323 Ark. 80, 913 S.W.2d. 259 (1996), opinion supplemented on other grounds on denial of reh'g, 323 Ark. 80, 920 S.W.2d. 1 (1996).

<sup>199</sup> See 51 American Jurisprudence 2d, Licenses and Permits, §§31, 79, 121, 123 (1999); 71 American Jurisprudence 2d, State and Local Taxation §172 (1999).

As to particular types of licenses or permits, see specific topics (e.g., as to fishing or hunting licenses, see 35 American Jurisprudence 2d, Fish and Game, §§34, 45 (1999)).

A statute which discriminates unjustly against residents in favor of nonresidents violates the Equal Protection Clause;<sup>200</sup> however, there must be an actual discrimination against residents in order to invalidate a statute. Where residents and nonresidents are treated alike, there is no discrimination.<sup>201</sup> A state regulatory statute exempting nonresidents does not deny the equal protection of the laws guaranteed by the Fourteenth Amendment, where it rests upon a state of facts that can reasonably be conceived to constitute a distinction or difference in state policy.<sup>202</sup>

The constitutional guarantee as to the equal protection of the laws may render invalid statutes and ordinances which effect an unlawful discrimination in favor of a municipality or its inhabitants. Such enactments invalidly attempt to give a preference to a class consisting of residents of a political subdivision of a state.<sup>203</sup>

## **18.2 Protection against special burdens and privileges**

The theory underlying constitutional requirements of equality is that all persons in like circumstances and like conditions must be treated alike, both as to privileges conferred and as to liabilities or burdens imposed. The organic principle of equality includes within its application a granted privilege as well as a regulated right. Equality of benefit is required no less than equality of burden.<sup>204</sup>

Every citizen should share the common benefits of a government the common burdens of which he or she is required to bear. Thus, legislation granting special privileges and imposing special burdens may conflict with the Equal Protection Clause of the Federal Constitution,<sup>205</sup> as well as with the more specific provisions of some state constitutions, which, although varying slightly in terminology, have the general effect of prohibiting the granting of special privileges or immunities. So long as all are treated alike under like circumstances, however, neither the federal nor the state provisions are violated.<sup>206</sup> General rules that apply evenhandedly to all persons within a jurisdiction comply with the Equal Protection Clause; only when a governmental unit adopts a rule that has a special impact on less than all the persons subject to its jurisdiction does the question whether equal protection is violated arise.<sup>207</sup> It would thus appear that particular laws granting special privileges and immunities must run the gauntlet between the provisions of the Federal Constitution which secure the equal protection of the laws and those of state constitutions which prohibit either special legislation or special laws granting privileges and immunities, and also that the inherent limitations on legislative power may themselves be sufficient to nullify such laws.<sup>208</sup>

## **18.3 State Constitutional Provisions as to special privileges**

Provisions to be found in the constitutions of many states have the general effect of prohibiting the grant of special privileges or immunities.<sup>209</sup> Such guarantees in the state constitutions are in nature simply a protection of those fundamental or inherent

<sup>200</sup> Little v. Smith, 124 Kan. 237, 257 P. 959, 57 A.L.R. 100 (1927).

<sup>201</sup> Geo. B. Wallace, Inc. v. Pfof, 57 Idaho 279, 65 P.2d. 725, 110 A.L.R. 613 (1937).

<sup>202</sup> Allied Stores of Ohio, Inc. v. Bowers, 358 U.S. 522, 79 S.Ct. 437, 3 L.Ed.2d. 480, 9 Ohio.Op.2d. 321, 82 Ohio.L.Abs. 312 (1959).

<sup>203</sup> Schrage v. City of Albany, 197 Misc. 903, 99 N.Y.S.2d. 697 (Sup.Ct. 1950); Richter Concrete Corp. v. City of Reading, 166 Ohio.St. 279, 2 Ohio.Op.2d. 169, 142 N.E.2d. 525 (1957).

<sup>204</sup> Carozza v. Federal Finance & Credit Co., 149 Md. 223, 131 A. 332, 43 A.L.R. 1 (1925); Rosenblum v. Griffin, 89 N.H. 314, 197 A. 701, 115 A.L.R. 1367 (1938).

<sup>205</sup> Silver v. Silver, 108 Conn. 371, 143 A. 240, 65 A.L.R. 943 (1928), aff'd, 280 U.S. 117, 50 S.Ct. 57, 74 L.Ed. 221, 65 A.L.R. 939 (1929); Decker v. Pouvaillsmith Corp., 252 N.Y. 1, 168 N.E. 442 (1929); Bowman v. Virginia State Entomologist, 128 Va. 351, 105 S.E. 141, 12 A.L.R. 1121 (1920).

<sup>206</sup> Frazier v. State Tax Commission, 234 Ala. 353, 175 So. 402, 110 A.L.R. 1479 (1937); Mammina v. Alexander Auto Service Co., 333 Ill. 158, 164 N.E. 173, 61 A.L.R. 649 (1928); Bolivar Tp. Board of Finance of Benton County v. Hawkins, 207 Ind. 171, 191 N.E. 158, 96 A.L.R. 271 (1934).

<sup>207</sup> New York City Transit Authority v. Beazer, 440 U.S. 568, 99 S.Ct. 1355, 59 L.Ed.2d. 587, 1 A.D. Cas. (BNA) 73, 19 Fair Empl. Prac. Cas. (BNA) 149, 19 Empl. Prac. Dec. (CCH) ¶ 9027 (1979); Alexander v. Whitman, 114 F.3d. 1392 (3d Cir. 1997), cert. denied, 118 S.Ct. 367, 139 L.Ed.2d. 286 (U.S. 1997).

<sup>208</sup> Fountain Park Co. v. Hensler, 199 Ind. 95, 155 N.E. 465, 50 A.L.R. 1518 (1927); State v. Savage, 96 Or. 53, 184 P. 567 (1919), opinion adhered to on denial of reh'g, 189 P. 427 (Or. 1920).

<sup>209</sup> State Board of Tax Com'rs of Ind. v. Jackson, 283 U.S. 527, 51 S.Ct. 540, 75 L.Ed. 1248, 73 A.L.R. 1464, 75 A.L.R. 1536 (1931), leave to file for reh'g granted, 51 S.Ct. 651, 75 L.Ed. 1474 (U.S. 1931) and reh'g denied, (Oct. 12, 1931) (Indiana Constitution); Carley & Hamilton v. Snook, 281 U.S. 66, 50 S.Ct. 204, 74 L.Ed. 704, 68 A.L.R. 194 (1930) (California Constitution); Frazier v. State Tax Commission, 234 Ala. 353, 175 So. 402, 110 A.L.R. 1479 (1937); Austin v. Lambert, 11 Cal.2d. 73, 77 P.2d. 849, 115 A.L.R. 849 (1938); People ex rel. Heydenreich v. Lyons, 374 Ill. 557, 30 N.E.2d. 46, 132 A.L.R. 511 (1940); Storen v. Sexton, 209 Ind. 589, 200 N.E. 251, 104 A.L.R. 1359 (1936).

rights which are common to all citizens; they have been described as being the antithesis of the Fourteenth Amendment, since the latter operates to prevent abridgment by the states of the constitutional rights of citizens of the United States and the former prevents the state from granting special privileges or immunities and exemptions from otherwise common burdens. One prevents the curtailment of the constitutional rights of citizens, and the other prohibits the enlargement of the rights of some in discrimination against others.<sup>210</sup> However, the tests as to the granting of special privileges and immunities by a state are substantially similar to those used in determining whether the equal protection of the laws has been denied by a state.<sup>211</sup>

The general principle involved in constitutional equality guarantees forbidding special privileges or immunities seems to be that if legislation, without good reason and just basis, imposes a burden on one class which is not imposed on others in like circumstances or engaged in the same business, it is a denial of the equal protection of the laws to those subject to the burden and a grant of an immunity to those not subject to it.<sup>212</sup> Such provisions of the state constitutions permit classification, if it is not arbitrary, is reasonable, and has a substantial basis and a proper relation to the objects sought to be accomplished.<sup>213</sup> And a state constitutional provision that no member of the state shall be deprived of any of the rights or privileges secured to any citizen thereof, unless by the law of the land or the judgment of his or her peers, prohibits class legislation, but does not forbid classification so long as it is not unreasonable or arbitrary.<sup>214</sup>

**Observation:** In determining the scope of the class singled out by a statute for special burdens or benefits, a court will not confine its view to the terms of the specific statute, but will judge its operation against the background of other legislative, administrative, and judicial directives which govern the legal rights of similarly situated persons.<sup>215</sup> A constitutional provision prohibiting the grant of special privileges applies to municipal ordinances as well as to acts of the legislature.<sup>216</sup>

If a state constitutional provision states that no special privileges or immunities shall ever be granted to any citizen or class of citizens which shall not be granted upon the same terms to all citizens, it is not available to aliens who are not citizens.<sup>217</sup>

## 18.4 Imposition of burdens

In the exercise of the undoubted right of classification, it may often happen that some classes are subjected to regulations and some individuals are burdened with obligations which do not rest on other classes or other individuals not similarly situated, but this fact does not necessarily vitiate a statute, because it would practically defeat legislation if it were laid down as an

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While there is no such express prohibition in the Florida Constitution, special privileges or immunities may be granted only to advance a public purpose as distinguished from a private interest or purpose. *Liquor Store v. Continental Distilling Corp.*, 40 So.2d. 371 (Fla. 1949).

<sup>210</sup> *Bolivar Tp. Board of Finance of Benton County v. Hawkins*, 207 Ind. 171, 191 N.E. 158, 96 A.L.R. 271 (1934); *Savage v. Martin*, 161 Or. 660, 91 P.2d. 273 (1939).

<sup>211</sup> *State Board of Tax Com'rs of Ind. v. Jackson*, 283 U.S. 527, 51 S.Ct. 540, 75 L.Ed. 1248, 73 A.L.R. 1464, 75 A.L.R. 1536 (1931), leave to file for reh'g granted, 51 S.Ct. 651, 75 L.Ed. 1474 (U.S. 1931) and reh'g denied, (Oct. 12, 1931); *Rosenblum v. Griffin*, 89 N.H. 314, 197 A. 701, 115 A.L.R. 1367 (1938); *Milwaukie Co. of Jehovah's Witnesses v. Mullen*, 214 Or. 281, 330 P.2d. 5, 74 A.L.R.2d. 347 (1958), appeal dismissed, 359 U.S. 436, 79 S.Ct. 940, 3 L.Ed.2d. 932 (1959).

The United States Constitution, the Fourteenth Amendment thereto, and the California Constitution, Art. I § 11, requiring the uniform operation of all laws of a general nature, and § 21, prohibiting the granting of privileges or immunities to any citizen or class of citizens not granted to all citizens on the same terms, provide generally equivalent but independent protections in their respective jurisdictions. *Department of Mental Hygiene v. Kirchner*, 62 Cal.2d. 586, 43 Cal. Rptr. 329, 400 P.2d. 321 (1965).

<sup>212</sup> *Tipton County v. Rogers Locomotive & Machine Works*, 103 U.S. 523, 26 L.Ed. 340 (1880); *Fountain Park Co. v. Hensler*, 199 Ind. 95, 155 N.E. 465, 50 A.L.R. 1518 (1927).

<sup>213</sup> *Mansur v. City of Sacramento*, 39 Cal.App.2d. 426, 103 P.2d. 221 (3d Dist. 1940); *People ex rel. Heydenreich v. Lyons*, 374 Ill. 557, 30 N.E.2d. 46, 132 A.L.R. 511 (1940); *Ferch v. Housing Authority of Cass County*, 79 N.D. 764, 59 N.W.2d. 849 (1953).

A state constitutional provision barring the grant of special privileges and immunities is violated by a statute embodying an arbitrary classification. *Power, Inc. v. Huntley*, 39 Wash.2d. 191, 235 P.2d. 173 (1951).

<sup>214</sup> *Thomas v. Housing and Redevelopment Authority of Duluth*, 234 Minn. 221, 48 N.W.2d. 175 (1951).

<sup>215</sup> *Brown v. Merlo*, 8 Cal.3d. 855, 106 Cal. Rptr. 388, 506 P.2d. 212, 66 A.L.R.3d. 505 (1973).

<sup>216</sup> *Acton v. Henderson*, 150 Cal.App.2d. 1, 309 P.2d. 481 (1st Dist. 1957).

Generally, as to constitutional restrictions on special or local laws granting privileges and immunities, see 73 American Jurisprudence 2d, Statutes §§ 38, 39, 41.

<sup>217</sup> See 3A American Jurisprudence 2d, Aliens and Citizens, §1955 (1999).

invariable rule that a statute is void if it does not bring all within its scope or subject all to the same burdens.<sup>218</sup> Thus, it is of the essence of a classification that on one class are cast duties and burdens different from those resting on the general public and that the very idea of classification is that of inequality, so that the mere fact of inequality in no manner determines the matter of constitutionality.<sup>219</sup> The general rule as to classification in the imposition of burdens is that no one may be subject to any greater burdens and charges than are imposed on others in the same calling or condition.<sup>220</sup> No burden can be imposed on one class of persons, natural or artificial, and arbitrarily selected, which is not in like conditions imposed on all other classes.<sup>221</sup>

A statute infringes the constitutional guarantee of equal protection if it singles out for discriminatory legislation particular individuals not forming an appropriate class and imposes on them burdens or obligations or subjects them to rules from which others are exempt.<sup>222</sup> Under the guise of the exercise of the police power, it is not competent either for the legislature or for a municipality to impose unequal burdens upon individual citizens.<sup>223</sup>

**Observation:** If a legislative classification or distinction neither burdens a fundamental right nor targets a suspect class, the United States Supreme Court will uphold it against an equal protection challenge so long as it bears a rational relation to some legitimate end.<sup>224</sup> Thus, if, under a particular classification, all persons affected by a statute are treated alike in the burdens imposed upon them, the legislation is not open to the objection that it denies to any the equal protection of the laws.<sup>225</sup>

## 18.5 Grant of privileges

Without violating the limitations inherent in the constitutional requirements as to the equal protection of the laws, appropriate classifications may be made. When made on natural and reasonable grounds, the grant of rights to one class will not necessarily amount to a denial of the equal protection of the laws to members of other classes.<sup>226</sup> In all cases, however, where a classification is made for the purpose of conferring a special privilege on a class, there must be some good and valid reason why that particular class should alone be the recipient of the benefit.<sup>227</sup> Under the Federal Constitution, distinctions in rights and privileges that are based on some reason not applicable to all are generally sustained.<sup>228</sup> But if there are other general classes situated in all respects like the class benefited by a statute, with the same inherent needs and qualities which

<sup>218</sup> Cotting v. Godard, 183 U.S. 79, 22 S.Ct. 30, 46 L.Ed. 92 (1901).

<sup>219</sup> International Harvester Co. v. State of Missouri ex inf. Attorney General, 234 U.S. 199, 34 S.Ct. 859, 58 L.Ed. 1276 (1914); People v. Monroe, 349 Ill. 270, 182 N.E. 439, 85 A.L.R. 605 (1932); Bratberg v. Advance-Rumely Thresher Co., 61 N.D. 452, 238 N.W. 552, 78 A.L.R. 1338 (1931).

<sup>220</sup> Truax v. Corrigan, 257 U.S. 312, 42 S.Ct. 124, 66 L.Ed. 254, 27 A.L.R. 375 (1921); Marallis v. City of Chicago, 349 Ill. 422, 182 N.E. 394, 83 A.L.R. 1222 (1932).

<sup>221</sup> Atlantic Coast Line R. Co. v. Ivey, 148 Fla. 680, 5 So.2d. 244, 139 A.L.R. 973 (1941); Dimke v. Finke, 209 Minn. 29, 295 N.W. 75 (1940); State v. Northwestern Elec. Co., 183 Wash. 184, 49 P.2d. 8, 101 A.L.R. 189 (1935).

<sup>222</sup> Stewart Dry Goods Co. v. Lewis, 294 U.S. 550, 55 S.Ct. 525, 79 L.Ed. 1054 (1935), reh'g denied, 295 U.S. 768, 55 S.Ct. 652 (1935) and reh'g denied, 295 U.S. 768, 55 S.Ct. 652, 79 L.Ed. 1709 (1935) and reh'g denied, 295 U.S. 768, 55 S.Ct. 652, 79 L.Ed. 1709 (1935).

<sup>223</sup> Chickasha Cotton Oil Co. v. Cotton County Gin Co., 40 F.2d. 846, 74 A.L.R. 1070 (C.C.A. 10th Cir. 1930); Beasley v. Cunningham, 171 Tenn. 334, 103 S.W.2d. 18, 110 A.L.R. 306 (1937).

<sup>224</sup> Vacco v. Quill, 117 S.Ct. 2293, 138 L.Ed.2d. 834 (U.S. 1997), for concurring opinion, see, 117 S.Ct. 2302 (U.S. 1997); Romer v. Evans, 517 U.S. 620, 116 S.Ct. 1620, 134 L.Ed.2d. 855, 109 Ed.Law.Rep. 539, 70 Fair Empl. Prac. Cas. (BNA) 1180, 68 Empl. Prac. Dec. (CCH) ¶ 44013 (1996) (declined to extend by, Benjamin v. Jacobson, 935 F.Supp. 332 (S.D.N.Y. 1996)).

<sup>225</sup> Staten Island Rapid Transit Ry. Co. v. Phoenix Indemnity Co., 281 U.S. 98, 50 S.Ct. 242, 74 L.Ed. 726 (1930); Kocsis v. Chicago Park Dist., 362 Ill. 24, 198 N.E. 847, 103 A.L.R. 141 (1935); Buckler v. Hilt, 209 Ind. 541, 200 N.E. 219, 103 A.L.R. 901 (1936); Commonwealth v. Watson, 223 Ky. 427, 3 S.W.2d. 1077, 58 A.L.R. 212 (1928).

<sup>226</sup> Sanger v. City of Bridgeport, 124 Conn. 183, 198 A. 746, 116 A.L.R. 1031 (1938).

<sup>227</sup> Champlin Refining Co. v. Cruse, 115 Colo. 329, 173 P.2d. 213 (1946).

Equal protection principles require that distinctions drawn by a statute granting an economic benefit to one class while denying it to another must at least bear some rational relationship to a conceivable legitimate state purpose. Steed v. Imperial Airlines, 10 Cal.3d. 323, 110 Cal. Rptr. 217, 515 P.2d. 17 (1973), reh'g granted, opinion not citable, (Dec. 14, 1973) and opinion vacated on other grounds, 12 Cal.3d. 115, 115 Cal. Rptr. 329, 524 P.2d. 801, 68 A.L.R.3d. 1204 (1974), appeal dismissed, 420 U.S. 916, 95 S.Ct. 1108, 43 L.Ed.2d. 387 (1975).

<sup>228</sup> Weisfield v. City of Seattle, 180 Wash. 288, 40 P.2d. 149, 96 A.L.R. 1190 (1935); Williams v. Hofmann, 66 Wis.2d. 145, 223 N.W.2d. 844, 76 A.L.R.3d. 880 (1974).

The courts have generally rejected the contention that low-cost housing laws or ordinances are invalid as granting special privileges or immunities because they designated families or persons of low income as tenants. See 40 American Jurisprudence 2d, Housing Laws and Urban Redevelopment, §3 (1999).

1 indicate the necessity or expediency of protection for the favored class, and legislation discriminates against, casts a burden  
2 upon, or withholds the same protection from the other class or classes in like situations, the statute cannot stand.<sup>229</sup>

3 An otherwise valid statute or ordinance conferring a privilege is not rendered invalid merely because it chances that particular  
4 persons find it hard or even impossible to comply with precedent conditions upon which enjoyment of the privilege is made  
5 to depend.<sup>230</sup>

## 6 **19 Licensing**<sup>231</sup>

7 *" . . . the acceptance of a license, in whatever form, will not impose upon the licensee an obligation to respect or*  
8 *to comply with any provisions of the statute . . . that are repugnant to the Constitution of the United States."*  
9 *[Power Mfg. Co. v. Saunders, 274 U.S. 490 (1927)]*

10 Nearly all franchises are implemented using licensing of one kind or another. Man is constantly telling you that you must  
11 identify yourself with such things as licenses. Well, please show me from scripture where it says that you must carry papers  
12 with you at all times and submit to man whatever he wants. God defines what is good and evil; please show me in the Word  
13 of God where it says it is evil to do an act without a license from the government (i.e. such as the act of marriage, fishing, or  
14 driving). God does not say this is evil.

15 Keep this Truth in mind...God ordained rulers with only two duties...to reward good and punish evil (John 18:23, Romans  
16 13:3-4, 1 Peter 2:14). That's it! Anything they do beyond this is out of their ordained duties. Ask yourself this question, "Do  
17 licenses reward good or punish evil?" No, they do not. Courts are supposed to, but licenses have nothing to do with rewarding  
18 good or punishing evil.

19 When the powers that be say that you have to have a license to do something, we have to ask ourselves, "Am I doing the will  
20 of God by taking a license?" When one gets a license, it is an agreement with the State to perform a particular duty. You are  
21 receiving a privilege, and whenever you receive a privilege from man there is a duty attached to it. And we must ask ourselves,  
22 "Whom are we binding ourselves with?" By receiving a privilege, we are gaining the favor of rulers; but scripture says, "Many  
23 wait on the favor of rulers; but justice comes to a man from the LORD" (Proverbs 29:26). We are not to be unequally yoked  
24 together with unbelievers (2 Corinthians 6:14).

25 Papers give status, dignity and privilege to the issuing authority rather than to the bearer although the opposite is generally  
26 assumed. This is equally true in the case of passports, driver's licenses, honorary degrees, permits to practice law, licenses  
27 for marriage, or even certificates of good health. In all such cases the individual unwittingly surrenders his right to assume  
28 command, status, or direction of himself in God's terms by acknowledging and then accepting an outside authority's right to  
29 grant these things to him. For example:

- 30 1. One who hangs a degree on the office wall unwittingly admits that he has forfeited his power of discernment to an  
31 institution.
- 32 2. One who uses a driver license has forfeited his God ordained duty to movement in exchange for a government privilege,  
33 which can be revoked at any time by the State.
- 34 3. National governments use birth certificates to "prove" that the baby is national property. The birth certificate thus  
35 becomes a form of theft, the theft of the child's true identity as a free child of God to a servant of the State. By affixing  
36 a national seal of approval to a child, the state denies the freedom, rights, and dignity that God has ordained in the  
37 scriptures.
- 38 4. A national passport legitimizes and represents the arbitrary frontier of a particular nation. As property of the government  
39 that issues it, this license can be denied for virtually any reason. In essence, it is a control device, used by government to  
40 limit the movement of its citizens, and to regulate the entry and exit of foreigners. When you are issued a passport, you  
41 are actually giving something up your inalienable right to leave any country and return again. In order to travel, you are  
42 forced to accept a bureaucratic device designed deliberately to control your movement. In legal terms, such a deceptive  
43 inducement to surrender a God-given right is called fraud. Thus, if you have such a document, in a sense you have been  
44 robbed. To put it plainly, the national passport system is a swindle, the conscious theft of the individual's right to freedom

<sup>229</sup> McErlain v. Taylor, 207 Ind. 240, 192 N.E. 260, 94 A.L.R. 1284 (1934); Abrams v. Bronstein, 33 N.Y.2d. 488, 354 N.Y.S.2d. 926, 310 N.E.2d. 528 (1974); Kurtz v. City of Pittsburgh, 346 Pa. 362, 31 A.2d. 257, 145 A.L.R. 1134 (1943).

<sup>230</sup> Gant v. Oklahoma City, 289 U.S. 98, 53 S.Ct. 530, 77 L.Ed. 1058 (1933).

<sup>231</sup> By Richard Anthony



of movement. In the world of nation-states, claims that citizens have freedom of travel are a hollow mockery. All states collude in perpetuating this fraud, beginning with their use of the word passport itself. The name of the document implies that it recognizes the right to travel when; in reality it does just the opposite.

The basis of this argument centers around two basic tenets dear to all servants of Christ. One: "What is required to fulfill the Law?" And, two: "By whose authority do the licensers do the things they do?" The answers can be summed up in two Scripture verses. To answer the first, turn to Romans 13:8, "Owe no man anything, but to **love** one another: for he that loveth another hath fulfilled the law." When you have fulfilled the law of God, what other duty is there? (Ecclesiastes 12:13). All other duties are an **interposition** between yourself and God. Thus, licensure is such an interposition, because it creates a new obligation to another outside of love and God. It becomes an addition to the Word of God. Licensure is not love; licensure is loveless and lawless. The term "**license**" is from the word "*licentious*", which means "morally unrestrained, disregarding rules, lascivious".

To answer the second, turn to John 3:17-18. Can the condemned create law? Can one who does not believe in Jesus Christ create law? Can one who only believes in the limited reason of man be fulfilling the Law of God? We shall see in this article.

The spirit of fear always drives you to self-will. The problems and the errors of our ways are from a spirit of fear. If you're going to allow somebody to drag you around with your fears, then you're no longer worshipping God, but you're worshipping the man who has control over you through fear.

When we succumb to intimidation from the godless rulers of our time to submit our private property, our household pets, and even our children to licensure from the State, we are acting as if Christ, the King, no longer owns and rules over all things, but has been Himself vanquished by His enemies. Simply put, we are violating the very First Commandment, which tells us, "Thou shalt have no other gods before me" (Exodus 20:3).

## 19.1 The Purpose of Licenses

The only purposes of a license are to regulate commercial activity, which is subject to the police power.

*A license is "a permit granted by an appropriate governmental body generally for consideration to a person, firm, or a corporation to pursue some occupation, or to carry on some business, which is subject to regulation under the police power."*  
[Rosenblatt v. California Board of Pharmacy, 69 Cal.App.2d. 69, 158 P.2d. 199, 203]

Are the godly works of God done as business? Are godly works under the police power? You decide. Also, if you get a driver license, they require you to get insurance. But what does the scripture say about insurance?

## 19.2 Effect of licenses: TEMPORARY, revocable Surrender of rights by Grantor AND Grantee

The effect of voluntarily applying for license is to waive rights otherwise protected by the Constitution:

*The case of the Susquehanna Canal Company v. Wright, confirms the preceding views, and decides, "that the State is never presumed to have parted with one of its franchises in the absence of conclusive proof of such an intention. Hence a license, accorded by a public law to a riparian owner, to erect a dam on the Susquehanna River, and conduct the water upon his land for his own private purposes, is subject to any future provision which the State may make with regard to the navigation of the river. And if the State authorize a company to construct a canal which impairs the rights of such riparian owner, he is not entitled to recover damages from the company. In that case, Wright had erected valuable mills, under a license granted to him by the legislature; but the court say, — "He was bound to know that the State had power to revoke its license whenever the paramount interests of the public should require it. And, in this respect, a grant by a public agent of limited powers, and bound not to throw away the interests confided to it, is different from a grant by an individual who is master of the subject. To revoke the latter, after an expenditure in the prosecution of it, would be a fraud. **But he who accepts a 93\*93 license from the legislature, knowing that he is dealing with an agent bound by duty not to impair public rights, does so at his risk; and a voluntary expenditure on the foot of it, gives him no claim to compensation."***

[...]

*Nor can the plaintiff claim by prescription against the public for more than the act confers on him, which is at best impunity for a nuisance. His license, or rather toleration, gives him a good title to keep up his dam and use the waters of the river, as against every one but the sovereign, and those diverting them by public authority, for public uses.*

So in other words:

1. The rights conferred by the government to a licensee are TEMPORARILY GRANTED to the applicant, not given permanently.
2. The rights conferred may be revoked at any time by the “sovereign” grantor of the franchise, which is the government.
3. Since all “persons” are equal, then we also have the right to REVOKE the rights WE confer to the government for some or all purposes, including those involving licensing, and act in a PRIVATE capacity not connected to the government or the public office associated with the franchise. Any government that disrespects this EQUAL right is denying litigants equal protections of the laws.

### **19.3 How Government Takes Away Your Right to do Something and Sells it Back to You as a “License”<sup>232</sup>**

Government licensing as an extortion racket and depressor of prosperity

Government has, for thousands of years, refined its methods of extracting wealth from people, perhaps with no greater efficiency than in 20th century America. The Federal Reserve, corporatism, and consumerism proved a winning combination for achieving what is known as The Great Fleecing.

While this brought about the largest transfer of wealth in history from the middle class to the 1 percent, through taxes it has also fueled the growth of an incomprehensible leviathan. The Pentagon alone “spends” (actually borrows from the Fed) \$600 billion a year using our tax dollars to perpetuate endless war, and it’s never been audited.

The federal tax code is a nightmare for most ordinary people, but this complexity is for the benefit of government’s corporate partners in extortion. The feds are always fiddling with taxes for the supposed benefit of American citizens—such as “housing stimulus packages” which ultimately [benefited the bankers](#).

The feds and the states join forces to tax every facet of life, for individuals and again for businesses. Sales taxes continually creep up, and new niches in taxation are always explored. When a small, aspiring business wants to hire someone, a double burden is created. Reports must be filed continuously for multiple government agencies, and profit that could stimulate the economy is diverted into feeding the State.

#### **Licensing as Extortion**

A favorite of state and local governments is the practice of requiring everyone who wants to provide certain products or services to be “licensed.” These licenses involve paying government to take some sort of test and/or provide documentation of state-approved training, and then paying government every year—at steadily increasing rates—until you quit, retire or die.

The notion of being licensed may sound nice to people looking for a service, and the basic idea of demonstrating knowledge about a trade is good. But mandatory government licensing can be described simply as extortion rackets with no real purpose in making things safer or better.

Take landscaping, for instance. In most places, when someone wants to install ornamental plantings at a person’s private home, he or she must be “licensed” by government. Being licensed is not really a way to demonstrate knowledge of how to successfully landscape a home. It is a test and a lifetime of government fees.

One of the most absurd examples of government licensing is African hairbraiding. In 17 states, people who offer this traditional practice must have a cosmetology license or another special license. The cosmetology license takes thousands of hours of classroom training and costs \$5,000-15,000, and is usually unrelated to African hairbraiding.

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<sup>232</sup> Adapted from *How Government Takes Away Your Right to Do Something and Sells It back To You As A “License”*, Activist Post, SOURCE: <http://www.activistpost.com/2016/05/how-government-takes-away-your-right-to-do-something-and-sells-it-back-to-you-as-a-license.html>.

The Institute for Justice (I.J.), along with several activists, has managed to dissolve these ridiculous barriers to prosperity in some places. 11 states now exempt braiders from the cosmetology licensing requirement.

Others have [fought the system and won](#). Sheila Champion, owner of The Good Earth Burial Ground, wanted to provide inexpensive, environmentally friendly burials with biodegradable caskets. The Alabama Board of Funeral Service would have effectively ended Sheila's entrepreneurial effort by making her become a licensed funeral director.

However, Sheila championed the idea of freedom by suing the Board for her constitutional right. It soon became clear to authorities that the law was bad, and "the governor signed a bill removing sales of funeral supplies and merchandise from the definition of "funeral directing.""

To put licensing [in perspective](#):

*"Twenty-nine percent of all American workers must secure a government-issued license before they can practice their trade. Unfortunately for would-be entrepreneurs who seek to create jobs for themselves and others, government-imposed licensing has grown significantly. In the 1950s less than five percent of workers were licensed. But the explosion of licensing laws and the shift to a service economy has caused tremendous growth in licensing... Approximately 50 occupations are licensed in all states and about 800 occupations are licensed in at least one state."*

*[Minnesota Economic Liberty, Institute for Justice (I.J.), Downloaded 5/23/2016;*

*SOURCE: <http://ij.org/activism/legislation/completed-legislation/minnesota-economic-liberty/>]*

Even in a profession that can be dangerous to others, such as repairing gas leaks, the constant money shakedown from government has no bearing on the safety of such professions.

Indeed, as Institute for Justice (I.J.) explains, it is not about protecting consumers, but protection from competition. Government licensing is a joint effort made possible by "the personal interests of those already practicing the occupations" and the state's thirst for control—just another part of the corporatocracy.

*"Occupational practitioners, often through professional associations, use the power of concentrated interests to lobby state legislators for protection from competition through licensing laws. Such anti-competitive motives are typically masked by appeals to protecting public health and safety, no matter how facially absurd. For example, the 2011 legislative session in North Carolina saw efforts to license music therapists. The enabling legislation's introduction stated: "The North Carolina Music Therapy Practice Act is established to safeguard the public health, safety, and welfare..."*

*[Protection from Competition, Not for Consumers, Institute for Justice (I.J.),*

*SOURCE: <http://ij.org/report/license-to-work/protection-from-competition-not-for-consumers/>]*

Another odious example lies in Louisiana, which is the only state that requires florists to be licensed. After years of legal wrangling and resistance from the florist industry, licensing requirements were reduced...but not eliminated.

*"Such arguments fly in the face of common sense—how do consumers manage in the other 49 states and D.C.?—as well as research demonstrating that Louisiana's licensing scheme in fact did nothing to improve the quality of floral arranging. Nonetheless, Louisiana remains the only state to license florists, albeit with substantially less burdensome entry requirements."*

This collusion of corporate and state interests not only takes away the right of people to do things, but also acts as a throttle to prosperity. Perhaps not coincidentally, this serves the interest of driving people away from individual creativity to instead join the corporate drone workforce.

Institute for Justice (I.J.) [describes the situation in Minnesota](#).

*"The legislation recognizes that licensing laws are bad for Minnesota entrepreneurs and consumers. Entrepreneurs are hurt because such laws protect industry insiders from honest competition. Licensing reduces jobs by forcing entrepreneurs to meet expensive and unnecessary requirements before they can start working. In fact, converting licensing laws to certification laws could help create more than 15,000 new jobs in Minnesota."*

*Moreover, Minnesota's consumers are worse off because licensing laws reduce the number of providers from which consumers can choose and force them to pay up to \$3.6 billion more for services, while reducing economic growth in the state by up to \$1.1 billion annually."*

*[Minnesota Economic Liberty, Institute for Justice (I.J.), Downloaded 5/23/2016;*

*SOURCE: <http://ij.org/activism/legislation/completed-legislation/minnesota-economic-liberty/>]*

1 These are only snapshots of what goes on in all states. Government has taken up the role of Mafioso to shake down the  
2 citizens for its own gain and deter competition for its corporate partners.

3 Since licensing is shown to have no benefit to consumers or service providers, and is successfully being challenged in court,  
4 what remains but an extortion racket?

5 Government takes away your right to do something just to sell it back to you.

6 Case law has spelled out quite simply the farce of licensing, such as the following:

7 "The First Amendment, which the Fourteenth makes applicable to the states, declares that "Congress shall make  
8 no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom  
9 of speech, or of the press . . ." It could hardly be denied that a tax laid specifically on the exercise of those freedoms  
10 would be unconstitutional. Yet the license tax imposed by this ordinance is, in substance, just that. "

11 [ . . . ]

12 "A state may not impose a charge for the enjoyment of a right granted by the Federal Constitution. Thus, it  
13 may not exact a license tax for the privilege of carrying on interstate commerce ([McGoldrick v. Berwind-White](#)  
14 [Co.](#), 309 U.S. 33, 56-58), although it may tax the property used in, or the income derived from, that commerce,  
15 so long as those taxes are not discriminatory. Id., p. 47 and cases cited. A license tax applied to activities  
16 guaranteed by the First Amendment would have the same destructive effect. It is true that the First  
17 Amendment, like the commerce clause, draws no distinction between license taxes, fixed sum taxes, and other  
18 kinds of taxes. But that is no reason why we should shut our eyes to the nature of the tax and its destructive  
19 influence. The power to impose a license tax on the exercise of these freedoms is indeed as potent as the power  
20 of censorship which this Court has repeatedly struck down. [Lovell v. Griffin](#), 303 U.S. 444; [Schneider v. State](#),  
21 [supra](#); [Cantwell v. Connecticut](#), 310 U.S. 296, 306; [Largent v. Texas](#), 318 U.S. 418; [Jamison v. Texas](#), [supra](#).  
22 It was for that reason that the dissenting opinions in [Jones v. Opelika](#), [supra](#), stressed the nature of this type of  
23 tax. 316 U.S. pp. 607-609, 620, 623. In that case, as in the present ones, we have something very different from a  
24 registration system under which those going from house to house are required to give their names, addresses and  
25 other marks of identification to the authorities. In all of these cases the issuance of the permit or license is  
26 dependent on the payment of a license tax. And the license tax is fixed in amount and unrelated to the scope of  
27 the activities of petitioners or to their realized revenues. It is not a nominal fee <sup>114\*</sup>114 imposed as a regulatory  
28 measure to defray the expenses of policing the activities in question.<sup>233</sup> It is in no way apportioned. It is a flat  
29 license tax levied and collected as a condition to the pursuit of activities whose enjoyment is guaranteed by the  
30 First Amendment. Accordingly, it restrains in advance those constitutional liberties of press and religion and  
31 inevitably tends to suppress their exercise. That is almost uniformly recognized as the inherent vice and evil of  
32 this flat license tax. As stated by the Supreme Court of Illinois in a case involving this same sect and an  
33 ordinance similar to the present one, a person cannot be compelled "to purchase, through a license fee or a  
34 license tax, the privilege freely granted by the constitution."<sup>234</sup> [Blue Island v. Kozul](#), 379 Ill. 511, 519, 41  
35 [N.E.2d. 515](#). So, it may not be said that proof is lacking that these license taxes either separately or cumulatively  
36 have restricted or are likely to restrict petitioners' religious activities. On their face they are a restriction of the  
37 free exercise of those freedoms which are protected by the First Amendment."  
38 [Murdock v. Pennsylvania, 319 U.S. 105]

<sup>233</sup> "And be it enacted by the Authority aforesaid, That there shall be raised, levied, collected and paid, to and for the Use of her Majesty, her Heirs and Successors, for and upon all Books and Papers commonly called Pamphlets, and for and upon all News Papers, or Papers containing publick News, Intelligence or Occurrences, which shall, at any Time or Times within or during the Term last mentioned, be printed in Great Britain, to be dispersed and made publick, and for and upon such Advertisements as are herein after mentioned, the respective Duties following; that is to say,

"For every such Pamphlet or Paper contained in Half a Sheet, or any lesser Piece of Paper, so printed, the Sum of one Half-penny Sterling.

"For every such Pamphlet or Paper (being larger than Half a Sheet, and not exceeding one whole Sheet) so printed, a Duty after the Rate of one Penny Sterling for every printed Copy thereof.

"And for every such Pamphlet or Paper, being larger than one whole Sheet, and not exceeding six Sheets in Octavo, or in a lesser Page, or not exceeding twelve Sheets in Quarto, or twenty Sheets in Folio, so printed, a Duty after the Rate of two Shillings Sterling for every Sheet of any kind of Paper which shall be contained in one printed Copy thereof.

"And for every Advertisement to be contained in the *London Gazette*, or any other printed Paper, such Paper being dispersed or made publick weekly, or oftner, the Sum of twelve Pence Sterling."

<sup>234</sup> Stevens, Sources of the Constitution, 221, note 2; Stewart, Lennox and the Taxes on Knowledge, 15 Scottish Hist. Rev. 322, 326; McMaster & Stone, Pennsylvania and the Federal Constitution, 181; [Grosjean v. American Press Co.](#), 297 U.S. 233, 248.

Another court issued a clarion call in the fight for freedom. The below case was about a criminal trespass that had no “mens rea” or evil or malicious or injurious intent. The trespass conviction was overturned, but the same principle applies to those who work without a license but do not intend to injure anyone and in fact DO NOT injure anyone by doing so.

*“It is generally recognized that there can be no conviction for aiding and abetting someone to do an innocent act. See, e. g., Edwards v. United States, 286 F.2d. 681 (C.A. 5th Cir. 1960); Meredith v. United States, 238 F.2d. 535 (C.A. 4th Cir. 1956); Colosacco v. United States, 196 F.2d. 165 (C.A. 10th Cir. 1952); Karrell v. United States, 181 F.2d. 981, 985 (C.A. 9th Cir. 1950); Manning v. Biddle, 14 F.2d. 518 (C.A. 8th Cir. 1926); Kelley v. Florida, 79 Fla. 182, 83 So. 909 (1920); Commonwealth v. Long, 246 Ky. 809, 811-812, 56 S.W.2d. 524, 525 (1933); Cummings v. Commonwealth, 221 Ky. 301, 313, 298 S.W. 943, 948 (1927); State v. St. Philip, 169 La. 468, 471-472, 125 So. 451, 452 (1929); State v. Haines, 51 La. Ann. 731, 25 So. 372 (1899); Wages v. State, 210 Miss. 187, 190, 49 So.2d. 246, 248 (1950); State v. Cushing, 61 Nev. 132, 146, 120 P.2d. 208, 215 (1941); State v. Hess, 233 Wis. 4, 8-9, 288 N.W. 275, 277 (1939); cf. Langham v. State, 243 Ala. 564, 571, 11 So.2d. 131, 137 (1942).”*

*[Shuttlesworth v. City of Birmingham, Alabama, 373 U.S. 262]*

Once these impediments to freedom and prosperity are broken down, will society plunge into a mad max world of people engaging recklessly in such services as braiding hair or landscaping a home?

Well, no.

There are better ways to address the actual issue of consumers wanting to hire reputable service providers.

*“Certification, especially certification by an independent third party, can give consumers justifiably heightened confidence in a service provider without imposing licensing restrictions that stifle entry into an occupation, which limits competition and drives up prices. What’s more, such voluntary certification can be coupled with online reviews and recommendations to further guide consumers to the best service providers.”*

In other words, working outside of government and the corporatocracy is more effective at making things better and safer than the sham of licensing.

## **19.4 What does God’s Law say about licenses generally?**

1. **Numbers:** All licenses have numbers attached to them. These numbers are used as an identifier. God considers it an abomination for people to be numbered by the government. For example:

In the Old Testament era, King David gave a command to number the people (1 Chronicles 21:2). Joab warned King David that he would “be a cause of trespass to Israel” if he numbered the people (verse 3). But King David numbered the people anyway, knowing it was a trespass against them (verse 4). God was displeased with King David for numbering the people, so God smote Israel (verse 7). David admitted he sinned greatly (verse 8), and because the people themselves willfully took a number from their government, God sent a plague upon those people and 70,000 were killed (verse 14) [See also 2 Samuel 24 for a parallel account].

In the New Testament era, we are told that governments will, likewise, try to mark all people with a number, and that whoever refuses to take this number from the government will not be able to interact with society, such as being able to buy or sell (Revelation 13:16-18). God says those who take this mark will be punished by Him. (Revelation 14:9-11; 16:2; 19:20). [Note: the term “beast” is defined as the government of a people; specifically as kings (Daniel 7:17, Revelation 17:10-12), and kingdoms (Daniel 7:18,23, Revelation 16:10) that have power to make war and kill (Revelation 11:7; 17:14)]

Now, most people are taught that the “numbering” of the people, by King David, was simply he counting the people. Well, we have to look at the intention. It is no sin to count people. There are many examples in scripture of counting the number of people in the camps in Old Testament Israel (Numbers 10); scripture records 3,000 people being added to Christ’s assembly (Acts 2:41); did the ones who count these people commit a sin? Of course not. Because their intention was for God’s glory, and not for evil, selfish purposes.

What appears to us harmless, or at least but a small offence, may be a great sin in the eye of God, who sees men’s principles, and is a discernor of the thoughts and intents of the heart. But his judgment, we are sure, is according to truth.



The purpose for numbering people should be done for God's righteous purposes, and not for man's evil purposes. The law that David and the people violated can be found at Exodus 30:12-16. After being numbered, each man and woman was to give money to the sanctuary of God to atone for their souls (Exodus 38:25-26, Numbers 1:2-5; 26:2-4). Hereby they acknowledged that they received their lives from God, that they had forfeited their lives to him, and that they depended upon his power and patience for the continuance of them; and thus they did homage to the God of their lives, and deprecated those plagues which their sins had deserved. The redemption money given was used in the service of the sanctuary to further God's Will.

These people partook of David's sin, and did something to deserve death. Numbers are usually used for commercial and evil purposes by governments, and God knows this. When someone accepts being numbered for any purpose other than God's glory, these people sin. When the people allow themselves to be numbered and tracked by the government for their own purposes, that is when both the people and the government have sinned.

To accept a license from the government is to replace the name given by God with a number given by man.

2. **Date of birth:** The government will not give you a license unless you tell them when and where you were born. Now, there's a problem with this. A bondservant of Christ is to always tell the Truth (Zechariah 8:16, Ephesians 4:25). But if a bondservant tells somebody when or where he or she was born, they would be lying. Simply because nobody remembers the day they were born! To venture a guess would be telling a lie. It would be a conclusion based upon hearsay only. Hearsay is not the truth.

For example, in a court of law, before someone takes the stand, they swear, "To tell the truth, the whole truth, and nothing but the truth". Now, if a witness is asked a question about the date of a particular event that happened in the past, and the witness on the stand says, "Well, I do not have any recollection of that event at all! But my mother says it occurred at". Objection! This statement that "someone else" told him "when" it happened is not allowed in court because it is based upon hearsay, and the law says hearsay is not the truth. If a witness did not witness an event, they cannot claim to be a witness! Period.

Someone may object by saying, "Well, if you believe in scripture, that's hearsay." But the scripture itself is not hearsay; it is a testimony, recognized by Law as Truth. Someone may also object by saying, "Well, a birth certificate is a signed testimony. Therefore, one knows when one was born if they have a birth certificate." Again, this is hearsay.

For instance, if I got on the witness stand, and was asked my birth date, and reply, "Well, according to this birth certificate, it says I was born on so and so," the court would not admit my testimony as evidence. What good will it do to enter as evidence someone saying, "This birth certificate says so and so." The jury can see for themselves what it says! My testimony would be meaningless. I did not witness that event. Likewise, 500 people can get on that stand and say, "According to this birth certificate, it says he was born on so and so." All 500 testimonies are meaningless. Now, the court can enter the birth certificate itself as evidence, what the certificate says may be evidence, but not what someone says the certificate says. That's hearsay. On the other hand, if a nurse went on the stand and said, "I witnessed his birth." Well, now her testimony can be entered into evidence because her testimony is evidence of an event. However, someone simply saying, "This birth certificate says..." is not a witness of the birth.

Some may say, "Well, you're not in court when a cop asks you when you were born." This is not true. We set a record of our walk on earth every day. Everything you say to a cop may be used against you in a court of law. Therefore, "court" does not begin when you swear an oath to tell the truth on the stand, "court" does not only begin when the blue lights start flashing in your rear-view mirror, "court" takes place every second of every day of your life. We are not to tell the truth just when we're on the witness stand, we are to speak the truth always.

In addition, if someone asked us when we were born, they are asking us to be a witness against ourselves! They are asking us to give them information to use against us. It is their duty to gather evidence, it is not our duty to do their job for them and give them evidence to persecute us with. It is against their own laws for them to do this, as verified by their Constitution!

When someone is asked when or where he or she was born, do they answer according to their own personal memory of that event, or by hearsay? They go by hearsay; by what someone else told them, or by what a piece of paper tells them. The Disciples of Christ are witnesses (1 Thessalonians 2:10). Therefore, we cannot answer that question truthfully as to when or where we were born because we were not a witness to that event. Remember, when you sign a license, you are swearing that you are a witness to everything stated on that piece of paper. God's Ninth Commandment tells us never to

bear false witness (Exodus 20:16, Deuteronomy 5:20), but this is exactly what one does (though unintentional it may be) when they claim they are a witness to one's birth, or if they rely upon hearsay (which is not the truth, according to both man's law and God's Law).

*"Testimony by a witness in court in response to a question as to his own status, for example age, legitimacy, nationality, is closely related to the subject of pedigree declaration (pedigree has to do with animals). A person cannot know these facts except from hearsay information, for he cannot even be informed of these facts until an appreciative time after his birth."  
[People v. Rath, 115 Ca.132]*

So, your birth date is hearsay information. This is a presumption, and they want you to confirm those presumptions. And you avoid confirming those presumptions and you rebut that with the Word of God. When someone wants to identify you, you tell him or her who you are according to the Word of God; how He has described you, and not how the world would like you to be described.

3. **Name:** Names, in general, are given by those in authority to those in subjection to that authority, to mark and note them.

God calls his servants by name (Isaiah 43:1; 45:3; John 10:3, Revelation 2:17). Everyone's name is sacred, it demands respect as a sign of the dignity of the one who bears it. Now, here is a question for you, dear reader. Have you ever, in your entire life, "signed" your name in ALL CAPITAL LETTERS? Of course not! Haven't you always used both upper and lower case letters to sign your name? Yes. And why is that? Because that is what you have been taught since a child. Because the standard Rule of Law governing the use of English Grammar states that the correct Capitalization of Proper Names must begin with a capital letter, and the rest of the name must be spelled in smaller case letters. At Law, this lets others know you are an entity created by God, and not an entity created by man.

Now, there are entities created by man. Corporations for example. Corporations are known as "persons" created by the government. They are created on a piece of paper and brought into existence by the government. To differentiate between those created by God and those created by the government, those created by the government have their names spelled in ALL CAPITAL LETTERS. This lets others know that this entity does not have a body, soul, and spirit like man has, but that this is a fictitious entity created for the purpose of making a profit.

Now, if you look at a license, you will notice the name that appears on it is spelled in all capital letters! What this means, at law, is that the entity that is named on this license is a creature of the government, and not a creature of God. It means that entity is a servant of Caesar, and not a servant of God. In order to get a license, one must substitute one's lawfully spelled name for a fictitiously spelled name; you must deny the name given to you by God, and accept a name given to you by Caesar in its place. Since your name is not spelled in all capital letters, the name that appears on a license is not yours! That is not who you are. And you must lie and say that this name is yours to get a license.

*James 2:6-7, "Do not rich men oppress you, and draw you before the judgment seats? Do not they blaspheme that worthy name by the which ye are called?"*

4. **Address:** Again, an address uses numbers forced by the government, including the house number, street number, and zip code [See #1 above]. These are fictions and do not exist at law. For example, the Rule of Law governing the English Language states that all numbers must be spelled out! That's why in scripture; all numbers are spelled out completely (note: chapter and verse numbers were added by man for a reference and are no part of scripture). That's why on dollar bills; you see the amount of the dollar bill spelled out completely (FIVE DOLLARS). If the writer of a bank check does not spell the amount of the check completely, the bank will not cash that check, because it is not a lawful document until all numbers are spelled out according to the law.
5. **State:** A license has a two-letter word in place of the State's name. Many people assume this is an abbreviation for their State, but it is not. The Rule of Law governing the use of English Grammar and Correct Punctuation states that all abbreviations must have a period after it, otherwise it is no abbreviation at all. For example, the abbreviation "No." with a period after it is short for "number". But if "No" doesn't have a period after it, its meaning is changed completely. The State name listed on a license is neither an abbreviation nor a name of a State. It is a fiction. It does not exist in Law.
6. **Pictures:** Most licenses display an image of the male or female that is being licensed. God's Second Commandment tells us not to make "any graven image or any likeness of anything...that is in the earth...Thou shalt not bow down thyself to them, nor serve them" (Exodus 20:4-5, Deuteronomy 5:8-9). Also:

*"Lest ye corrupt yourselves, and make you a graven image, the similitude of any figure, the likeness of male or female,"*

In Webster's Dictionary, a picture is defined as "an image or likeness of an object, person, or scene produced on a flat surface, esp. by painting, drawing, or photography". The term "pictures" is specifically used in the scripture to describe what is evil to the Lord (Numbers 33:52, Isaiah 2:16).

Now to clarify, the mere making of an image is no sin, because God commanded Moses to make an image of a brass serpent (Numbers 21:8); God commanded the priests to make images of pomegranates on their garments (Exodus 28:33-34; 39:24); God commanded to make images of cherubim's out of gold on the mercy seat (Exodus 25:18-22; 37:7); and the sanctuary, as a whole, was richly ornamented with images. Therefore, images, or pictures, are not evil in and of themselves.

However, it is the making with the intent to give idolatrous worship that is evil in the sight of the LORD, and provokes him to anger (Deuteronomy 4:25). When the Israelites made a molten calf, it was not the image of the calf itself which was a sin, it was what the people did with the image of the calf that made them sin. It was their act of idolatrous worship with that image, not that image itself, which was an abomination to God (Exodus 32:8). And looking to the soulless state for your authority to do things is idolatrous worship.

Why does God prohibit looking to images for authority? Because God prohibits all attachments to worldly things. As God is the fountain of happiness, whoever seeks happiness in the creature, is necessarily an idolater as he puts the creature in the place of the Creator (Romans 1:25). God's Law is divinely calculated to prevent man's misery and promote his happiness, by taking him off from all false dependence, and leading him to God himself, the fountain of all good.

For example, when someone asks you to show proof of your authority for going from one place to another, what do people usually show him or her? Answer: a piece of paper with an image on it, which is created by Caesar. What does this "driver's license" tell people? It says you look to Caesar for your authority to do the things you do. It says you "bow down and serve" those who created that "image" that you proudly display to others, by obeying everything they tell you to do. But, for those who believe their authority comes from God himself, the scripture is all the "proof" you need to go from place to place.

God will not give his praise to images (Isaiah 42:8). Those who trust in graven images will be "greatly ashamed" (Isaiah 42:17).

7. **Signature:** By signing this ungodly piece of paper, you are claiming you are a "citizen" of some man's government, but the scriptures say we are "...fellow citizens with the saints, and of the household of God" (Ephesians 2:19). Christ's kingdom is not of this world (John 18:36). We are in this world, but not of this world. A license is a contract, and you are bound to abide by the terms of that contract. By signing a license, you agree to place man's law above God's Law. This is idolatry. This is placing something else higher than God. By signing a license you are signing away God's existence. Man says, "We ought to obey men rather than God." But God says, "We ought to obey God rather than men" (Acts 5:29). Who will you follow? The will of man or the Will of God?

When you sign a license, you stand as surety for the fictitious entity created by the state. Similar to how a man stands as surety for a corporation (meaning if the corporation does something wrong, the man will go to court and answer to the charges against the corporation). This is what you do when you stand as surety for that fictitious name on that license. But the scripture is clear that we are not to stand as surety (Proverbs 6:1-2; 11:15), In 2 Kings 18:23,31, the people refused to stand as surety (pledges) for their king (government).

8. **License:** The lawful definition of a license is, "A permit to do that which, without the license, would be illegal to do". In other words, the government makes something that was lawful to do, illegal. Then they tell you that if you pay the government money (a bribe), then they will turn their backs and give you a permit that allows you to break the law that they just said was illegal to do!

## **19.5 Biblical prohibitions against specific types of licenses**

Below are a few examples of various types of licenses and why they violate God's laws:

1. **Marriage license:** God ordains Marriage. (Genesis 2:23-24, Mark 10:6-9, 1 Corinthians 7, 1 Timothy 5:14, Hebrews 13:4). Speaking of marriage, Jesus himself said, "What therefore God hath joined together, let not man put asunder" (Mark 10:9). Yet, this is exactly what the men of government do today by saying marriage is illegal; they put asunder

the institution of marriage! Remember, if anyone does anything today without a license from the government, it is an illegal act; and there's a strong possibility of getting penalized, fined and imprisoned. Marriage is no exception. Marriage is illegal!

If it is God's Will to bring two souls together in Holy Matrimony, what right does mere man have to say two souls cannot get married, until they ask the government for permission? Until they pay the government their hard earned money to get a license to exercise God's will? Does mere man have authority, at law, to interpose himself, or his purported law, between God's Will, and to bring punishment on a servant of Christ for exercising God's Law? Could it be evil to execute the Law of God? Could it?

2. **Preaching license:** Jesus commanded us to preach (Matthew 10:7, Mark 16:15, Luke 9:2,60, 1 Corinthians 1:17; 9:14,16, 2 Timothy 4:2). What right has man to say we cannot preach anymore until we bribe the government with a fee to get a license to do what God has already commanded us to do? According to the scripture, man is forbidden to charge a fee to preach the gospel of Christ: "What is my reward then? Verily that, when I preach the gospel, I may make the gospel of Christ without charge, that I abuse not my power in the gospel." (1 Corinthians 9:18).
3. **Fishing license:** God has already given us permission to fish freely (Genesis 1:26,28, Habakkuk 1:15, Matthew 17:27, John 21:10). What right has mere man to say it is now illegal to do what God has already told us is lawful to do? Who owns the fish and water anyway? (Exodus 19:5, Psalm 24:1, Isaiah 44:24, 2 Corinthians 5:18).

The Lord has provided those fish for us. The natural man does not have dominion over those fish. The Lord uses him to make sure those things are not ravished, but if you're fishing for whatever you need at that time to eat, then there's no license that controls that; those are a gift from God. And if someone says to you that you must have a license to fish, you may reply, "My Father has provided these fish for me. And nowhere in His Word does it say that I have to have a license to eat those fish. I'm not here for my wants. I am not abusing the fish, I am only going to take what I need."

Now, if you're fishing for commercial gain, then you're engaged in commerce and you've come under the commercial laws, because you're trying to profit off of God's creation. And the natural man will have jurisdiction over that because you're engaged in evil. We're not to profit off of His creation; we don't need to because he provides for our needs through our labors. When one goes to commercial activity and gain, they're actually trying to grasp more than what we really need, and that goes to the wants.

If you have enough, then you're blessed. Why do you need to spend your life constantly trying to scrape up more? And when all of your needs are met, you have less than everyone else but that's actually a blessing because of the Peace in it. And that's the true Peace of the Lord, not the peace that the world thinks they know, because there's no peace in the world.

4. **Pet license:** God's very first command to man was to take care of the creatures upon the earth (Genesis 1:26-28). What right has the government to say it is now illegal to take care of God's creatures? Who owns the animals? (Exodus 19:5, Psalm 24:1, Isaiah 44:24, 2 Cor. 5:18). How can we register with Caesar (the State) those things (animals) that belong to God? (Mark 12:17).
5. **Birth license:** Also known as a birth certificate. Since it is almost impossible to get a license today without a birth certificate, and it is almost impossible to do anything today without a license, then one cannot interact in society without this permission slip issued by Caesar. How ridiculous that anyone would ask for "proof" that you were born! That is basically what a birth certificate is. But is not the fact that you are breathing proof enough that you were born?

God says he knows us and sanctifies us before we are formed in the belly and before we are physically born (Jeremiah 1:4-5). So, according to God, we come into existence before our physical birth. The government says we come into existence after our physical birth, thus denying the scriptures. To a bondservant of Christ, it is not the first birth from corruptible seed that's important (1 Peter 1:23), but our second birth, when we're "born again" (John 3:3,7), that's important. The first birth is of the world; the second birth is of God (John 1:12-13). If we say we were "born" after we came out of the womb, then we are denying we were born of God. We are then of the world, and not of God.

6. **Work license:** God says, "...the labourer is worthy of his hire" (Luke 10:7) and "six days shalt thou labour, and do all thy work" (Exodus 20:9), but man says the labourer is not worthy to be hired, and shall work zero days per week, especially if he doesn't have a number issued by the government. God says, "... The labourer is worthy of his reward." (1 Timothy 5:18), but man says the labourer is only worthy of half his reward, the other half must be withheld from his pay. God says, "...the workman is worthy of his meat." (Matthew 10:10), but man says the workman is only worthy of half his meat, the other half must be withheld from his pay. But God condemns the withholding of wages (Jeremiah 22:13, Malachi 3:5, James 5:4, Deuteronomy 24:14).

1 7. **Driver's license:** Liberty is given to us by God (Galatians 5:1). Liberty is the freedom to go from one place to another  
2 without interference. Jesus Christ already set us at liberty (Luke 4:18, Romans 8:13, 2 Corinthians 3:17), and there are  
3 already restrictions in the scripture for using our liberty (Galatians 5:13, 1 Peter 2:16).  
4 As Paul says, " why is my liberty judged of another man's conscience? For if I by grace am a partaker, why am I evil  
5 spoken of for that for which I give thanks?" (1 Corinthians 10:29-30). Why does government, "spy out our liberty which  
6 we have in Christ Jesus, that they might bring us into bondage" (Galatians 2:4)? "While they promise them liberty, they  
7 themselves are the servants of corruption: for of whom a man is overcome, of the same is he brought in bondage" (2  
8 Peter 2:19).

## 9 **19.6 Insurance**

10 If the scripture could be summed up in one word, it would be "accountability". Every man is accountable and responsible for  
11 his own actions (Exodus 21:32-34). If you sin, you'll be punished. If you are righteous, you'll be rewarded. If you steal or  
12 damage someone's property, you must pay restitution to the victim. The scripture teaches us that only the one who commits  
13 a wrongful act must take the responsibility.

14 If I were to take insurance, I would be forsaking God's Law by taking accountability away from myself, and forcing it upon  
15 others. If I were in an accident, others would pay the cost of my negligence, and not I, as God commands. When responsibility  
16 is taken away from people, and accountability is not a deterrent, then people are free to commit wrongful acts without fear of  
17 punishment. How many times have you heard someone say the phrase, "I don't care what happens to that, it's insured!"

18 Getting insurance is done out of:

- 19 1. The "fear of man".
- 20 2. Fear of having an accident.
- 21 3. Fear of having your car stolen by a thief.
- 22 4. Fear of being fined and thrown in jail for not having insurance.
- 23 5. Fear of having your car impounded for not obeying man's insurance laws.

24 But we are commanded to not fear man.

25 *"...The Lord is my helper, and I will not fear what man shall do unto me."*  
26 *(See also Psalm 56:4; 118:6, Isaiah 51:7, Matthew 10:28).*  
27 *[Hebrews 13:6]*

28 Those who pursue insurance are saying to God that His grace is not sufficient.

29 *And He [God] said to me, "My grace is sufficient for you, for My strength is made perfect in weakness." Therefore*  
30 *most gladly I will rather boast in my infirmities, that the power of Christ may rest upon me. 10 Therefore I take*  
31 *pleasure in infirmities, in reproaches, in needs, in persecutions, in distresses, for Christ's sake. For when I am*  
32 *weak, then I am strong.*  
33 *[2 Cor. 12:9-10, Bible, NKJV]*

34 We don't need insurance from man, because we have assurance from God:

35 *"And the work of righteousness shall be peace; and the effect of righteousness quietness and assurance forever."*  
36 *[Isaiah 32:17]*

37 *"Let us draw near with a true heart in full assurance of faith, having our hearts sprinkled from an evil conscience,*  
38 *and our bodies washed with pure water."*  
39 *[Hebrews 10:22]*

40 In fact, this whole mess we find ourselves on Earth combating started because Eve sought insurance and indemnification for  
41 her disobedience to God's command not to eat the fruit. It was insurance, in fact, that the serpent Satan offered Eve that  
42 caused her to decide to eat the fruit that brought death, disease, and corruption into the world. Satan, personified in the  
43 serpent, promised Eve she would not suffer the consequences God promised and that Eve would be like a God, accountable  
44 and liable to NO ONE.

45 *Then the serpent said to the woman, "You will not surely die. 5 For God knows that in the day you eat of it your*  
46 *eyes will be opened, and you will be like God, knowing good and evil."*



Governments ever since the above fall have made a business and a franchise out of offering all kinds of insurance, and all they are doing is encouraging irresponsibility and promoting lawlessness, carelessness, and injury to our neighbor in violation of the second great commandment to love our neighbor. See:

The Unlimited Liability Universe

<http://famguardian.org/Subjects/Spirituality/Articles/UnlimitedLiabilityUniverse.htm>

You don't hurt people you love, and therefore governments have been directly and maliciously undermining God's law and may not be obeyed to the extent that they do, because they are in mutiny against God like the serpent and Satan were and are:

*"Love does no harm to a neighbor; therefore love is the fulfillment of the law."*

[Romans 13:9-11, Bible, NKJV]

## 19.7 Another form of Taxation

In addition, licenses cost money. The government is giving us things at a cost. God himself said he would "freely give us all things" (Romans 8:32). What right has man to charge for something God already gave us for free?

A license is just another form of taxation. By requiring a license, the state is claiming complete control and ownership over a disciple's life, liberty, and property. In demanding licensure from the servants of Christ, the State is asking that we render to it the submission and tribute that scripture requires us to give to God alone (Matthew 4:10). Christ's assembly does not exist on paper, but in the hearts of men, and is expressed in their outward acts. Because there is no breath of Life from God in such pieces of paper, we should not look to them for any authority for doing anything. Christ is our authority for doing the things we do (Philippians 4:13). Man is ruled by Law, not by the will of man.

## 19.8 The most important Law to Know

We should indeed obey that government instituted by the Spirit of God in Christ Jesus, but not a usurper or pretender to His Throne (Hosea 8:4). It is necessary to draw the distinction between those who exercise Godly Power in Lawful Execution of God's Will from those who exercise a "power" for their own private purposes and claim to be doing God's service. The giving of a "name", "birth date", "address", and a "socialist security number" are all identifiers of crafty men that confirm one to be the property of the Babylonian system which created and uses those identifiers to mark its property. That's why it's so very important not to carry an I.D. because any kind of identification you carry describes you according to the State and not according to the Word of God. It's not you, it's an image of you, and it's an image described by men.

The giving of a "name," "birth date," "address," all forming a "legal description" of a "legal personality" are all identifiers of crafty and deceitful men forming their seal made in their image and likeness that confirm one to be the property of the Babylonian system which created and uses those identifiers to mark its property.

A King rules by his law; likewise, God rules by his law, and His Law is the Word of God. We honor Christ by obeying him (John 14:15 "If ye love me, keep my commandments"), not by substituting man-made requirements in place of His. When there is a conflict between God's law and man's law, we must choose whom we will serve, because "No man can serve two masters" (Matthew 6:24). All one must do to decide which law to follow is to search the scriptures:

*"Then Peter and the other apostles answered and said, we ought to obey God rather than men."*

[Acts 5:29]

*"For the LORD is our judge, the LORD is our lawgiver, the LORD is our king; he will save us."*

[Isaiah 33:22. (See also James 4:12)]

*"Thus saith the LORD; Cursed be the man that trusteth in man."*

[Jeremiah 17:5]

*"It is better to trust in the LORD than to put confidence in man than to put confidence in princes."*

[Psalm 118:8-9]

*"Put not your trust in princes."*

1 [Psalm 146:3]

2 "Let us hear the conclusion of the whole matter: Fear God [\*not man], and keep his commandments [\*not man's  
3 commandments]: for this is the whole duty of man."  
4 [Ecclesiastes 12:13]

5 The most important law to know is God's Law because it is our standard by which we measure and judge all other systems  
6 of law. Then, when we confront other laws and measure it by God's standard, we can judge whether such laws are godly or  
7 not.

8 Think about this. We are "to be conformed to the image of his Son" (Romans 8:29), which is Jesus, the Christ. When we look  
9 to a State ID and say, "Yea, that's me, that's who I am," then who are we being conformed to? When we receive identification  
10 from the State, then we're made in the image and likeness of Caesar.

## 11 **19.9 Riding in Cars**

12 Randy Lee, from the Christ's assembly at California, has been exercising his duty of movement on the common ways for  
13 many, many years. He has been pulled over many times. Most of time, after Randy spoke the truth to them, and knowing that  
14 Randy had no license, tags, registration, title, insurance, and so forth, the police would let him go and continue on his way,  
15 and did not arrest him nor impound the car.

16 It is interesting to note that every time the police let Randy go, the car he was in did not have any marks of Caesar (i.e., no  
17 State issued license plates, title, registration, insurance, etc.). There were only two times when the police impounded the car,  
18 and both times were when Randy was in a car that had State issued license plates.

19 The first time the car was impounded was when he borrowed his friend's car (which was registered with the State). After the  
20 police pulled him over, the only thing Randy gave them was his "name." They arrested Randy Lee and impounded the car.  
21 However, Randy did not sign anything nor give them fingerprints or a mug shot while in their custody. He also went on a fast  
22 while in jail (which concerned the jailers greatly).

23 When they brought him before the judge, the judge told Randy that he could go home if he would pay a \$400 fine and agree  
24 to 6 months of probation. Randy replied, "I cannot pay a fine because I have no money. And I cannot agree to probation  
25 because I cannot enter into any agreements with you." The judge did not even ask why, and sentenced Randy to a lengthy jail  
26 term. (Keep in mind that the courtroom was filled with many people, and the judge had to act like he was in charge).

27 However, that same night, Randy received a note from the judge stating that he would be released in three days, and he was!  
28 Why? Because without an address, birth date, birthplace, social security number, signature, etc., the COUNTY is not able to  
29 bill the STATE for the cost of keeping you in their facilities!

30 Anyway, in California, when the State impounds the car, they must hold it for 30 days. After the 30 days, the cost to get it  
31 back might be more than the car is worth. So Pat (the "registered owner" of the car) visited the police chief in person and  
32 begged for his car back. The police chief agreed to give him the car back and waive the 30 days law, but he warned him that  
33 if it happens again, they would hold it for the full 30 days.

34 The second time the car was impounded, Randy was in the same State registered car when he got pulled over again, but this  
35 time, when Randy gave them his name, the cop ran his name through his computer in his police car. Obviously, what  
36 transpired with Randy the previous time must have appeared on his terminal? When the policeman approached Randy, he  
37 told him that he was free to go, but he had to impound the car.

38 One may ask, "Why did they impound the car, but not arrest Randy?" Well, the car was registered with the State, and was  
39 under the jurisdiction of the State. They had full control over it, since it had the identification marks of the State. However,  
40 Randy Lee did not have identification from the State, and since he did not commit any evil acts against another, they had no  
41 jurisdiction over Randy, and they let him go.

## 42 **19.10 Conclusions**

43 To summarize, a license requires us to:

1. Make an image, a picture.
2. Accept a number (mark) from the government (beast).
3. Lie about being a witness to our own birth.
4. Deny our lawfully spelled Christian name and accept a fictitiously spelled name in its place. And . . .
5. Commit idolatry by giving allegiance and preference to the laws of man above the Laws of our Creator.

All of which provokes God to anger.

Dear reader, who do you place as Lord over your life? Who do you look to for your authority for doing the things you do? What do you claim is your authority for marriage, preaching, fishing, having pets, working, or driving a car? If you have a license from the government to do these things, then you look to Caesar for your authority to do the things you do. If you rely solely upon the Scriptures to do these things, then you look to God for your authority to do the things you do. Either you believe, "I can do all things through the government which strengtheneth me", or you believe, "I can do all things through Christ which strengtheneth me" (Philippians 4:13). You cannot serve two masters (Matthew 6:24, Luke 16:13).

God does have patience with us, but His patience, as His Word shows, does run out. And we have to take those things into consideration. In other words, when you learn these things, you don't have to go out and get rid of all your licenses immediately, we're not promoting that idea. But consider these things and say, "Am I attached to these things through the Will of God or though the will of man?" That's what we're talking about. We need to proceed cautiously as the Spirit of God leads us, and don't make any rash decisions. You have to go to Him and pray, because He will show you the way out of these things. Everybody's situation is different.

We are not here to judge anybody and say, "Well, you're a heathen because you have all these licenses." Well, we used to have all these licenses, we don't have them anymore, but we understand your situation. We have all had this over-whelming feeling when this Truth was revealed to us. And it looks like an insurmountable thing to do away with them, but it isn't because we have eliminated them all out of our lives, but we've done it over a period of time. Sometimes it takes years. In most cases, especially when you have a family, we have to consider that the Lord says he who does not take care of his family is worse than an infidel. We have responsibilities before the Lord, and if we have to remain in servitude and slavery to fulfill those obligations, then we have to do that with patience, looking to the day when you can be free from debt, free from licensure, and free from all these obligations that you've gotten yourself into.

The important thing is to know that they are not of God, and once you do that, He knows your heart and He will give you the time to do those things, if you willingly submit to Him. By "willingly," I mean when that call comes to you, you don't resist it. Only God can set you free. Once you get rid of all the licenses and burdens of the world, your heart still has to be true.

## **20 When is a "License" Really a "Franchise"?**

Franchising is one of the most popular business formats today. Popular name brands such as McDonalds and Subway are international franchise name brands. All franchise agreements are licensing agreements but not all licensing agreements are franchises.

A franchise is a license, though you usually don't find someone so focused on language minutia that they make a big deal out of the distinction in the sense of business opportunities. The term "get a life" springs to mind as I read your account of them correcting you on this small matter.

A franchise is a license issued to someone to operate a business using a common brand name, a common operating support system and involving the payment of initial and/or ongoing fees.

There are also many types of licenses that are not franchises. For example, when you buy a copy of Microsoft Office you are not actually purchasing Office--you are entering into a license agreement that allows you to use the product under the specified terms and conditions they have outlined in the license agreement (all that fine print that no one reads).

There are business opportunities that are not franchises, though we don't know of any businesses opportunities that label their opportunity as a license. Business opportunities are like franchises except that they are missing one of the three necessary ingredients mentioned above--typically a common brand.

1 If the person you were dealing with meant to say that they were a business opportunity rather than a franchise, they need to  
2 go back to hair splitting school to learn some new terminology.

### 3 **Three-legged Definition**

4 For a licensee to be legally considered a franchise by the FTC it needs to meet most of the three requirements regarding  
5 royalties, operating procedures, and trademarks mentioned in the next section. The FTC "Franchise Rule" documents  
6 this three tiered criteria later in section 21. If a business does not meet all the three criteria, then it is usually considered a  
7 license rather than a franchise, whether or not they choose to call it a license. In effect, the contract that formed the company  
8 becomes the "license" conveyed from one of the parties to the other party to the agreement.

### 9 **Grant of License**

10 Both franchise agreements and licensing agreements have one main commonality: they both grant a license from one  
11 party to another. The grant of license typically involves a core product, service, technique, method, or name brand.

### 12 **Royalties and Fees**

13 One of the three distinguishing characteristics that makes a license a franchise is the payment of royalties by the  
14 franchisee to the franchisor. Any license requiring a licensee to pay royalties of \$500 or more in six months is typically  
15 considered a franchise.

### 16 **Operating Model**

17 If the licensor provides the licensee with substantial operating instructions and manuals then the license is typically  
18 considered a franchise; this is the second component of franchising.

### 19 **Use of Trademarks and Name Brand**

20 The final component of defining a franchise is the use of trademarks and name brands. If a licensee is allowed to use  
21 the name brand and trademarked logo, then the licensee is also a franchisee.

22 All of the decisions made around licensing vs. franchising is dependent upon the facts and circumstances of the  
23 licensing agreement. A qualified franchise or business attorney should always be consulted when reviewing licensing  
24 or franchising documents.

## 25 **21 FTC Franchise Rule: Detailed definition of what constitutes a "franchise"**

26 The Federal Trade Commission Franchise Rule, 16 C.F.R. 436.1 et seq., governs, at a federal level, disclosures which a  
27 "franchisor" must provide to each prospective franchise. There are also numerous state laws which may apply in any given  
28 situation. The discussion in this section will be limited to the requirements under the Franchise Rule.

29 Several types of continuing commercial relationships are governed under the Franchise Rule. Two specific types of  
30 relationships are: 1) package franchises: in which the franchisee adopts the business format established by the franchisor and  
31 is identified by the franchisor's trademark; and 2) product franchises: in which the franchisee distributes goods that are  
32 produced by the franchisor and which bear the franchisor's trademark, or are manufactured by the franchisee according to the  
33 franchisor's specifications. (See, Federal Trade Commission, Informal Staff Advisory Opinion 03-2.)

34 Whether a continuing commercial relationship is a "franchise" under the Franchise Rule, is determined by whether the  
35 business relationship contains the three definitional elements of a "franchise" set forth in the Franchise Rule, and it does not  
36 matter what name the parties choose to assign to the relationship. 44 Fed. Reg. 49,966 (August 24, 1979). In other words, if  
37 it walks like a duck and quacks like a duck . . . .

38 Under the Franchise Rule, where the parties are in a continuing commercial relationship there are three definitional elements  
39 of a "franchise." The franchisor must:

1. promise to provide a trademark or other commercial symbol;
2. promise to exercise significant control or provide significant assistance in the operation of the business; and
3. require a minimum payment of at least \$500 during the first six months of operations.

(16 C.F.R. Parts 436.2(a)(1)(i) and (2); 436.2(a)(iii)).

For more details on the Franchise Rule, see:

Franchise Rule, 16 C.F.R. Parts 436 and 437

<http://www.ftc.gov/enforcement/rules/rulemaking-regulatory-reform-proceedings/franchise-rule>

## 21.1 Trademark

According to the FTC:

*"A franchise entails the right to **operate a business that is "identified or associated with the franchisor's trademark,"** or to offer, sell, or distribute goods, services, or commodities that are identified or associated with the franchisor's trademark." The term "trademark" is intended to be read broadly to cover not only trademarks, but any service mark, trade name, or other advertising or commercial symbol. This is generally referred to as the "trademark" or "mark" element.*

*The franchisor need not own the mark itself, but at the very least must have the right to license the use of the mark to others. Indeed, the right to use the franchisor's mark in the operation of the business - either by selling goods or performing services identified with the mark or by using the mark, in whole or in part, in the business' name - is an integral part of franchising. In fact, a supplier can avoid Rule coverage of a particular distribution arrangement by expressly prohibiting the distributor from using its mark."*

*[FTC Franchise Rule Compliance Guide, May 2008;*

*SOURCE: <http://business.ftc.gov/documents/bus70-franchise-rule-compliance-guide>]*

It is no accident, based on the above, that the Internal Revenue Code excise taxable franchise identifies the identity being taxed as a "trade or business". THIS business is the "business" described above, consisting of a partnership between YOU and Uncle Sam. The use of the Social Security Number, which is a "franchise mark", in connection with an otherwise PRIVATE activity is prima facie evidence of the existence of agency on behalf of the government as a "franchisee". See the following for a description of this "business".

*The "Trade or Business" Scam, Form #05.001*

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

## 21.2 Significant Control or Assistance

The Franchise Rule of the Fair Trade Commission covers business arrangements where the franchisor:

*"will exert or has the authority to exert a significant degree of control over the franchisee's method of operation, or provide significant assistance in the franchisee's method of operation."*

When Is Control or Assistance Significant? The more franchisees reasonably rely upon the franchisor's control or assistance, the more likely the control or assistance will be considered "significant." Franchisees' reliance is likely to be great when they are relatively inexperienced in the business being offered for sale or when they undertake a large financial risk. Similarly, franchisees are likely to reasonably rely on the franchisor's control or assistance if the control or assistance is unique to that specific franchisor, as opposed to a typical practice employed by all businesses in the same industry. Further, to be deemed "significant," the control or assistance must relate to the franchisee's overall method of operation - not a small part of the franchisee's business. Control or assistance involving the sale of a specific product that has, at most, a marginal effect on a franchisee's method of operating the overall business will not be considered in determining whether control or assistance is "significant."

Significant types of control include:

1. site approval for unestablished businesses;



- 1 2. site design or appearance requirements;
- 2 3. hours of operation;
- 3 4. production techniques;
- 4 5. accounting practices;
- 5 6. personnel policies;
- 6 7. promotional campaigns requiring franchisee participation or financial contribution;
- 7 8. restrictions on customers; and
- 8 9. locale or area of operation.

9 Significant types of assistance include:

- 10 1. formal sales, repair, or business training programs;
- 11 2. establishing accounting systems;
- 12 3. furnishing management, marketing, or personnel advice;
- 13 4. selecting site locations;
- 14 5. furnishing system wide networks and website; and
- 15 6. furnishing a detailed operating manual.

16 To a lesser extent, the following factors will be considered when determining whether "significant control or assistance" is  
17 present in a relationship:

- 18 1. a requirement that a franchisee service or repair a product (except warranty work);
- 19 2. inventory controls;
- 20 3. required displays of goods; and
- 21 4. on-the-job assistance with sales or repairs.

## 22 **21.3 Required Payment**

23 The FTC interprets the term "payment" broadly, capturing all sources of revenue that a franchisee must pay to a franchisor  
24 or its affiliate for the right to associate with the franchisor, market its goods or services, and begin operation of the business.  
25 Often, required payments go beyond a simple franchisee fee, entailing other payments that the franchisee must pay to the  
26 franchisor or an affiliate by contract - including the franchise agreement or any companion contract. Required payments  
27 may include:

- 28 1. initial franchise fee;
- 29 2. rent;
- 30 3. advertising assistance;
- 31 4. equipment and supplies (including such purchases from third parties if the
- 32 5. franchisor or its affiliate receives payment as a result of the purchase);
- 33 6. training;
- 34 7. security deposits;
- 35 8. escrow deposits;
- 36 9. non-refundable bookkeeping charges;
- 37 10. promotional literature;
- 38 11. equipment rental; and
- 39 12. continuing royalties on sales.

40 Payments which, by practical necessity, a franchisee must make to the franchisor or affiliate also count toward the required  
41 payment. A common example of a payment made by practical necessity is a charge for equipment that can only be obtained  
42 from the franchisor or its affiliate and no other source.

## 43 **21.4 Wholesale Inventory Exemption**

44 The "payment" element of the franchise definition does not include "payments for the purchase of reasonable amounts of  
45 inventory at bona fide wholesale prices for resale or lease." "Reasonable amounts" means amounts not in excess of those that  
46 a reasonable businessperson normally would purchase for a starting inventory or supply, or to maintain an ongoing inventory

or supply. The inventory exemption, however, does not include goods that a franchisee must purchase for its own use in the operation of the business, such as equipment or ordinary business supplies.

## **21.5 Remedies Available to Purchasers of Disguised Franchises**

Courts have held that the Franchise Rule does not provide a direct remedy to franchisees. However, actions have been brought against franchisors for violations of the Franchise Rule under state "little FTC acts," or unfair trade or business practices acts which incorporate the Federal Trade Commission Act. The remedies available under these acts vary from state to state. Some are limited to rescission and restitution, while others allow a plaintiff to be awarded damages, and in some cases the trebling of damages, costs and attorneys' fees. Additionally, it is important to remember that franchisees or persons who entered into license agreements without proper disclosure, may have remedies under their respective states' franchise laws. Such remedies can include rescission, actual damages, the trebling of damages, attorney's fees, and costs of litigation.

Please consult a seasoned Franchise Law Attorney or lawyer to determine if your "license" arrangement, is, in fact, a disguised franchise (i.e., a "duck").

## **21.6 How does all this apply to government franchises?**

Next we must use commercial franchise language to describe government franchises such as Social Security, Medicare, etc. Here is a translation:

1. Franchise mark: Social Security Number or Taxpayer Identification Number.
2. Significant Control or Assistance: Tax breaks, federal regulations.
3. Required Payment:
  - 3.1. Income tax collected annually. Must be more than \$500 to be a franchise.
  - 3.2. "rent" paid on buildings when buildings are sold and as part of the tax on the proceeds.
  - 3.3. "continuing royalties on goods sold" paid on profit of goods sold.
  - 3.4. "franchisor or its affiliate receives payment as a result of the purchase". This is Social Security, Medicare, Obamacare, etc.
4. Control over personnel policies:
  - 4.1. Everyone hired must be a statutory "employee" or public officer and must pay income taxes.
  - 4.2. "Employees" in turn are required to consent to administrative levies without a court order to make franchise administration "efficient".

## **22 Biblical franchises**

### **22.1 Introduction**

It may surprise many Christians to learn that franchises are almost as old as the world's oldest profession, which is prostitution, and that they are found throughout what the U.S. Supreme Court calls "the most venerated book of antiquity", the Holy Bible. The first mention of franchises in the Bible is found in Deut. 28, and it is a WARNING not to engage in them and a curse against those who DO:

#### **Curses of Disobedience [to God's Laws]**

"The alien [Washington, D.C. is legislatively "alien" in relation to states of the Union] who is among you shall rise higher and higher above you, and you shall come down lower and lower [malicious destruction of EQUAL PROTECTION and EQUAL TREATMENT by abusing FRANCHISES]. He shall lend to you [Federal Reserve counterfeiting franchise], but you shall not lend to him; he shall be the head, and you shall be the tail.

"Moreover all these curses shall come upon you and pursue and overtake you, until you are destroyed, because you did not obey the voice of the Lord your God, to keep His commandments and His statutes which He commanded you. And they shall be upon you for a sign and a wonder, and on your descendants forever.

*"Because you did not serve [ONLY] the Lord your God with joy and gladness of heart, for the abundance of everything, therefore you shall serve your [covetous thieving lawyer] enemies, whom the Lord will send against you, in hunger, in thirst, in nakedness, and in need of everything; and He will put a yoke of iron [franchise codes]*

on your neck until He has destroyed you. The Lord will bring a nation against you from afar [the District of CRIMINALS], from the end of the earth, as swift as the eagle flies [the American Eagle], a nation [whose language \[LEGALESE\] you will not understand](#), a nation of fierce [coercive and fascist] countenance, which does not respect the elderly [assassinates them by denying them healthcare through bureaucratic delays on an Obamacare waiting list] nor show favor to the young [destroying their ability to learn in the public FOOL system]. And they shall eat the increase of your livestock and the produce of your land [with "trade or business" franchise taxes], until you [and all your property] are destroyed [or **STOLEN/CONFISCATED**]; they shall not leave you grain or new wine or oil, or the increase of your cattle or the offspring of your flocks, until they have destroyed you. [Deut. 28:43-51, Bible, NKJV]

The use of the word "aliens" above refers to a different king and a different law under that king. In modern times, these aliens would be the secular law system at war with or in conflict with God's law, like our present government. Why does the above describe a franchise? It's because what he is describing essentially is a GRANT, LOAN, or SALE of property of some kind with legal strings or obligations attached as a condition of the loan. Note that the above is technically NOT a commandment relating to INDIVIDUALS, but a judgment upon NATIONS for adopting or accepting SOURCE OF LAW that is foreign to God's law. The audience for the above was the NATION of Israel, not a specific person. It was a warning NOT to accept a law system, and especially a MAN-MADE law system, OTHER than God's law because it is FOREIGN to God's law. The Apostle Paul described people who follow this secular law:

*"The New Man*

*This I say, therefore, and testify in the Lord, that you should no longer walk as the rest of the Gentiles walk, in the futility of their mind, having their understanding darkened, **being alienated from the life of God**, because of the ignorance that is in them, because of the blindness of their heart; who, being past feeling, have given themselves over to lewdness, to work all uncleanness with greediness."*  
[Eph. 4:17-19, Bible, NKJV]

The "new man" described by Apostle Paul above is someone who is a "citizen of Heaven" and NOT a "citizen" under secular law. Why? Because if you are not "in Him" as an officer of God in His Kingdom and corporation, then you are an alien and foreigner. THESE are the foreigners described above in Deut. 28:

"Adulterers and adulteresses! Do you not know that friendship [and "citizenship"/domicile] with the world [or the governments of the world] is enmity with God? **Whoever therefore wants to be a friend [statutory "citizen" or "taxpayer" or "resident" or "inhabitant"] of the world makes himself an enemy of God.**"  
[James 4:4, Bible, NKJV]

In fact, the term "foreign" in the Internal Revenue Code at 26 U.S.C. §7701(a)(5) defines foreign in relation to the GOVERNMENT CORPORATION and not a geography!

[26 U.S. Code § 7701 - Definitions](#)

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

(5)FOREIGN

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

Being "foreign" in secular civil law means NOT being a public officer because you are OUTSIDE of the "United States" federal corporation defined in 28 U.S.C. §3002(15)(A). Everyone OUTSIDE that corporation is "private". It's NOT a geographical term for tax liability purposes.

PRIVATE. Affecting or belonging to private individuals, as distinct from the public generally. **Not official; not clothed with [PUBLIC] office.** People v. Powell, 280 Mich. 699, 274 N.W. 372, 373, 111 A.L.R. 721.

As to private "Act," "Agent," "Bill," "Boundary," "Bridge," "Business," "Carrier," "Chapel," "Corporation," "Detective," "Dwelling House," "Easement," "Examination," "Ferry," "Nuisance," "Pond," "Property," "Prosecutor," "Rights," "Road," "Sale," "School," "Seal," "Statute," "Stream," "Trust," "Water," "War," "Way," "Wharf," and "Wrongs," see those titles.  
[Blacks Law Dictionary, Fourth Edition, p. 1358]

1  
2 "PRIVATE PERSON. An individual who is **not the incumbent of an [PUBLIC] office.**"  
3 [Blacks Law Dictionary, Fourth Edition, p. 1359]

4 In today's time, that "foreign law" system which makes us the slaves described in Deut. 28 above is the ENTIRE civil code,  
5 as we point out in:

Why Statutory Civil Law is Law for Government and Not Private Persons, Form #05.037  
<https://sedm.org/Forms/FormIndex.htm>

6 Only those who CONSENSUALLY work for the government as PRIVILEGED public officers can LAWFULLY have  
7 enforceable CIVIL obligations under the CIVIL STATUTORY code. Your obligations are someone ELSE'S rights because  
8 the obligation has to be owed to SOMEONE. If that someone is the government, then in effect you are in custody of  
9 government property as an obligor UNTIL you fully satisfy the agreed upon obligation. A public officer is in fact legally  
10 defined as someone "in charge of the PROPERTY of the PUBLIC" and that property is YOUR obligation to the government.  
11 All those therefore who CONSENT either explicitly or impliedly to claim any civil statutory status such as "person",  
12 "citizen", "resident", "driver", "spouse", etc under the civil code are officers of the government. Any other interpretation  
13 leads to illegal and unconstitutional slavery and human trafficking. And by "obligations" we also mean anyone who is the  
14 lawful target of civil enforcement of ANY KIND OTHER than those who have injured someone by their individual actions;<sup>235</sup>

15 *"The term office' has no legal or technical meaning attached to it, distinct from its ordinary acceptations. An*  
16 *office is a public charge or employment; but, as every employment is not an office, it is sometimes difficult to*  
17 *distinguish between employments which are and those which are not offices.... A public officer is one who has*  
18 *some duty to perform concerning the public; and he is not the less a public officer when his duty is confined to*  
19 *narrow limits, because it is the duty, and the nature of that duty, which makes him a public officer, and not the*  
20 *extent of his authority.' 7 Bac. Abr. 280; Carth. 479.... Where an employment or duty is a continuing [\*\*\*65]*  
21 *one, which is defined by rules prescribed by law and not by contract, such a charge or employment is an office,*  
22 *and the person who performs it is an officer.... The powers vested in the government of the state of Mississippi*  
23 *are either legislative, judicial, or executive; and these respective branches of power have been committed to*  
24 *separate bodies of magistracy.... Whether an office has been created by the constitution itself, or by statute, ... the*  
25 *incumbent, as a component member of one of the bodies of the magistracy, is vested with a portion of the power*  
26 *of the government.... The words civil office under the state' ... import an office in which is reposed some portion*  
27 *of the sovereign power of the state, and of necessity having some connection with the legislative, judicial, or*  
28 *executive departments of the government.... The local and limited power and duties of the levee commissioner*  
29 *can have no effect in determining the question whether his office is not an office under the state. A member of the*  
30 *board of county police, or a justice of the peace, is as much an officer under the state as the executive, the heads*  
31 *of department, or a member of the judiciary. The powers attached [\*\*\*66] to the office of levee commissioner*  
32 *evidently pertain to the executive branch of the government. Clothed with a portion of the power vested in that*  
33 *department, the commissioner, in the discharge of his proper functions, exercises as clearly sovereign power as*  
34 *the governor or a sheriff." Shelby v. Alcorn, 36 Miss. 273, 288-290, 292. The constitution provided that "no*  
35 *senator [\*233] or representative" should, during his term, "be appointed to any civil office of profit under this*  
36 *state," which had been created during his legislative term. The object of the clause was manifest, and the office*  
37 *of levee commissioner was held to be within the mischief which the prohibition was intended to prevent.*  
38 *[Ricker's Petition, 66 N.H. 207 (1890)]*

39 We believe that the above "public officer" described as the ONLY lawful object of civil obligations is the very same status  
40 as those who violate the first four commandments of the Ten Commandments in Exodus 20. The first four commandments  
41 of the Ten Commandments describe "serving other gods", and someone who owes an obligation is "serving". By "other  
42 gods" we believe is meant ANYONE who has legal powers or authority SUPERIOR to you, who is NOT EQUAL to you in  
43 court, who is ABOVE you in rights or civil status, or who you can impose obligations upon you that you can't impose upon  
44 them by the same mechanisms as they use. If they have powers greater than you as the physical natural man, then they have  
45 "supernatural powers". Religion is legally defined as the "worship" and therefore "service" toward those with superior or  
46 supernatural powers, meaning powers above YOURS as the natural.

47 *"Religion. Man's relation to Divinity, to reverence, worship, obedience, and submission to mandates and*  
48 *precepts of supernatural or superior beings. In its broadest sense includes all forms of belief in the existence of*  
49 *superior beings exercising power over human beings by volition, imposing rules of conduct, with future*  
50 *rewards and punishments. Bond uniting man to God, and a virtue whose purpose is to render God worship*  
51 *due him as source of all being and principle of all government of things. Nikulnikoff v. Archbishop, etc., of*  
52 *Russian Orthodox Greek Catholic Church, 142 Misc. 894, 255 N.Y.S. 653, 663."*

<sup>235</sup> See: Lawfully Avoiding Government Obligations Course, Form #12.041; <https://sedm.org/Forms/FormIndex.htm>.

The central ethos of all animal species and societies is equality of rights and treatment. Frans de Waal, a scientist, has proven that even chimps understand this.<sup>236</sup> Any method of creating INEQUALITY in any society is an act of religion. Franchises are the only lawful way we know of to do this. And BY doing this, you unavoidably erect a hierarchy, nominate an “alpha male”, and invite all sorts of abuse.

Below are some examples of common franchises within the Bible:

1. The first city mentioned in the Bible in Gen. 11 was a franchise:
  - 1.1. Nimrod founded the city of Babylon and was described as a “mighty hunter” in Gen. 10:9. The thing he HUNTED was MEN!
  - 1.2. The tactics of Nimrod as a hunter of men are detailed by the Prophet Jeremiah in Jeremiah 5:26-31.
  - 1.3. Nimrod built walls around the first Earthly city to keep the inmates/human cattle INSIDE.
  - 1.4. Nimrod then hired marauders to go out at night in plain clothes and terrorize the people OUTSIDE the walls of the city into thinking they needed “protection”.
  - 1.5. During the day, Nimrod sent these same marauders in their knight armor on horses outside the same city and told the same people they had raped and pillaged the previous night that they needed protection and could get it if they moved into the city.
  - 1.6. Nimrod then created gates around the city walls where all the inhabitants had to go to conduct commerce with those outside. While they were negotiating trades at these gates, Nimrod made sure his “tax collectors” collected “protection money” for the inhabitants inside. If those conducting business at the gates didn’t pay their tax, they had two choices:
    - 1.6.1. Get kicked out of the city. OR
    - 1.6.2. Be banned from foreign trading entirely by being denied access to the city gates.In modern times, these tactics are called “economic sanctions” and they are the MAIN tool of political diplomacy even to this day.
  - 1.7. Once these VICTIMS of Nimrod’s “marketing program” signed up for the protection, they were invited to enter through the gates into the city and volunteered to become HUMAN CATTLE. In order to enter the city, they had to swear allegiance to the king, bow down and kiss his ring, and agree to pay him “tribute”.
  - 1.8. Unlike the cattle inside the walled corral city he built, Nimrod lived OUTSIDE the city walls in a castle on the top of the hill. He didn’t buy his own “protection program” and didn’t like being someone else’s cattle. He knew the score. This is where all the castles in Europe in the mountains come from.
2. The most famous example of slavery in the bible was a product of a franchise:
  - 2.1. The Israelites voluntarily entered slavery to Pharaoh at a time when there was a famine. They went down to Egypt seeking food rather than trusting God, and Pharaoh required them to pledge themselves, their children, their land, and their livestock into slavery. See Genesis 47.
  - 2.2. Moses later rescued the Israelites from this slavery but even then, they grumbled against him. See Numbers 14:26-38. Because they grumbled, they in effect were VOLUNTEER SLAVES. By doing so, the CHOSE to deliberately and maliciously violate the first four commandments of the ten commandments, because Pharaoh was a pagan “god” who the bible called “my lord” at the time. Pharaoh was a deity BY LAW, and it was PHARAOH’s law as the secular “lawgiver” that made him a deity. See Gen. 40.
  - 2.3. Clearly, the Israelites were violating the first four commandments of the Ten Commandments in Exodus 20 not to “serve other gods” because when they were released from Pharaoh, he said:

*“Now it was told the king of Egypt that the people had fled, and the heart of Pharaoh and his servants was turned against the people; and they said, **“Why have we done this, that we have let Israel go from serving us?”** 6 **So he [a]made ready his chariot and took his people with him.** 7 Also, he took six hundred choice chariots, and all the chariots of Egypt with captains over every one of them.”*  
[Exodus 14:5-7, Bible, NKJV]

Notice that the people working for Pharaoh were called “servants” and the Israelites were also described as “serving us”. That’s the same word “serve” found in the first four commandments of the Ten Commandments, and they did it voluntarily because they grumbled about UNVOLUNTEERING and leaving.

<sup>236</sup> See: Wikipedia: Frans de Wall; [https://en.wikipedia.org/wiki/Frans\\_de\\_Waal](https://en.wikipedia.org/wiki/Frans_de_Waal).



2.4. Even after God had rescued the Israelites by emancipating them from Pharaoh, he sternly warned them NOT to EVER again consent or contract to become slaves, knowing full well that it was their CONSENT that got them into slavery to begin with! They STILL didn't listen to Him!

*"I [God] brought you up from Egypt [slavery] and brought you to the land of which I swore to your fathers; and I said, 'I will never break My covenant with you. And you shall make no covenant [contract or franchise or agreement of ANY kind] with the inhabitants of this [corrupt pagan] land; you shall tear down their [man/government worshipping socialist] altars.' But you have not obeyed Me. Why have you done this?"*

*"Therefore I also said, 'I will not drive them out before you; but they will become as thorns [terrorists and persecutors] in your side and their gods will be a snare [slavery!] to you.'"*

*So it was, when the Angel of the LORD spoke these words to all the children of Israel, that the people lifted up their voices and wept.  
[Judges 2:1-4, Bible, NKJV]*

3. Slavery itself is a franchise. The Israelites were slaves under Pharaoh.
  - 3.1. They consented to be slaves, because when Moses tried to free them, they grumbled. See Exodus 5:20-21.
  - 3.2. Pharaoh was described as a pagan deity in Gen. 40 by calling him "their lord" or "his lord".
  - 3.3. The "benefit" of the slavery franchise was that Pharaoh gave them food to eat, clothes on their back, economic security, and "protection" of his laws.
  - 3.4. The franchise made the Israelites agents or "officers" of Pharaoh doing whatever Pharaoh wanted them to do, which in this case was build Pyramids. Today we call such people "public officers" because they are slaves of the State, which is the "sovereign" or ruler.
  - 3.5. The first four commandments of the Ten Commandments in Exodus 20 forbid slavery to civil rulers. They forbid you from "serving other gods".
    - 3.5.1. By "serving" they mean essentially working for or contracting with.
    - 3.5.2. By "other gods" they mean anyone who has "supernatural powers", which means powers higher than the NATUTRAL, which is you.
4. The Bible itself is a trust indenture and a franchise.
  - 4.1. The corpus of the trust is the Heaven and the Earth, which belong to God. The earth was placed under man's delegated authority as trustee when God commanded Adam and Even to subdue and have dominion over the Earth. God command man in Gen. 1:28 to be fruitful and multiply and subdue, meaning have dominion over, the Earth.

*The heavens are Yours [God's], the earth also is Yours;  
The world and all its fullness, You have founded them.  
The north and the south, You have created them;  
Tabor and Hermon rejoice in Your name.  
You have a mighty arm;  
Strong is Your hand, and high is Your right hand."  
[Psalm 89:11-13, Bible, NKJV]*

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*"I have made the earth,  
And created man on it.  
I—My hands—stretched out the heavens,  
And all their host I have commanded."  
[Isaiah 45:12, Bible, NKJV]*

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*"Indeed heaven and the highest heavens belong to the Lord your God, also the earth with all that is in it."  
[Deuteronomy 10:14, Bible, NKJV]*

- 4.2. Those who believe in God become trustees and fiduciaries to God under the terms of the Bible trust indenture and franchise. That is what the phrase "in Him" means in the Bible: Acting as God's trustee, fiduciary, and hands and feet during your short time here on Earth. When we are obeying God's word and His commands, we are described as being in God's family and being able to enter the Kingdom of Heaven:

1 "Let us hear the conclusion of this whole matter: **Fear [respect] God and keep His commandments [Laws found**  
2 **in the Bible], for this is man's all. For God will bring every work into judgment, including every secret thing,**  
3 **whether good or evil.**"  
4 [[Eccl. 12:13-14](#), Bible, NKJV]

5 "But why do you call Me 'Lord, Lord,' and not do the things which I say?"  
6 [[Luke 6:46](#), Bible, NKJV]

7 "Obey My voice, and do according to all that I command you; so shall you be My people, and I will be your God"  
8 [[Jeremiah 11:4](#), Bible, NKJV]

9 "Not everyone who says to Me, 'Lord, Lord,' shall enter the kingdom of heaven, **but he who does the will of My**  
10 **Father in heaven.**"  
11 [Jesus in [Matt. 7:21](#), Bible, NKJV]

12 "My mother and My brothers are these who hear the word of God and do it."  
13 [[Luke 8:21](#), Bible, NKJV]

14 "And we have known and believed the love that God has for us. **God is love, and he who abides in love [obedience**  
15 **to God's Laws] abides in [and is a FIDUCIARY of] God, and God in him.**"  
16 [[1 John 4:16](#), Bible, NKJV]

17 "Now by this we know that we know Him [God], if we keep His commandments. He who says, "I know Him," and  
18 does not keep His commandments, is a liar, and the truth is not in him. But whoever keeps His word, truly the  
19 love of God is perfected in him. By this we know that we are in Him [His fiduciaries]. He who says he abides in  
20 Him [as a fiduciary] ought himself also to walk just as He [Jesus] walked."  
21 [[1 John 2:3-6](#), Bible, NKJV]

22 4.3. God is the beneficiary of the trust. The "benefit" he achieves is fellowship with His family, which are all those  
23 who obey Him. The Bible says that God is love, and love cannot be truly realized without relationship.

24 "He who does not love does not know God, for God is love."  
25 [[1 John 4:8](#), Bible, NKJV]

26 4.4. Those who volunteer to assume the duties of believers and "trustees" receive "consideration" for their faith which  
27 includes basic salvation and protection plus an additional reward or "benefit" or "franchise" commensurate with  
28 their diligent works and obedience:

29 "**To him who overcomes I will grant to sit with Me on My throne, as I also overcame and sat down with My**  
30 **Father on His throne.**"  
31 [[Rev. 3:21](#), Bible, NKJV]

32 "**He who overcomes, I will make him a pillar in the temple of My God, and he shall go out no more.** I will write  
33 on him the name of My God and the name of the city of My God, the New Jerusalem, which comes down out of  
34 heaven from My God. And I will write on him My new name.  
35 [[Rev. 3:12-13](#), Bible, NKJV]

36  
37 "O you afflicted one, tossed with tempest, and not comforted, behold, I will lay your stones with colorful gems,  
38 and lay your foundations with sapphires. I will make your pinnacles of rubies, your gates of crystal, and all your  
39 walls of precious stones. All your children shall be taught by the Lord, and great shall be the peace of your  
40 children. In righteousness you shall be established; you shall be far from oppression, for you shall not fear; and  
41 from terror, for it shall not come near you. Indeed they shall surely assemble, but not because of Me. Whoever  
42 assembles against you shall fall for your sake.

43 "'Behold, I have created the blacksmith who blows the coals in the fire, who brings forth an instrument for his  
44 work; and I have created the spoiler to destroy. No weapon formed against you shall prosper, and every tongue  
45 which rises against you in judgment you shall condemn. This is the heritage of the servants of the Lord, and their  
46 righteousness is from Me,' says the Lord."  
47 [[Isaiah 54:11-17](#), Bible, NKJV]

48 If you would like to know more about this subject, see:

[Delegation of Authority Order from God to Christians](#), Form #13.007  
<http://sedm.org/Forms/FormIndex.htm>

49 5. A monarchy is a franchise.

- 5.1. Monarchy is the only form of government described in the Bible.
- 5.2. The King within the monarchy is the only sovereign by divine right and he owns all the land.
- 5.3. Everyone rents the land from the king through property taxes.
- 5.4. The “benefit” of having a king is being “protected” by living within the walls of the city he governs and owns.  
You must swear an oath to the king to come through the gate of the city and enter the protection of the king.
6. God described attempts to nominate a MONARCH OTHER THAN HIM as a franchise to be AVOIDED. When the Israelites tried to nominate a secular king OTHER than him, God said they would be cursed. 1 Sam. 8.
7. The book of Revelation in Rev. 21 of the Bible describes the New Jerusalem as a franchise.
- 7.1. Heaven is described as a city with walkways of gold. Rev. 21:21.
- 7.2. The city has 12 gates that keep the inmates in. Rev. 21:19.
- 7.3. You can’t enter through the gates unless you have salvation. Rev. 21:27.
- 7.4. There are two degrees of reward or “benefit” that will control your experience BEFORE and AFTER you enter the gates of the New Jerusalem:
- 7.4.1. The RIGHT to enter. This is called salvation.
- 7.4.2. The reward you receive AFTER entering. This is called sanctification, and it is measured by your OBEDIENCE to God’s laws.
- 7.5. The final judgement determines your RIGHT to salvation in entering the city and your REWARD after arriving there based on works. These RIGHTS and REWARDS are both property collectively and PRIVILEGES legally. Even Christians are judged to determine their reward. Those who didn’t make the first cut allowing entrance will have their PUNISHMENT determined at that white throne judgment. Rev. 20:11-15.

## 22.2 Why God permits franchises against His people

Those who do not study history are doomed to repeat it. The Bible is a history book which, if you pay attention, can teach you many lessons about how franchises are created and enforced. In particular, the scheme of fractional reserve banking is an imitation of what happened to the Israelites in Genesis 47 during famine, in which they pledged their land, animals, and themselves as surety to acquire food from Pharaoh. Here is the modern parallel, in which the phrase “secured by their pledges” was used to describe the same system Pharaoh implemented on Egypt during the famine:

*"Very soon, every American will be required to register their biological property (that's you and your children) in a national system designed to keep track of the people and that will operate under the ancient system of pledging.*

*By such methodology, we can compel people to submit to our agenda, which will affect our security as a charge back for our fiat paper currency.*

*Every American will be forced to register or suffer being able to work and earn a living.*

*They will be our chattels (property) and we will hold the security interest over them forever, by operation of the law-merchant under the scheme of secured transactions.*

*Americans, by unknowingly or unwittingly delivering the bills of lading (Birth Certificate) to us will be rendered bankrupt and insolvent, secured by their pledges.*

*They will be stripped of their rights and given a commercial value designed to make us a profit and they will be none the wiser, for not one man in a million could ever figure our plans and, if by accident one or two should figure it out, we have in our arsenal plausible deniability.*

*After all, this is the only logical way to fund government, by floating liens and debts to the registrants in the form of benefits and privileges.*

*This will inevitably reap us huge profits beyond our wildest expectations and leave every American a contributor to this fraud, which we will call "Social Insurance." Without realizing it, every American will unknowingly be our servant, however begrudgingly.*

*The people will become helpless and without any hope for their redemption and we will employ the high office (presidency) of our dummy corporation (USA) to foment this plot against America."*

*[Colonel Edward Mandell House, stated in a private meeting with Woodrow Wilson(President 1913 - 1921)]*

1 In modern day America, the Federal Reserve, debt based currency, and the modern franchise income tax is the scheme that  
2 creates the “system of pledging” perfected by Pharaoh against his own people. Every franchise and abuse begins with the  
3 “lending” of property to procure slaves. Pharaoh gave the Israelites food to make them slaves. The Federal Reserve and  
4 modern income tax lend unlimited amounts of currency to a corrupted whore corporate government in exchange for the IRS  
5 making us all slaves who don’t even own our own bodies or labor.

6 President Andrew Jackson was the last great American President who understood these concepts. When the modern day  
7 Canaanite merchants tried to establish the first national bank in this country, the Bank of the United States, he fought them  
8 bitterly and was almost assassinated over it. Here is what he said about that:

9 *“Gentlemen! I too have been a close observer of the doings of the Bank of the United States. I have had men*  
10 *watching you for a long time, and am convinced that you have used the funds of the bank to speculate in the*  
11 *breadstuffs of the country. When you won, you divided the profits amongst you, and when you lost, you charged*  
12 *it to the bank. You tell me that if I take the deposits from the bank and annul its charter I shall ruin ten thousand*  
13 *families. That may be true, gentlemen, but that is your sin! Should I let you go on, you will ruin fifty thousand*  
14 *families, and that would be my sin! **You are a den of vipers and thieves. I have determined to rout you out, and***  
15 ***by the Eternal, (bringing his fist down on the table) I will rout you out!**”*  
16 *[Original minutes of the Philadelphia committee of citizens sent to meet with President Jackson (February*  
17 *1834), according to [Andrew Jackson and the Bank of the United States](#) (1928) by Stan V. Henkels;*  
18 *Wikipedia, Andrew Jackson; SOURCE: [http://en.wikiquote.org/wiki/Andrew\\_Jackson](http://en.wikiquote.org/wiki/Andrew_Jackson)]*

19 The reason the above scheme eventually worked in America, is because Americans would rather have socialism than a  
20 republic with private property and private rights. The reason Americans reelected Socialist FDR THREE TIMES, which was  
21 more than any previous president, was because they didn’t want to take responsibility for themselves and grumbled against  
22 any candidate other than socialist Franklin Delano Roosevelt (FDR). FDR was the modern day Pharaoh who brought us the  
23 outlawing of lawful gold money, Social Security, and the renewal of the Federal Reserve SCAM set to expire in 1933:

#### 24 Death Sentence on the Rebels

25 ***“And the LORD spoke to Moses and Aaron, saying, “How long shall I bear with this evil congregation who***  
26 ***complain against Me? I have heard the complaints which the children of Israel make against Me. Say to them,***  
27 ***‘As I live,’ says the LORD, ‘just as you have spoken in My hearing, so I will do to you: The carcasses of you***  
28 ***who have complained against Me shall fall in this wilderness, all of you who were numbered, according to***  
29 ***your entire number, from twenty years old and above. Except for Caleb the son of Jephunneh and Joshua the***  
30 ***son of Nun, you shall by no means enter the land which I swore I would make you dwell in. But your little***  
31 ***ones, whom you said would be victims, I will bring in, and they shall know the land which you have despised.***  
32 ***But as for you, your carcasses shall fall in this wilderness. And your sons shall be shepherds in the wilderness***  
33 ***forty years, and bear the brunt of your infidelity, until your carcasses are consumed in the wilderness.***  
34 ***According to the number of the days in which you spied out the land, forty days, for each day you shall bear***  
35 ***your guilt one year, namely forty years, and you shall know My rejection. I the LORD have spoken this. I will***  
36 ***surely do so to all this evil congregation who are gathered together against Me. In this wilderness they shall***  
37 ***be consumed, and there they shall die.”***

38 *“Now the men whom Moses sent to spy out the land, who returned and made all the congregation complain*  
39 *against him by bringing a bad report of the land, those very men who brought the evil report about the land, died*  
40 *by the plague before the LORD. But Joshua the son of Nun and Caleb the son of Jephunneh remained alive, of*  
41 *the men who went to spy out the land.”*  
42 *[[Numbers 14:26-38](#), Bible, NKJV]*

43 Notice that the Israelites not only grumbled against being rescued from slavery to Pharaoh, but God had to initiate the rescue  
44 because they never asked for the rescue. See Exodus 7 and 8. There were 603,550 thousand Israelites who left Egypt but  
45 only two of the original slaves were able to enter the Promised Land. The Promised Land of milk and honey, in turn, was  
46 symbolic of a republic in which the people:

- 47 1. Trust God above Pharaoh.
- 48 2. Agree to take complete and exclusive responsibility for themselves.
- 49 3. Refuse to be governed or supported by a socialist king or a pharaoh.

50 The sentence from God himself for those who refuse to do the above is described in the scriptures below.

#### 51 Curses of Disobedience [to God’s Laws]

1 “The alien [Washington, D.C. is legislatively “alien” in relation to states of the Union] who is among you shall  
2 rise higher and higher above you, and you shall come down lower and lower [malicious destruction of EQUAL  
3 PROTECTION and EQUAL TREATMENT by abusing FRANCHISES]. He shall lend to you [Federal Reserve  
4 counterfeiting franchise], but you shall not lend to him; he shall be the head, and you shall be the tail.

5 “Moreover all these curses shall come upon you and pursue and overtake you, until you are destroyed, because  
6 you did not obey the voice of the LORD your God, to keep His commandments and His statutes which He  
7 commanded you. And they shall be upon you for a sign and a wonder, and on your descendants forever.

8 “Because you did not serve [ONLY] the LORD your God with joy and gladness of heart, for the abundance of  
9 everything, therefore you shall serve your [covetous thieving lawyer] enemies, whom the LORD will send  
10 against you, in hunger, in thirst, in nakedness, and in need of everything; and He will put a yoke of iron  
11 [franchise codes] on your neck until He has destroyed you. The LORD will bring a nation against you from afar  
12 [the District of CRIMINALS], from the end of the earth, as swift as the eagle flies [the American Eagle], a nation  
13 whose language [LEGALESE] you will not understand, a nation of fierce [coercive and fascist] countenance,  
14 which does not respect the elderly [assassinates them by denying them healthcare through bureaucratic delays  
15 on an Obamacare waiting list] nor show favor to the young [destroying their ability to learn in the public FOOL  
16 system]. And they shall eat the increase of your livestock and the produce of your land [with “trade or business”  
17 franchise taxes], until you [and all your property] are destroyed [or STOLEN/CONFISCATED]; they shall not  
18 leave you grain or new wine or oil, or the increase of your cattle or the offspring of your flocks, until they have  
19 destroyed you.  
20 [Deut. 28:43-51, Bible, NKJV]

21  
22 “The Lord is well pleased for His righteousness’ sake; He will exalt the law [HIS law, not man's law] and make  
23 it honorable. But this is a people robbed and plundered! [by tyrants in government] All of them are snared in  
24 [legal] holes [by the sophistry of greedy lawyers], and they are hidden in prison houses; they are for prey, and  
25 no one delivers; for plunder, and no one says, “Restore!”

26 Who among you will give ear to this? Who will listen and hear for the time to come? Who gave Jacob for  
27 plunder, and Israel to the robbers? [IRS] Was it not the Lord, He against whom we have sinned? For they  
28 would not walk in His ways, nor were they obedient to His law [they divorced themselves from their domicile  
29 using their right to contract], therefore He has poured on him the fury of His anger and the strength of battle; it  
30 has set him on fire all around, yet he did not know; and it burned him, yet he did not take it to heart. [he became  
31 an unwitting victim of his own IGNORANCE OF THE LAW]”  
32 [Isaiah 42:21-25, Bible, NKJV]

33  
34 “Woe to the rebellious children,” says the Lord, “Who take counsel, but not of Me, and who devise plans [e.g.  
35 “social insurance”], but not of My Spirit, that they may add sin to sin; who walk to go down to Egypt [Babylon  
36 or the District of Criminals, Washington, D.C.], and have not asked My advice, to strengthen themselves in the  
37 strength of Pharaoh, and to trust in the shadow of Egypt! Therefore the strength of Pharaoh shall be your  
38 shame, and trust in the shadow of Egypt shall be your humiliation...

39 Now go, write it before them on a tablet, and note it on a scroll, that it may be for time to come, forever and ever:  
40 that this is a rebellious people, lying children, children who will not hear the law of the Lord; who say to the  
41 seers, “Do not see,” and to the prophets [economic prognosticators], “Do not prophesy to us right things’ Speak  
42 to us smooth [politically correct] things, prophecy deceits. Get out of the way, turn aside from the path, cause  
43 the Holy One of Israel to cease from before us [take the ten commandments out of the U.S. Supreme Court  
44 Building].”

45 Therefore thus says the Holy One of Israel:

46 “Because you despise this word [God’s word/law], and trust in [government] oppression and perversity, and  
47 rely on them, therefore this iniquity shall be to you like a breach ready to fall, a bulge in a high wall, whose  
48 breaking comes suddenly, in an instant. And He shall break it like the breaking of the potter’s vessel, which  
49 is broken in pieces; He shall not spare. So there shall not be found among its fragments a shard to take fire  
50 from the hearth, or to take water from the cistern.”  
51 [Isaiah 30:1-3, 8-14, Bible, NKJV]

52 We exhaustively prove in the following resource that when a country collectively refuses to put either God or His law first,  
53 wicked rulers are the main method by which God punishes them.

<p><u>Delegation of Authority Order from God to Christians</u>, Form #13.007, Section 5.2 <a href="http://sedm.org/Forms/FormIndex.htm">http://sedm.org/Forms/FormIndex.htm</a></p>
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## 22.3 Specific examples of franchises in the Bible

We searched the Bible for references to franchises, and here are a few. The key words we searched for are:

1. “benefit”
2. “benefactors”
3. “usury”
4. “servant”
5. “oppression”

All men are equal and when any one man or group of men must serve other men without compensation, then you have slavery if it is involuntary and based on physical force, and franchise and oppression if it is voluntary. Every attempt to implement or enforce franchises is designed and intended to produce inequality, privilege, and discrimination in how the government treats the people relative to other people. Below are some examples from the bible of franchises, some of which repeated the experience of the Israelites when they were first sold into slavery in Egypt. History repeats itself, unfortunately.

1. Luke 22:24-30: Jesus refers to any system of government involving “privilege” and inequality as unjust and to be avoided. Notice the word “benefactors”, which means “privileged”:

*The Disciples Argue About Greatness*

*Now there was also a dispute among them, as to which of them should be considered the greatest. And He said to them, “The kings of the Gentiles exercise lordship over them, and those who exercise authority over them are called ‘benefactors.’ But not so among you; on the contrary, he who is greatest among you, let him be as the younger, and he who governs as he who serves. For who is greater, he who sits at the table, or he who serves? Is it not he who sits at the table? Yet I am among you as the One who serves.*

*“But you are those who have continued with Me in My trials. And I bestow upon you a kingdom, just as My Father bestowed one upon Me, that you may eat and drink at My table in My kingdom, and sit on thrones judging the twelve tribes of Israel.”*

2. Lamentations 5:1-16. The people groan because “the crown has fallen from their head”, meaning they have lost their sovereignty. They complain basically because everything is a privilege that they have to pay for, beg for, or sign a contract/franchise surrendering their rights to obtain.

*Lamentations 5*

*1 Remember, O LORD, what has happened to us;  
look, and see our disgrace.*

*2 Our inheritance has been turned over to aliens,  
our homes to foreigners.*

*3 We have become orphans and fatherless,  
our mothers like widows.*

*4 We must buy the water we drink;  
our wood can be had only at a price.[franchise]*

*5 Those who pursue us are at our heels;  
we are weary and find no rest. [IRS terrorism]*

*6 We submitted to Egypt and Assyria [surrendered rights through contracts]  
to get enough bread.*

*7 Our fathers sinned and are no more,  
and we bear their punishment.*

*8 Slaves rule over us, [public servants acting like dictators instead of servants]  
and there is none to free us from their hands. [who polices the police, meaning the government?]*

1 9 We get our bread at the risk of our lives  
2 because of the sword in the desert.

3 10 Our skin is hot as an oven,  
4 feverish from hunger.

5 11 Women have been ravished in Zion,  
6 and virgins in the towns of Judah.

7 12 Princes have been hung up by their hands;  
8 elders are shown no respect.

9 13 Young men toil at the millstones;  
10 boys stagger under loads of wood.

11 14 The elders are gone from the city gate;  
12 the young men have stopped their music.

13 15 Joy is gone from our hearts;  
14 our dancing has turned to mourning.

15 **16 The crown has fallen from our head.**  
16 **Woe to us, for we have sinned!**

- 17 3. **Nehemiah 5:** The Jews are subject to usury and oppression because they want to govern their own lives, restore the  
18 broken down wall of their former city and government, and associate together to restore their original theocracy form  
19 of government. In response to their plans, they are subjected to usury by the foreigners they are living with, charged  
20 high prices for basic necessities, and forced into economic servitude as a punishment for their pursuit of self-  
21 government. That usury was a franchise imposed from without, and the result was economic servitude. The phrase  
22 “sold to the nations” in the passage below means they were contracted into servitude and debt to get basic necessities,  
23 and that contract was a franchise. When the Jews wanted to govern their own lives and separate from the pagans  
24 around them, they would have left those pagans holding the tax burden to support their unjust system, so the pagans  
25 complained against the Jews and tried to subject them to discrimination, just like the IRS terrorizes people today who  
26 want to disconnect from the “trade or business” franchise and govern and support themselves without outside  
27 interference. The practical result is that personal responsibility and self-government is effectively criminalized and  
28 penalized.

29 *Nehemiah 5*

30 *Nehemiah Deals with Oppression*

31 1 And **there was a great outcry of the people and their wives against their Jewish brethren** [because they were  
32 abandoning the existing government and the tax rolls to form their own government]. 2 For there were those who  
33 said, “We, our sons, and our daughters are many; therefore let us get grain, that we may eat and live.”

34 3 There were also some who said, “We have mortgaged our lands and vineyards and houses, that we might buy  
35 grain because of the famine.”

36 4 There were also those who said, **“We have borrowed money for the king’s tax on our lands and vineyards.**  
37 [franchise/use fee for the king’s territory] 5 Yet now our flesh is as the flesh of our brethren, our children as their  
38 children; and indeed we are forcing our sons and our daughters to be slaves, and some of our daughters have  
39 been brought into slavery. It is not in our power to redeem them, for other men have our lands and vineyards.”

40 6 And I became very angry when I heard their outcry and these words. 7 After serious thought, I rebuked the  
41 nobles and rulers, and said to them, **“Each of you is exacting usury from his brother[through a franchise].”** So  
42 I called a great assembly against them [jury]. 8 And I said to them, **“According to our ability we have redeemed**  
43 **our Jewish brethren who were sold to the nations.** Now indeed, will you even sell your brethren? Or should they  
44 be sold to us?”

45 Then they were silenced and found nothing to say. 9 Then I said, **“What you are doing [with franchises and the**  
46 **inequality they produce] is not good. Should you not walk in the fear of our God because of the reproach of**  
47 **the nations, our enemies?** 10 I also, with my brethren and my servants, am lending them money and grain. **Please,**  
48 **let us stop this usury!** 11 Restore now to them, even this day, their lands, their vineyards, their olive groves, and  
49 their houses, also a hundredth of the money and the grain, the new wine and the oil, that you have charged them.”

12 So they said, "We will restore it, and will require nothing from them; we will do as you say."

Then I called the priests, and required an oath from them that they would do according to this promise. 13 Then I shook out the fold of my garment[a] and said, "So may God shake out each man from his house, and from his property, who does not perform this promise [new covenant/franchise]. Even thus may he be shaken out and emptied [lose all his property if doesn't agree]."

And all the assembly said, "Amen!" and praised the LORD. Then the people did according to this promise.

4. **Genesis 47**, Pharaoh established a franchise in which the Israelites and all of Egypt voluntarily pledged to become slaves who traded ALL their land, their livestock, themselves, and even their children as slaves to the king in exchange for food during a famine. In that sense, what Pharaoh offered was an "adhesion contract", with unconscionable terms. After the Israelites had voluntarily given up everything they had, Pharaoh put them to work farming his land, which used to be THEIRS, and he then charged them a 20 percent tribute tax on the crops. In effect, they became share croppers on the land they used to own. Throughout Genesis 42-47, whenever the Israelites addressed the Pharaoh, they referred to him as "my Lord" and whenever they referred to themselves, they said "Your servant". This was proof of the idolatry that was directed at Pharaoh, their ruler. It was also proof that they had become inferior and that Pharaoh had become their "parens patriae".

#### **Joseph Deals with the Famine**

<sup>13</sup> Now there was no bread in all the land; for the famine was very severe, so that the land of Egypt and the land of Canaan languished because of the famine. <sup>14</sup> And Joseph gathered up all the money that was found in the land of Egypt and in the land of Canaan, for the grain which they bought; and Joseph brought the money into Pharaoh's house.

<sup>15</sup> So when the money failed in the land of Egypt and in the land of Canaan, all the Egyptians came to Joseph and said, "Give us bread, for why should we die in your presence? For the money has failed."

<sup>16</sup> Then Joseph said, "**Give your livestock, and I will give you bread for your livestock, if the money is gone.**" <sup>17</sup> **So they brought their livestock to Joseph, and Joseph gave them bread in exchange for the horses, the flocks, the cattle of the herds, and for the donkeys. Thus he fed them with bread in exchange for all their livestock that year.**

<sup>18</sup> **When that year had ended, they came to him the next year and said to him, "We will not hide from my lord that our money is gone; my lord also has our herds of livestock. There is nothing left in the sight of my lord but our bodies and our lands. Why should we die before your eyes, both we and our land? Buy us and our land for bread, and we and our land will be servants of Pharaoh; give us seed, that we may live and not die, that the land may not be desolate."**

<sup>20</sup> **Then Joseph bought all the land of Egypt for Pharaoh; for every man of the Egyptians sold his field, because the famine was severe upon them. So the land became Pharaoh's. And as for the people, he moved them into the cities,[a] from one end of the borders of Egypt to the other end. Only the land of the priests he did not buy; for the priests had rations allotted to them by Pharaoh, and they ate their rations which Pharaoh gave them; therefore they did not sell their lands.**

<sup>23</sup> Then Joseph said to the people, "Indeed I have bought you and your land this day for Pharaoh. Look, here is seed for you, and you shall sow the land. <sup>24</sup> And it shall come to pass in the harvest that you shall give one-fifth to Pharaoh. Four-fifths shall be your own, as seed for the field and for your food, for those of your households and as food for your little ones."

<sup>25</sup> So they said, "You have saved our lives; let us find favor in the sight of my lord, and we will be Pharaoh's servants." <sup>26</sup> And Joseph made it a law over the land of Egypt to this day, that Pharaoh should have one-fifth, except for the land of the priests only, which did not become Pharaoh's. [Genesis 47:13-26, Bible, NKJV]

Thomas Jefferson predicted the same thing described above would happen in America, when he said:

"If the American people ever allow private banks to control the issue of their money, first by inflation and then by deflation, the banks and corporations that will grow up around them, will deprive the people of their property until their children will wake up homeless on the continent their fathers conquered. "  
[Thomas Jefferson]

## 22.4 God hates money changers and merchants who use franchises to enslave people

God HATES merchants who use franchises to enslave people. In the Bible, such people are called “Canaanites” or “money changers”. The Canaanites are described as “merchants” and the Lord repeatedly ordered the Israelites to KILL all the Canaanites.

1. Indirectly, the order to kill the Canaanites was an order to eliminate those who put mammon ahead of God. See Matt. 6:24.
2. Zechariah 14:21 (NIV) defines “Canaanites” as merchants. The NIV version of this scripture has a footnote that defines “Canaanite” as “merchant”. See:  
<http://www.biblegateway.com/passage/?search=zechariah%2014&version=NIV>
3. Numbers 31, the Lord told the Israelites to kill the Midianites in the land of Canaan.
4. Judges 1, the Lord ordered Joshua, the faithful one who brought the Israelites into the promised land, to again kill the Canaanites, meaning merchants.

It is Canaanites, called the “money changers”, or their merchant equivalent who caused Jesus to flip the tables over in the temple when they had turned it into a market place. See Mark 11:15, John 2:15. Money changing was Satan’s greatest transgression as well:

*“You were the seal of perfection,  
Full of wisdom and perfect in beauty.  
<sup>13</sup> You were in Eden, the garden of God;  
Every precious stone was your covering:  
The sardius, topaz, and diamond,  
Beryl, onyx, and jasper,  
Sapphire, turquoise, and emerald with gold.  
The workmanship of your timbrels and pipes  
Was prepared for you on the day you were created.*

*<sup>14</sup> “You were the anointed cherub who covers;  
I established you;  
You were on the holy mountain of God;  
You walked back and forth in the midst of fiery stones.  
<sup>15</sup> You were perfect in your ways from the day you were created,  
Till iniquity was found in you.*

*<sup>16</sup> **“By the abundance of your trading  
You became filled with violence within,  
And you sinned;  
Therefore I cast you as a profane thing  
Out of the mountain of God;  
And I destroyed you, O covering cherub,  
From the midst of the fiery stones.***

*<sup>17</sup> “Your heart was lifted up because of your beauty;  
You corrupted your wisdom for the sake of your splendor;  
I cast you to the ground,  
I laid you before kings,  
That they might gaze at you.*

*<sup>18</sup> **“You defiled your sanctuaries  
By the multitude of your iniquities,  
By the iniquity of your trading;  
Therefore I brought fire from your midst;  
It devoured you,  
And I turned you to ashes upon the earth  
In the sight of all who saw you.  
<sup>19</sup> All who knew you among the peoples are astonished at you;  
You have become a horror,  
And shall be no more forever.”**  
[Ezekiel 28:13-19, Bible, NKJV]*

Babylon the Great Harlot in the book of Revelation is really just a symbol for those who would trade their morals in exchange for money. The Harlot is described as fornicating with the Beast. Black’s Law Dictionary defines “commerce” as intercourse.

1       *"Commerce. ...Intercourse by way of trade and traffic between different peoples or states and the citizens or*  
2       *inhabitants thereof, including not only the purchase, sale, and exchange of commodities, but also the*  
3       *instrumentalities [governments] and agencies by which it is promoted and the means and appliances by which it*  
4       *is carried on..."*  
5       *[Black's Law Dictionary, Sixth Edition, p. 269]*

6       This despicable harlot is described below as the "woman who sits on many waters".

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

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

13      *"The waters which you saw, where the harlot sits, are peoples, multitudes, nations, and tongues."*  
14      *[Rev. 17:15, Bible, NKJV]*

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

16      *"And I saw the beast, the kings of the earth, and their armies, gathered together to make war against Him who*  
17      *sat on the horse and against His army."*  
18      *[Rev. 19:19, Bible, NKJV]*

19      It is also the equivalent of Canaanites who the Muslims call "infidels". They engage in usury to enslave and exploit people.  
20      Our debt based imperialist international money system is the foundation of why many Muslims despise America, and rightly  
21      so. Their Quran forbids usury and so does our Bible, but this is commonly overlooked even by Christians.

## 22      **22.5 God hates civil rulers because they use franchises to enslave people: They all represent** 23      **Satan**

24      The Bible identifies civil rulers and civil societies as representatives of Satan. This is confirmed by the following:

25      *"And I saw the beast, the kings [heathen political rulers and the unbelieving democratic majorities who control*  
26      *them] of the earth [controlled by Satan], and their armies, gathered together to make war against Him [God]*  
27      *who sat on the horse and against His army."*  
28      *[Revelation 19:19, Bible, NKJV]*

29      Notice that the Beast and the kings of the earth are both fighting against God and are on the same side. Political rulers  
30      throughout history have constantly warred against God. Isaiah 14 also reveals that these same kings and rulers are agents of  
31      Satan and not God. The message below is addressed to the King of Babylon, who is the same Beast personified above:

32      *"Hell from beneath is excited about you,*  
33      *To meet you [the King of Babylon] at your coming;*  
34      *It stirs up the dead for you,*  
35      *All the chief ones of the earth;*  
36      *It has raised up from their thrones*  
37      *All the kings of the nations.*  
38      *They all shall speak and say to you:*

39      *'Have you also become as weak as we?*  
40      *Have you become like us?*  
41      *Your pomp is brought down to Sheol,*  
42      *And the sound of your stringed instruments;*  
43      *The maggot is spread under you,*  
44      *And worms cover you.'*  
45      *[Isaiah 14:9-11, Bible, NKJV]*

46      Conclusion from the above:

47      1. The King of Babylon is going to hell:



1 "Hell from beneath is excited about you, to meet you at your coming".

2 2. All kings of the nations were raised to their thrones by Hell:

3 "Hell from beneath...it has raised up from their thrones all the kings of the nations".

4 3. All the dead kings are already in hell. That is the only way they could be raised up by Hell to speak to the King of  
5 Babylon in the first place.

6 Not only does God identify political rulers (kings) as agents and representatives of Satan, but he also identifies the cities  
7 where they rule and derive their authority as an abomination. The very first city described in the Bible, Babylon, was created  
8 by Nimrod, who the Bible described as a hunter of men. Gen. 10:8-12. Nimrod was a predator of men, not a protector of  
9 them. Hence, a "mighty hunter", as the Bible describes him. For a fascinating sermon on this subject, see:

SEDM Sermons Page, Section 5.1: Statism

<http://sedm.org/Sermons/Sermons.htm>

10 Some really good corroborating sources that confirm the conclusions of this section so far are:

- 11 1. Devil's Advocate Movie Clip. Al Pacino plays Satan and demonstrates how Satan is taking over the legal profession  
12 and the government to destroy you and society. Very enlightening  
13 <http://sedm.org/what-we-are-up-against/>  
14 2. Society is a Blessing, But Government is Evil. Essay by Thomas Paine, who also authored Common Sense, a document  
15 that started the American Revolution.  
16 <http://mises.org/story/2897>

## 17 **22.6 Cities in the Bible are a place where government franchisees and idolaters are held as** 18 **"livestock"**

19 Note that in Genesis 47:21 that after all of Egypt had volunteered to become slaves to Pharaoh, he moved them all to the  
20 cities, which effectively became a "ranch" for his new slaves. These human slaves in effect became his human "livestock".  
21 God HATES cities, and this is why.

22 <sup>20</sup> Then Joseph bought all the land of Egypt for Pharaoh; for every man of the Egyptians sold his field, because  
23 the famine was severe upon them. So the land became Pharaoh's. <sup>21</sup> And as for the people, he moved them into  
24 the cities, <sup>22</sup> from one end of the borders of Egypt to the other end. Only the land of the priests he did not  
25 buy; for the priests had rations allotted to them by Pharaoh, and they ate their rations which Pharaoh gave  
26 them; therefore they did not sell their lands.

27 [Genesis 47:21]

28 Below is another example why he hates cities: The people who run them in the government are PAGAN GODS who are the  
29 object of idolatry. Notice the comment about cities being gods. In the old days, each city had a King and that king was the  
30 personification of the city and a pagan deity all his own. People could only enter his presence or the city by going through  
31 the gate of the city walls, and they had to pledge allegiance to the king to do so, which was privilege induced slavery.

32 "As the thief is ashamed when he is found out,  
33 So is the house of Israel ashamed;  
34 They and their kings and their princes, and their priests and their prophets,  
35 Saying to a tree, 'You are my father,'  
36 And to a stone, 'You gave birth to me.'  
37 For they have turned their back to Me, and not their face.  
38 But in the time of their trouble  
39 They will say, 'Arise and save us.'  
40 But where are your gods that you have made for yourselves?  
41 Let them arise,  
42 If they can save you in the time of your trouble;  
43 For according to the number of your cities  
44 Are your gods, O Judah.  
45 [Jeremiah 2:26-28, Bible, NKJV]

The passage above is also confirmed by the following, which is an address to the King of Babylon and indirectly to Lucifer himself:

*"All the kings of the nations,  
All of them, sleep in glory,  
Everyone in his own house;  
But you are cast out of your grave  
Like an abominable branch,  
Like the garment of those who are slain,  
Thrust through with a sword,  
Who go down to the stones of the pit,  
Like a corpse trodden underfoot.  
You will not be joined with them in burial,  
Because you have destroyed your land  
And slain your people.  
The brood of evildoers shall never be named.  
Prepare slaughter for his children  
Because of the iniquity of their fathers,  
Lest they rise up and possess the land,  
And fill the face of the world with cities."  
[Isaiah 14:18-21, Bible, NKJV]*

Consistent with the conclusions of this section, Stefan Molyneux produced a wonderful video that describes people who consent to be civilly ruled by governments as "government livestock".

The REAL Matrix, Stefan Molyneux  
YOUTUBE: <http://www.youtube.com/watch?v=P772Eb63qIY&>  
LOCAL COPY: <https://sedm.org/media/the-real-matrix/>

## 22.7 Agency ("office") in the Bible

Every franchise involves agency of the franchisee on behalf of the grantor of the franchise. In government law, this agency is called "office" or "public office". This agency is usually implemented through an oath and the fiduciary duty it creates.

**Fiduciary or confidential relation.** A very broad term embracing both technical and fiduciary relations and those informal relations which exist wherever one person trusts in or relies upon another. One founded on trust or confidence reposed by one person in the integrity and fidelity of another. Such relationship arises whenever confidence is reposed on one side, and domination and influence result on the other; the relation can be legal, social, domestic, or merely personal. *Heilman's Estate, Matter of*, 37 Ill.App.3d. 390, 345 N.E.2d. 536, 540.

A relation subsisting between two persons in regard to a business, contract, or piece of property, or in regard to the general business or estate of one of them, of such a character that each must repose trust and confidence in the other and must exercise a corresponding degree of fairness and good faith. Out of such a relation, the law raises the rule that neither party may exert influence or pressure upon the other, take selfish advantage of his trust, or deal with the subject-matter of the trust in such a way as to benefit himself or prejudice the other except in the exercise of the utmost good faith and with the full knowledge and consent of that other, business shrewdness, hard bargaining, and astuteness to take advantage of the forgetfulness or negligence of another being totally prohibited as between persons standing in such a relation to each other. Examples of fiduciary relations are those existing between attorney and client, guardian and ward, principal and agent, executor and heir, trustee and cestui que trust, landlord and tenant, etc.  
[Black's Law Dictionary, Sixth Edition, p. 625]

The Bible uses this same fiduciary duty to create agency and office of Christians on behalf of God the Father. For example, Jesus was an agent or officer of God and the phrase "in Him" is evidence of that office.

*The Father Revealed*

*"If you had known Me, you would have known My Father also; and from now on you know Him and have seen Him."*

*Philip said to Him, "Lord, show us the Father, and it is sufficient for us."*

*Jesus said to him, "Have I been with you so long, and yet you have not known Me, Philip? He who has seen Me has seen the Father; so how can you say, 'Show us the Father'?" <sup>10</sup>Do you not believe that I am in the Father, and the Father in Me? The words that I speak to you I do not speak on My own authority; but the Father who*

1 dwells in Me does the works. Believe Me that I am in the Father and the Father in Me, or else believe Me for  
2 the sake of the works themselves.  
3 [John 14:7-11, Bible, NKJV]

4 In a sense, Jesus was a “public officer of the Kingdom of Heaven”, where “Heaven” is a corporation created by God Himself.  
5 What Caesar has done is imitate God’s design for how it obtains jurisdiction, taxes, and regulates everyone in the country.  
6 First it created corporations as a way to generate revenue, and it identified itself as the “parens patriae” in relation to the  
7 corporation. A “parens patriae” is a “father” or “parent”. Everything Satan does is a counterfeit.

8 “The proposition is that **the United States, as the grantor of the franchises of the company [a corporation, in**  
9 **this case], the author of its charter, and the donor of lands, rights, and privileges of immense value, and as**  
10 **parens patriae, is a trustee, invested with power to enforce the proper use of the property and franchises granted**  
11 **for the benefit of the public.”**  
12 [U.S. v. Union Pac. R. Co., 98 U.S. 569 (1878)]

13 The Holy Spirit living “inside” of Christians and the law that it “writes on our heart” (Deut. 32:46) is how God “commands”  
14 His officers and agents while on earth, who are “believers”.

#### 15 Jesus Promises Another Helper

16 <sup>15</sup> “If you love Me, keep<sup>[d]</sup> My commandments. <sup>16</sup> And I will pray the Father, and He will give you another Helper,  
17 **that He may abide with you forever—** <sup>17</sup> the Spirit of truth, whom the world cannot receive, because it neither  
18 sees Him nor knows Him; **but you know Him, for He dwells with you and will be in you.** <sup>18</sup> I will not leave you  
19 **orphans; I will come to you.”**  
20 [John 14:15-17, Bible, NKJV]

21 The Bible also says that the essence of God is love. 1 John 4:8. So indirectly, the above is implying that the essence of  
22 religion is obedience to God’s laws. In fact, “worship” is legally defined as obedience to the laws of one’s God:

23 **Worship.** Any form of religious service showing reverence for Divine Being, or **exhortation to obedience to or**  
24 **following the mandates of such Being.** Religious exercises participated in by a number of persons assembled  
25 for that purpose, the disturbance of which is a statutory offense in many states.  
26 [Black’s Law Dictionary, Sixth Edition, pp. 1606-1607]

27 Caesar has a substitute for the Holy Spirit in his counterfeit design, which is “allegiance”:

- 28 1. All those seeking to be “citizens” must take an oath of allegiance as a prerequisite to being naturalized or profess  
29 allegiance prior to receiving a passport. 8 U.S.C. §1448, and 22 U.S.C. §212. That oath creates an obligation of  
30 obedience to the laws of the state sovereign IF and ONLY IF protection is sought. The essence of “law” is also obedience:

31 “Obedientia est legis essentia. Obedience is the essence of the law. 11 Co. 100.”  
32 [Bouvier’s Maxims of Law, 1856;  
33 SOURCE: <http://famguardian.org/Publications/BouvierMaximsOfLaw/BouviersMaxims.htm>]

- 34 2. After one becomes a “citizen”, they are then expected to “know the law”, which implies that it must be “in their heart”,  
35 just like the “Holy Spirit” and God’s laws are written in the hearts of believers.

36 “Every man is supposed to know the law. A party who makes a contract with an officer without having it reduced  
37 to writing is knowingly accessory to a violation of duty on his part. Such a party aids in the violation of the law.”  
38 [Clark v. United States, 95 U.S. 539 (1877)]

39 Jesus also admitted that the Ruler of this World is Satan, and that Satan has “nothing in God”, meaning he is NOT acting as  
40 God’s agent, but doing his own thing. Indirectly, he was also admitting that ALL who rule the world have nothing “in Him”,  
41 and hence are representatives of Satan himself. Anyone not exercising agency and office on behalf of God, in fact, is an  
42 officer and agent of Satan:

43 <sup>29</sup> “And now I have told you before it comes, that when it does come to pass, you may believe. <sup>30</sup> I will no longer  
44 talk much with you, for **the ruler of this world is coming, and he has nothing in Me.** <sup>31</sup> But that the world may  
45 know that I love the Father, and as the Father gave Me commandment, so I do. Arise, let us go from here.  
46 [John 14:29-31, Bible, NKJV]

47 If you would like a much more detailed treatment of the subject of this section, see:

## **22.8 You might be a Christian if...**

You Might Be A Christian . . . .

1. If you believe that Jesus Christ died for your sins and rose again; and, have personally accepted Christ as your Savior and Lord; and,
2. If you believe that Jesus Christ is Lord, the King of the Universe, and not the United States government; and,
3. If you believe that Jesus Christ is the only way to God the Father and that all other religions are false, subjective, man-made systems of religion; and,
4. If you believe the Word of God and not the United States Constitution is the highest law in the land; and,
5. If you believe that salvation is in Christ and not some man running for president of the United States, Inc.; and,
6. If you believe government is ordained of God to punish criminals; and,
7. If you believe it is the duty of the state to arrange its affairs under the objective, "Hallowed be thy name, thy kingdom come, Thy will be done."
8. If you believe that there is one unchanging Source of Law and that the Christian can have no competing sources of law before the God's law; and,
9. If you believe God's law is perfect making wise the simple; and,
10. If you believe the new covenant involves an operation of the Spirit who writes God's law on the hearts of His people; and,
11. If you believe the United States Government should have its source of law in the Scriptures and not in "We the People" nor Islam's Sharia law; and,
12. If you believe that the state has a duty to legislate according to the Ten Commandments and enforce them through the government institutions; and,
13. If you believe that Christianity is the true and only religion and that other religions do not deserve equal protection of the First Amendment; and,
14. If you believe the right to carry arms comes from God and not from the constitution; and,
15. If you believe that government officials should be servants of the people and not rulers over the people; and,
16. If you believe the government should not make treaties with non-Christian countries that obligate our young service men to defend Islamic cultures; and,
17. If you believe that government officers should be competent Christian men with a love for truth and who hate dishonest gain; and,
18. If you believe that government officials, having access to privileged information, should not use their office to increase their personal wealth; and,
19. If you believe that foreigners (Moslems, etc.) coming to this country must learn English and agree to yield to Christian law; and,
20. If you believe that government must stop its support of abortion and enforce the Command, "Thou shall not kill" with lethal force; and,
21. If you believe that God's law is not a private matter but a public responsibility; and,
22. If you believe that protecting life as well as the taking of life are duties of man; and,
23. If you believe that neither insanity nor feeble-mindedness nor race nor social status nor income nor a dysfunctional family is a defense for murder; and,
24. If you believe that the government should execute Sodomites where there is evidence beyond reasonable doubt of such practice; and,
25. If you believe that God created countries and that borders must be respected; and,
26. If you believe that aliens that come to this country without proper authority are thieves seeking to steal American benefits who must be arrested and deported; and,
27. If you believe that family is the first and most primary of God-ordained institutions which the government has a duty to protect; and,
28. If you believe a man has a right under Christian law to marry the woman of his choice without first getting permission from the state; and,
29. If you believe that God has ordained the man to be the head of the house and that that leadership must be feared; and,
30. If you believe that a husband is to be treated as king of the home and that he should treat his wife as a queen in the home; and,
31. If you believe that Christian parents have a duty to provide their children a Christian education; and,

32. If you believe that a wife should arrange herself under her husband's leadership and not look to the state to take care of them as a husband; and,
33. If you believe a war on parental authority is a war on God's authority; and,
34. If you believe that woman's suffrage and the feminist movement is a war on marriage and human life; and,
35. If you believe that murdering babies is not an acceptable form of family planning; and,
36. If you believe that a woman does not have a right to kill her baby because she committed fornication; and,
37. If you believe that families (fathers, mothers, brothers, sisters) should pay for babies born out of wedlock and not the state; and,
38. If you believe that a woman has a right, even a duty, to control her own body, but that a baby in the womb is a separate person from its mother with rights given by God; and,
39. If you believe that money should be based on real substance like gold and silver and not man-made digits, credits and debits, and inflationary paper that enables the government to steal from the American at will people by changing the value of the currency under color of law; and,
40. If you believe that bankers with their lender schemes to defraud Americans of their homes and property must be indicted and made to pay restitution; and,
41. If you believe the income tax is a fraudulent scheme to weaken the family and to enrich the government; and,
42. If you believe that creating money out of thin air by the state is a criminal act; and,
43. If you believe that paying your fair share of income tax is zero; and,
44. If you believe that taxing the rich is a wicked scheme to confiscate wealth under color of law; and,
45. If you believe the government can charge for the services it provides; and,
46. If you believe that every American male should pay a biblical, modest poll tax to support a Biblical government; and,
47. If you believe that the only legitimate government a Christian is obligated to support is one that arranges itself under the authority of Christ and His Law-word; and,
48. If you believe that out of respect for the First-day Sabbath, that all businesses except essential goods and services should be closed on Sunday; and,
49. If you believe aggressive, unprovoked declarations of war on states to convert them to democracy is unscriptural and cannot be supported as a purpose of government; and,
50. If you believe it is the duty of every Christian man to know and practice law; and,
51. If you believe it is your duty to oppose and resist a secular, godless government that preys upon its people; that promotes child sacrifice; and that protects Sodomy; and,
52. If you believe a secular government is hostile to the Christian faith and must be dismantled in favor of a Christian administration; and,
53. If you believe that competent, God-fearing men are more suitable for public service than retired military men or lawyers; and,
54. If you believe that competent, biblical pastors and studied Christians are more of an authority on human behavior than psychologists; and,
55. If you believe it is not the job of government to regulate public schools, but that it is up to families and their communities to educate their children according to the values of God's Word; and,
56. If you believe in the right of parents to home school their own children; and,
57. If you believe you have a right to travel responsibly on public highways without first getting permission from the state; and,
58. If you believe that every man has a duty to know the law and uphold the law; and, that a police state is evidence of tyranny; and,
59. If you believe that storms and "natural" disasters and inflation and foolish leaders are a judgment of God upon nations; and,
60. If you believe the earth belongs to the Lord and not the government; and,
61. If you believe your property can not be righteously taxed; and,
62. If you believe that only businesses can create jobs and not the state; and,
63. If you believe that an "income" tax is unbiblical and detrimental to the economy; and,
64. If you believe that responsibility leads to freedom and not government programs; and,
65. If you believe that real crimes involves injuring people or their property, and that not wearing a seat belt is not a crime; and,
66. If you believe the head of the church is the Lord Jesus Christ and not the IRS; and,
67. If you believe the church has its own authority and should be organized under the Lord Jesus Christ free of government interference or control; and,



- 1 68. If you believe any church that is organized under the laws of the United States (IRS) in order to become a government  
2 corporation has committed treason to Christ and is a harlot organization for the pimp government; and,  
3 69. If you believe the role of government is to protect the rights of the people and not to be a pseudo church charity for the  
4 people; and,  
5 70. If you believe democracy is not a Biblical value; and, is, in fact, condemned in the Scripture; and,  
6 71. If you believe the true church is Israel of God, and that modern day geo-political Israel is not a fulfillment of prophecy  
7 nor are they the "people of God;" and,  
8 72. If you believe Christians should oppose the modern Zionistic agenda; and,  
9 73. If you believe America should not be involved in foreign wars unless we are attacked; and,  
10 74. If you believe that Moslems are an enemy of the gospel and cannot be assimilated into Christian countries; and,  
11 75. If you believe that immigrants, in order to become citizens in this country, must learn the English language, and  
12 surrender to Christian law; and,  
13 76. If you believe that every able body man needs to part of the militia and be trained in how to use weapons for the  
14 defense of his country; and,  
15 77. If you believe that women should not serve in combat a long side men; and,  
16 78. If you believe Romans 13 does not teach unlimited submission to any government regardless of its character; and,  
17 79. If you believe that America should have the smallest prison population in the world; and,  
18 80. If you believe that prisons should have a limited use because they are fundamentally unbiblical; and,  
19 81. If you believe that locking a man up in prison for ten or twenty years is radically inhumane; and,  
20 82. If you believe that men guilty of capital offenses should be execute speedily; and,  
21 83. If you believe that men guilty of petty crimes should be fined or flogged and made to pay restitution; and,  
22 84. If you believe that incorrigible men should be purged from society; and,  
23 85. If you believe we should protect innocent, unborn babies from murderous madmen; and,  
24 86. If you believe that vigilante justice is nevertheless justice; and,  
25 87. If you believe that creating wealth is not a crime; and,  
26 88. If you believe that the love of money is a root of all evil and policies must be in place to expose corrupt politicians;  
27 and,  
28 89. If you believe that individuals and not the government should be responsible for health care; and,  
29 90. If you believe it is God's will for the government to be the ministry of justice and for the church to be the ministry of  
30 grace; and,  
31 91. If you believe that law cannot regenerate society; but that a proper execution of law can purge society of evil doers;  
32 and,  
33 92. If you believe that more and more laws cannot bring in God's kingdom or a man-made utopia, but only cripple society,  
34 stifle creativity, and injure freedom; and,  
35 93. If you believe that power of love is more desired than the love of power; and,  
36 94. If you believe that love is not the answer to all of man's problems; and,  
37 95. If you believe that swift justice is the answer to crime; and that enduring love is the answer for human weakness; and,  
38 96. If you believe the opposite of law is not grace but lawlessness; and,  
39 97. If you believe criminals should make restitution to their victims and not the fictional state; and,  
40 98. If you believe that loving your neighbor means being a responsible property manager; and,  
41 99. If you believe that property rights includes the right to control one's own property; and,  
42 100.If you believe that loving your neighbor does not mean you can tell him what to do on his own property or use the  
43 force of government to enforce your will on that neighbor by taking away his property rights; and,  
44 101.If you believe that a 30 year mortgage on a home is slavery and that perpetual debt is condemned by God's law; and,  
45 102.If you believe no debt should last longer than six years; and,  
46 103.If you believe voluntary servitude is sanctioned by God, but that kidnapping and involuntary slavery is punishable by  
47 death; and,  
48 104.If you believe a man has a right, even a duty, not to contract with the state; and,  
49 105.If you believe in the rule of law and not rule by law; and,  
50 106.If you believe that civil authorities are duty bound to obey God's law; and,  
51 107.If you believe the state cannot turn a right into a privilege; and,  
52 108.If you believe that a man cannot be arrested if he is not in the act of committing a crime or without a warrant signed by  
53 a de jure, bonded judge based on probable cause; and,  
54 109.If you believe cops that seize property or freedom without a warrant should be fined and sanctioned; and,  
55 110.If you believe a man cannot be sentenced to death without two witnesses; and,  
56 111.If you believe our nation needs the Word of God and not the United States Constitution; and,  
57 112.If you are hostile to the Law of God, you may not be a Christian.

## 23 Abuse of Franchises by the Government

The following subsections will describe the various ways that government franchises are employed unlawfully, unconstitutionally, and illegally in order to destroy your rights, undermine the separation of powers, and destroy equal protection that is the foundation of the United States Constitution. The underlying motives for these abuses are all commercial. Franchises produce a flow of commerce to the government grantor of the franchise and pad the pockets of your public servants. This desire by your public servants to pad their pockets and enlarge their control, revenues, and importance in relation to the populace is at odds with the duty of the government to provide equal protection and equal benefit to all. In short, the love of money is the root of the evil caused by the abuses described in the following subsections:

*For the love of money is the root of all evil: which while some coveted after, they have erred from the faith, and pierced themselves through with many sorrows.  
[1 Timothy 6:5-12, Bible, NKJV]*

Public servants who therefore either promote franchises to persons protected by the Constitution or who accept the payments or “benefits” associated with those who participate, in effect, are accepting bribes and favors in exchange for disregarding their constitutional duty to provide “equal protection”. Of this corruption, the Bible says:

*“And you shall take no bribe [including payments for franchise services that compete with and destroy equal protection], for a bribe blinds the discerning and perverts the words of the righteous.”  
[Exodus 23:8, Bible, NKJV]*

*“You shall not pervert justice; you shall not show partiality, nor take a bribe, for a bribe blinds the eyes of the wise and twists the words of the righteous.”  
[Deuteronomy 16:19, Bible, NKJV]*

*‘Cursed is the one who takes a bribe to slay an innocent person.’ “And all the people shall say, ‘Amen!’  
[Deuteronomy 27:25, Bible, NKJV]*

*“A wicked man accepts a bribe behind the back To pervert the ways of justice.”  
[Proverbs 17:23, Bible, NKJV]*

*“The king establishes the land by justice, But he who receives bribes overthrows it.”  
[Proverbs 29:4, Bible, NKJV]*

*“Your princes are rebellious, And companions of thieves; Everyone loves bribes, And follows after rewards. They do not defend the fatherless, Nor does the cause of the widow come before them.”  
[Isaiah 1:23, Bible, NKJV]*

The above scriptures are the reason why:

1. It is an unconstitutional violation of the separation of powers doctrine and a conspiracy against rights for a public servant to offer federal franchises to those domiciled in states of the Union and protected by the Bill of Rights. Federal franchises may only lawfully be offered to persons domiciled on federal territory and not within any state of the Union.
2. No judge can judge righteously who is participating in any federal franchise, because franchises compete with and destroy the very equality of rights that is the MAIN DUTY of the courts to protect.
3. Federal judges must recuse themselves who are ruling on a tax trial and who are franchisees called “taxpayers” in receipt of benefits and privileges of the franchise. To do otherwise is a violation of [28 U.S.C. §144](#), [28 U.S.C. §455](#), and [18 U.S.C. §208](#).
4. No judge can serve as an Article IV judge officiating over franchises and at the same time act as an Article III judge officiating over the protection of rights. All such judges who wear these “two hats” at the same time have a conflict of interest. See:

[What Happened to Justice?](http://sedm.org/Forms/FormIndex.htm), Form #06.012  
<http://sedm.org/Forms/FormIndex.htm>

### 23.1 Most government franchises are offered as “unconscionable contracts” with unjust and usurious terms

The only reason that most government franchises are allowed by the average American to be ILLEGALLY abused to make slaves into everyone is because most of them “grant” to the applicant something that most people would regard as absolutely

essential for their livelihood or life. For instance, below are the main franchises most people are illegally compelled to participate in, along with a description of the illegal duress by a corrupted government or third parties that perpetuates them:

1. Driver Licenses: Most people regard driver licenses as essential because they need to be able to get to work and feed themselves and their family.
  - 1.1. Only those using the public roadways for hire on federal territory can be compelled to have or to use driver licensing or registration. All others are “volunteers”.
  - 1.2. Police illegally enforce statutes that require driver licenses against those not using the public roadways for hire or not on federal territory, and they threaten those using registered vehicles with confiscation if the operator does not get a license.
  - 1.3. Out of fear do people obtain licenses to avoid having their cars confiscated.
2. Savings/Investment Accounts: Most people regard the safety of money in their savings and investment accounts as important, because they need to be able to pay their bills. If they can't pay their bills, they might lose their house and all the equity in their house because of default on the mortgage.
  - 2.1. Banks and financial institutions illegally compel the use of the WRONG withholding forms and the illegal use of a Social Security Number on all withholding documents as a precondition of opening accounts, because they believe the LIES of the IRS on the subject. Even though the courts continue to insist that you CANNOT trust anything the IRS or government says or writes, they believe it anyway and injure their workers in the process with fraudulent withholding documents.
  - 2.2. Because the account is enumerated, it illegally becomes subject to statutory levy and effectively becomes a PUBLIC account in which the government has equity interest.
  - 2.3. People pay taxes because they will lose the deposit in their account through the threat of ILLEGAL levy. The levy is illegal because the withholding paperwork is FRAUDULENT and the compulsion from the financial institution is what made it fraudulent to begin with..
3. Private Employment: Most people regard the ability to be paid at their job as essential because they need to be able to pay their bills and support their families. Loss of a job could cause one to lose their home and their equity in the home due to mortgage default.
  - 3.1. Employers illegally compel the use of the WRONG withholding forms and the use of a Social Security Number on all withholding documents as a precondition of hiring, because they believe the LIES of the IRS and tax professionals on the subject. Even though the courts continue to insist that you CANNOT trust anything the IRS or government says or writes, they believe it anyway and injure their workers in the process with fraudulent withholding documents.
  - 3.2. Because workers are illegally enumerated and the tax status in the company records is FALSE and FRAUDULENT, their earnings illegally becomes subject to statutory levy and effectively becomes a PUBLIC account in which the government has equity interest.
  - 3.3. People pay taxes because they will lose the deposit in their account through the threat of ILLEGAL levy. The levy is illegal because the withholding paperwork is FRAUDULENT and the compulsion from the otherwise private employer is what made it fraudulent to begin with..

If you would like to know why items 2 and 3 above are ILLEGAL and even CRIMINALLY administered by most banks and private companies, see:

*Federal and State Tax Withholding Options for Private Employers*, Form #09.001  
<http://sedm.org/Forms/FormIndex.htm>

The common denominator of all the above three franchises is that the only reason most people participate is out of fear created through ILLEGAL and CRIMINAL enforcement by a corrupt de facto government and their fascist corporate co-conspirators. Because most Americans are legally ignorant and often relatively poor:

1. Most people do not know how to fight the corruption and therefore falsely believe they must comply.
2. Most people cannot afford to hire an attorney to fight the corruption that they can't fight on their own, and the high cost of the fight exceeds the economic benefit to winning. In a sense, exorbitant legal fees become an indirect “bill of attainder” or penalty against those who fight the illegal franchise enforcement.
3. Even those who can afford an attorney have the problem that the attorney has a conflict of allegiance, in which is first duty is to the court. With that conflict of allegiance, attorneys are loath to fight the government because they may lose their license to practice and starve to death.

Of course, there is a way to remedy the above, but the ONLY way is for the average American to learn the law, and to vociferously defend his rights in court WITHOUT being able to be effectively GAGGED by an attorney license. This would bypass the cost and conflict of interest of attorneys and guarantee a more just result. A small minority of Americans, unfortunately, are equipped or motivated sufficiently to take this route.

For the average American who either can't or won't learn the law, we end up with a situation where the above franchises in effect become "unconscionable contracts" in which there at least "appears" to be no way out without significant loss of money, time, or property of one kind or another. It is the fear of losing these things that keeps most people needlessly compliant, even if their compliance is illegal and sometimes even CRIMINAL in nature. This compliance, in fact, is a product of what we refer to as "international terrorism" by a corrupted legal profession. The states of the Union are, in effect, independent nations for a civil jurisdiction, and yet they refuse to enforce that role because they get illegal "kickbacks" from the federal mafia to continue the illegal enforcement. Below is the definition of "unconscionable contract":

*"UNCONSCIONABLE CONTRACT. One which no sensible man not under delusion, duress, or in distress would make, and such as no honest and fair man would accept. Franklin Fire Ins. Co. v. Noll, 115 Ind.App. 289, 58 N.E.2d. 947, 949, 950."*  
[Black's Law Dictionary, Fourth Edition, p. 397]

*"UNCONSCIONABLE BARGAIN. An unconscionable bargain or contract is one which no man in his senses, not under delusion, would make, on the one hand, and which no fair and honest man would accept, on the other. Hume v. U. S., 10 S.Ct. 134, 132 U.S. 406, 33 L.Ed. 393; Edler v. Frazier, 174 Iowa 46, 156 N.W. 182, 187; Hall v. Wingate, 159 Ga. 630, 126 S.E. 796, 813; 2 Ves. 125; 4 Bouv. Inst. n. 3848."*  
[Black's Law Dictionary, Fourth Edition, p. 1694]

If you look over all the biblical franchises we discussed earlier in section 20 and following, they all had the following elements in common:

1. They were offered by a government or a ruler to the people being ruled.
2. They involved the need for property that was critical or important to survival or a "normal" lifestyle. That "property" could be a piece of paper, a license, or a privilege to use some form of government property such as a public roadway.
3. The need for this property or its importance is so great, that people would give up most anything to get it.
4. The thing demanded by the covetous government or ruler in exchange for the property or privilege required is to become a "subject", servant, and slave of the government whom they can demand just about ANYTHING from. In other words, there are NO CONSTITUTIONAL LIMITS on the behavior of the government in relation to those who are party to the franchise.

The above "scheme" to destroy your rights has already been legally defined by the Beast itself as communism. Here is that definition:

[TITLE 50 > CHAPTER 23 > SUBCHAPTER IV > Sec. 841.](#)  
[Sec. 841. – Findings and declarations of fact](#)

*The Congress finds and declares that the Communist Party of the United States [consisting of the IRS, DOJ, and a corrupted federal judiciary], although purportedly a political party, is in fact an instrumentality of a conspiracy to overthrow the [de jure] Government of the United States [and replace it with a de facto government ruled by the judiciary]. It constitutes an authoritarian dictatorship [IRS, DOJ, and corrupted federal judiciary in collusion] within a [constitutional] republic, demanding for itself the rights and [FRANCHISE] privileges [including immunity from prosecution for their wrongdoing in violation of Article I, Section 9, Clause 8 of the Constitution] accorded to political parties, but denying to all others the liberties [Bill of Rights] guaranteed by the Constitution [Form #10.002]. Unlike political parties, which evolve their policies and programs through public means, by the reconciliation of a wide variety of individual views, and submit those policies and programs to the electorate at large for approval or disapproval, the policies and programs of the Communist Party are secretly [by corrupt judges and the IRS in complete disregard of, Form #05.014, the tax franchise "codes", Form #05.001] prescribed for it by the foreign leaders of the world Communist movement [the IRS and Federal Reserve]. Its members [the Congress, which was terrorized to do IRS bidding by the framing of Congressman Trafficant] have no part in determining its goals, and are not permitted to voice dissent to party objectives. Unlike members of political parties, members of the Communist Party are recruited for indoctrination [in the public FOOL system by homosexuals, liberals, and socialists] with respect to its objectives and methods, and are organized, instructed, and disciplined [by the IRS and a corrupted judiciary] to carry into action slavishly the assignments given them by their hierarchical chieftains. Unlike political parties, the Communist Party [thanks to a corrupted federal judiciary] acknowledges no constitutional or statutory limitations upon its conduct or upon that of its members [ANARCHISTS! Form #08.020]. The Communist Party is relatively small numerically, and gives scant indication of capacity ever to attain its ends by lawful political means. The peril inherent in its operation arises not from its numbers, but from its failure to acknowledge any limitation as to the nature of its*

activities, and its dedication to the proposition that the present constitutional Government of the United States ultimately must be brought to ruin by any available means, including resort to; force and violence [or using income taxes]. Holding that doctrine, its role as the agency of a hostile foreign power [the Federal Reserve and the American Bar Association (ABA)] renders its existence a clear present and continuing danger to the security of the United States. It is the means whereby individuals are seduced [illegally KIDNAPPED via identity theft!, Form #05.046] into the service of the world Communist movement [using FALSE information returns and other PERJURIOUS government forms, Form #04.001], trained to do its bidding [by FALSE government publications and statements that the government is not accountable for the accuracy of, Form #05.007], and directed and controlled [using FRANCHISES illegally enforced upon NONRESIDENTS, Form #05.030] in the conspiratorial performance of their revolutionary services. Therefore, the Communist Party should be outlawed

Finally, the U.S. Supreme Court has held that the above mechanism for essentially DESTROYING rights guaranteed by the Constitution is itself unconstitutional:

*"It has long been established that a State may not impose a penalty upon those who exercise a right guaranteed by the Constitution." Frost & Frost Trucking Co. v. Railroad Comm'n of California, 271 U.S. 583. "Constitutional rights would be of little value if they could be indirectly denied," Smith v. Allwright, 321 U.S. 649, 644, or manipulated out of existence,' Gomillion v. Lightfoot, 364 U.S. 339, 345."*  
*[Harman v. Forssenius, 380 U.S. 528 at 540, 85 S.Ct. 1177, 1185 (1965)]*

We will discuss later in section 28.2 a thing called the "Unconstitutional Conditions Doctrine", which is useful in ensuring that constitutional rights are not manipulated out of existence by enforcing franchises in places they may not even be lawfully offered. It is this tension between franchises, and the Unconstitutional Conditions Doctrine that explains why we said earlier in section 11 et seq that franchises may not lawfully be offered outside of federal territory NOT protected by the Constitution.

## **23.2 Why all the government's franchises are administered UNJUSTLY and FRAUDULENTLY**

We don't necessarily object in principle to franchises. Private companies use them all the time and they work quite well and are JUSTLY administered. Take McDonald's, which is an international franchise, for instance. The thing we object to about government franchises is not their use, but their FRAUDULENT AND MALICIOUS ABUSE. Here are a few examples of why government franchises are FRAUDULENTLY and MALICIOUSLY abused:

1. Franchise "codes" are consistently and maliciously MISREPRESENTED by both the government and the legal profession as "law" or "public law" that applies equally to EVERYONE, rather than more correctly as:
  - 1.1. Private law.
  - 1.2. A "compact".
  - 1.3. Having the "force of law" and thereby ACTIVATING only upon the express consent of those who are subject to it.
2. The government and the IRS are not held EQUALLY accountable for telling the public the WHOLE or complete truth about the voluntary nature of the franchise and your right NOT to volunteer or NOT be penalized for NOT volunteering. Instead, they effectively LIE to the public with impunity while at the same time hypocritically requiring everything we send THEM to be signed under penalty of perjury and them being able to penalize us if we follow their example and lie. See:

*Federal Courts and the IRS' Own IRM Say the IRS is NOT RESPONSIBLE for Its Actions or Its Words or for Following Its Own Written Procedures!*, Family Guardian Fellowship  
<http://famguardian.org/Subjects/Taxes/Articles/IRSNotResponsible.htm>
3. Corrupt judges (who are also franchisees with a criminal conflict of interest) sometimes refuse to allow non-franchisees to invoke the protections of the constitution or the common law when they are victimized by illegal franchise enforcement against non-franchisees, which itself is treason punishable by death per 18 U.S.C. §2381.
4. Corrupted governments illegally and criminally abuse sovereign immunity to destroy or undermine challenges to the unlawful enforcement of the franchise against non-franchisees. For instance, they dismiss challenges based on the common law or the constitution when the officers of the de facto government are civilly sued for injuries they cause illegally enforcing the franchise against non-participants. We believe that ANY and EVERY franchise offered by the government should be treated as PRIVATE business activity BEYOND the core purposes of government and which cannot be protected by sovereign immunity. Otherwise, politicians or governments who love money and will do or say ANYTHING to get it will always abuse franchises in the ways described here to the point where they will eventually gobble up any and every PRIVATE right and destroy and undermine the very purpose of establishing government to being with, which is the protection of PRIVATE rights.



5. A corrupted government doesn't fully disclose that participation is VOLUNTARY in all their forms publications and every time you talk to them or litigate rights under the franchise. They do this because if they did, they would have to address HOW to un-volunteer and NO ONE in their right mind would volunteer. And when you call them on it, they claim ignorance to preserve their "plausible deniability" for their CRIMES.
6. The legislation implementing the franchise refuses to disclose that the statutory "person", "taxpayer", "citizen", "driver", "spouse", or "licensee" can ONLY be created through YOUR express consent in some form.
7. A corrupted government buries the remedies so deeply in the law and makes them so complex and exasperating to implement that most people avoid a remedy for illegal enforcement of the franchise against non-franchisees.
8. Public schools deliberately dumb down the average populace on teaching the law, thus forcing the average American to hire a prohibitively expensive lawyer for hundreds of dollars an hour to get a remedy for illegal franchise enforcement.
9. Lawyers litigating against the government are all licensed by the same government and if they do take their fiduciary duty to their clients seriously, will end up disbarred and on the street because they took stolen loot out of the mouth of the judge and his employer. Thus, there is little or no incentive or reason for them to faithfully execute the laws and enforce the remedies available to non-franchisees.
10. Corrupted government actors routinely refuse their constitutional duty to protect those from ILLEGAL GOVERNMENT ENFORCEMENT of the franchise against those who choose NOT to volunteer, and yet they CONTINUE to use the word "voluntary" to describe those who participate. This is FRAUD.
11. The government forms and applications for the franchise refuse to provide a STATUS declaration OTHER than a franchisee for people who don't want to volunteer. For instance, IRS Form W-8BEN has a block for entity type, but the closest thing they have on the form is an "individual", and all individuals are public officers in the government per 5 U.S.C. §2105(a). They don't provide a status option such as "nonresident nontaxpayer" or "private human being".
12. When criminal complaints are filed against those such as banks and private companies who compel people to fill out application or withholding forms that only apply to franchisees, the corrupted government refuses their constitutional duty to prosecute such CRIMES. This type of abuse is called "selective enforcement" for personal gain. Thus, they have turned the PUBLIC trust into a SHAM trust that only benefits or protects THEM and THEIR interests at everyone else's expense. The public be DAMNED!
13. Those who run franchise courts such as U.S. Tax Court (Article 1 court) and the U.S. District Courts (Article IV court on tax matters), when confronted with a dispute over income taxes involving those who do not consent to be franchisees called statutory "taxpayers" per 26 U.S.C. §7701(a)(14) have a constitutional duty to dismiss the case and say they have no jurisdiction, and to enjoin the illegal enforcement activity by the I.R.S. In practice, they refuse this constitutional duty by:
  - 13.1. Calling the non-franchisee "frivolous".
  - 13.2. Penalizing the non-franchisee.
  - 13.3. Falsely stating that the Anti-Injunction Act, 26 U.S.C. §7421, applies to EVERYONE, when in fact it can only lawfully apply to statutory "taxpayers". Any other approach results in the destruction of all PRIVATE rights and a massive violation of the Bill of Rights and conspiracy against rights.
  - 13.4. Quoting IRRELEVANT case law that only pertains to "taxpayers" or residents of federal territory and against them. This is an abuse of case law for political purposes and accomplishes the legal effect of identity theft and kidnapping against the innocent nontaxpayer party. That identity theft and kidnapping occurs because all law is prima facie territorial and quoting territorial law against a nonresident is an act of international terrorism and kidnapping.
14. Federal judges and even juries hearing franchise cases usually have a criminal and financial conflict of interest in violation of 18 U.S.C. §208, 28 U.S.C. §144, and 28 U.S.C. §455, thus making due process IMPOSSIBLE. The foundation of due process is a completely impartial decision maker, impartial witnesses, and an impartial jury.
  - 14.1. Judges, jurors, and witnesses are almost all "taxpayers" and therefore subject to I.R.S. illegal enforcement and terrorism if they don't rule in favor of the government and against innocent non-franchisees.
  - 14.2. Federal prosecutors MANUFACTURE criminal conflicts of interest in the jurors during tax trials by telling jurists that if John Doe doesn't pay his "fair share", then THEY will have pick up HIS bill.
15. Those NOT engaged in franchise activities are illegally and fraudulently prosecuted for failure to obtain a license. For instance, those not engaged in the use of the roadways for hire are prosecuted for "driving without a license". The duty to obtain a license can only be imposed upon:
  - 15.1. Those lawfully engaged in public officers in the government. AND
  - 15.2. Domiciled on federal territory at the time...ANDOtherwise, a violation of the Thirteenth Amendment and Fifth Amendment has occurred and the government is STEALING from the innocent non-franchisee.

16. A fiat currency system, which we call the Federal Reserve Counterfeiting Franchise, makes it virtually impossible to rule justly and truthfully on franchise issues because they would reduce government revenues and cause the government to most likely become insolvent. See:

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

If all of the above defects in government/public franchises were eliminated and every government application for a franchise specifically said you have a right NOT to volunteer and that they would PROTECT your right to not volunteer, the vast majority of objections we have to government franchises would be eliminated and they would be treated just like any and every other PRIVATE franchise. It is a maxim of the common law, in fact, that they MUST do this and they absolutely refuse to do this:

*Invito beneficium non datur.*

*No one is obliged to accept a benefit against his consent. Dig. 50, 17, 69. But if he does not dissent he will be considered as assenting. Vide Assent.*

*Quilibet potest renunciare juri pro se inducto.*

*Any one may renounce a law introduced for his own benefit. To this rule there are some exceptions. See 1 Bouv. Inst. n. 83.*

*[Bouvier's Maxims of Law, 1856, SOURCE:*

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

The main thing we object to is that our system of law and government is based on absolute equality and equal treatment, and that franchises are abused to:

1. Maliciously destroy that equality and equal protection.
2. Make you subservient to the government without just compensation that only YOU determine.
3. Create a state-sponsored religion that worships men, governments, and civil rulers. The elimination of THAT religion and the inequality that protects and perpetuates it all we seek. See:

*Socialism: The New American Civil Religion*, Form #05.016  
<http://sedm.org/Forms/FormIndex.htm>

### **23.3 Compelled participation in franchises against those civilly domiciled outside the exclusive jurisdiction of the government offering the franchise is an act of INTERNATIONAL TERRORISM**

We allege that any and every attempt to enforce franchises outside the exclusive civil jurisdiction of any government constitutes an act of INTERNATIONAL terrorism. Keep in mind that the states themselves are identified as no less than "nations", and hence any attempt by an extraterritorial force to enforce within their borders is INTERNATIONAL in nature:

*"The States between each other are sovereign and independent. They are distinct and separate sovereignties, except so far as they have parted with some of the attributes of sovereignty by the Constitution. **They continue to be nations, with all their rights, and under all their national obligations, and with all the rights of nations in every particular;** except in the surrender by each to the common purposes and objects of the Union, under the Constitution. The rights of each State, when not so yielded up, remain absolute."*

*[Bank of Augusta v. Earle, 38 U.S. (13 Pet.) 519, 10 L.Ed. 274 (1839)]*

Terrorism is legally defined as follows:

*"**Terrorism:** political violence: violence or the threat of violence, especially bombing, kidnapping, and assassination, carried out for political purposes  
[Microsoft® Encarta® 2008. © 1993-2007 Microsoft Corporation]*

*"**terrorist:** somebody using violence for political purposes: somebody who uses violence, especially bombing, kidnapping, and assassination, to intimidate others, often for political purposes  
[Microsoft® Encarta® 2008. © 1993-2007 Microsoft Corporation]*

So a terrorist is someone who uses violence, or threats of violence to the life, liberty, or property against those not consenting to said violence as a means of POLITICALLY influencing the target of the threat. The tools for threatening people include

kidnapping. The legal profession accomplishes the equivalent of such kidnapping by removing the civil identity of a person domiciled OUTSIDE their jurisdiction to a foreign jurisdiction by the following means:

1. Using FALSE presumptions about the meaning of definitions or what is “included” in the definitions. We call this “unconstitutional eminent domain by presumption” and without compensation. See the following for exhaustive evidence of this criminal extortion technique and its unconstitutional nature:

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

2. Using the ORDINARY or GENERAL meaning of geographical words and yet REFUSING to allow the statutory or SPECIFIC meaning to be discussed in the context of the SPECIFIC thing being enforced.

*"Dolus versatur generalibus. A deceiver deals in generals. 2 Co. 34."*

*"Fraus latet in generalibus. Fraud lies hid in general expressions."*

*Generale nihil certum implicat. A general expression implies nothing certain. 2 Co. 34.*

*Ubi quid generaliter conceditur, in est haec exceptio, si non aliquid sit contra jus fasque. Where a thing is concealed generally, this exception arises, that there shall be nothing contrary to law and right. 10 Co. 78.*  
[Bouvier's Maxims of Law, 1856;

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

3. Interfering with efforts by the falsely accused party to define the meaning of terms on any or all government forms they submit. This is especially true of geographical terms.
4. Using “words of art” to break down the separation of civil powers between the national government and the states, to unconstitutionally place them under the control of the national government.
5. Abusing the word “includes” to exercise what the U.S. Supreme Court calls “arbitrary control” in adding WHATEVER THEY WANT to the definitions of words. This tactic is thoroughly rebutted in:

Legal Deception, Propaganda, and Fraud, Form #05.014  
<http://sedm.org/Forms/FormIndex.htm>

After federal statutory law has unlawfully been imposed extraterritorially against those domiciled outside the statutory “United States”, meaning federal territory, they then use franchises to unlawfully impose “duties” against people, thus implementing involuntary servitude in violation of the Thirteenth Amendment prohibition against involuntary servitude. And if the person objects to the involuntary servitude, they FRAUDULENTLY institute civil penalties against them for refusing to associate themselves with a franchise status such as “taxpayer”, “citizen”, “U.S. citizen”, “person”, or “individual”. The result are the following crimes by GOVERNMENT terrorists:

1. Tampering with a witness. 18 U.S.C. §1512. All government forms and testimony in court constitutes “testimony of a protected witness”. Any attempt to penalize said witness directly interferes with truthful testimony and makes their testimony given under the influence of said duress inadmissible as evidence. This is especially true if the penalty is authorized ONLY against a franchisee called a statutory “taxpayer” and the witness is NOT a statutory “taxpayer” and cannot lawfully be DECLARED or PRESUMED to be a “taxpayer” by the judge because of 28 U.S.C. §2201(a).

*Specifically, Rowen seeks a declaratory judgment against the United States of America with respect to "whether or not the plaintiff is a taxpayer pursuant to, and/or under 26 U.S.C. §7701(a)(14)." (See Compl. at 2.) This Court lacks jurisdiction to issue a declaratory judgment "with respect to Federal taxes other than actions brought under section 7428 of the Internal Revenue Code of 1986," a code section that is not at issue in the instant action. See 28 U.S.C. § 2201; see also Hughes v. United States, 953 F.2d. 531, 536-537 (9th Cir. 1991) (affirming dismissal of claim for declaratory relief under § 2201 where claim concerned question of tax liability). Accordingly, defendant's motion to dismiss is hereby GRANTED, and the instant action is hereby DISMISSED.*  
[*Rowen v. U.S.*, 05-3766MMC. (N.D.Cal. 11/02/2005)]

2. Criminal coercion.
3. Harassing or threatening communication. This includes all collection notices connected with the illegal penalty. All such activity is also usually chargeable as “stalking” under state law.
4. Unlawful simulation of legal process. All legal proceedings against non-franchisees and “nontaxpayers” such as administrative summons, “notices of levy”, etc. constitute unlawful “simulation of legal process” punishable by imprisonment.

5. Bribing public officers or jurors. 18 U.S.C. §201. All those receiving federal “benefits” derived from the “tax” at issue in any tax prosecution are being bribed to rule against those who are NOT “taxpayers”.
6. Influencing or injuring officer or juror. 18 U.S.C. §1503. All those receiving federal “benefits” derived from the “tax” at issue in any tax prosecution are being bribed to rule against those who are NOT “taxpayers”. Prosecutors typically warn jurors that “their share” of the tax burden will go up if they DON’T convict an innocent nontaxpayer defendant.
7. Solicitation to obtain appointive public office. 18 U.S.C. §211. Innocent nontaxpayer defendants are told that if they plead guilty to being a public officer called a statutory “taxpayer” and pay whatever the government wants, then they will get a reduced sentence or no sentence. The payment they make is a BRIBE to receive the “benefits” of the office, which include reduced sentence, and the elimination of criminal harassment by the government mafia “protection racket”.

All the above tactics not only amount to acts of international terrorism, but they also violate the ONLY mandate in the USA constitution to protect the states from invasion, because the chief invaders is the de facto U.S. government mafia itself.

*United States Constitution  
Article 4, Section 4.*

*The United States **shall guarantee** to every State in this Union a Republican Form of Government, and **shall protect each of them against Invasion**; and on Application of the Legislature, or of the Executive (when the Legislature cannot be convened) against domestic Violence.*

Likewise, franchises are POLITICALLY administered against only those who are POLITICAL officers or PUBLIC officers. All franchise courts are in the Executive Branch and hence, they act POLITICALLY if they act against those who are OUTSIDE the government or are NOT lawfully serving in public offices. This form of POLITICAL activity disguised to LOOK like legal activity but which cannot become LAW for non-franchisees, is the foundation of what “terrorism” itself is: To influence people POLITICALLY using threats that LOOK legal but in fact are NOT for those who are not consenting franchisees.

Even the Wikipedia Encyclopedia itself recognizes that false accusations of government that YOU are a terrorist itself constitutes “terrorism” as legally defined:

*The word "terrorism" is politically and emotionally charged,<sup>237</sup> and this greatly compounds the difficulty of providing a precise definition. Studies have found over 100 definitions of "terrorism"<sup>238,239</sup>. **The concept of terrorism may itself be controversial as it is often used by state authorities to delegitimize political or other opponents,<sup>240</sup> and potentially legitimize the state's own use of armed force against opponents (such use of force may itself be described as "terror" by opponents of the state).**<sup>241,242</sup>  
[Wikipedia: "Terrorism", Downloaded 5/29/2011;  
SOURCE: <http://en.wikipedia.org/wiki/Terrorism>]*

**Remember:** There are only two types of REAL governments: government by consent and terrorist governments. What we have now is a terrorist government that has transformed itself from a protector to a protection racket and organized crime syndicate which is directed behind the scenes by a secret financial elite of special interests. The early Romans spread their

<sup>237</sup> Hoffman, Bruce "Inside Terrorism" Columbia University Press 1998 ISBN 0-231-11468-0. p. 32. See review in The New York Times Inside Terrorism.

<sup>238</sup> Record, Jeffrey (December 2003). "Bounding the Global War on Terrorism". Strategic Studies Institute (SSI). <http://www.strategicstudiesinstitute.army.mil/pdffiles/pub207.pdf>. Retrieved 2009-11-11. "The views expressed in this report are those of the author and do not necessarily reflect the official policy or position of the Department of the Army, the Department of Defense, or the U.S. Government. This report is cleared for public release; distribution is unlimited."

<sup>239</sup> Schmid, Alex, and Jongman, Albert. Political Terrorism: A new guide to actors, authors, concepts, data bases, theories and literature. Amsterdam ; New York : North-Holland ; New Brunswick: Transaction Books, 1988.

<sup>240</sup> <sup>a b c</sup> Geoffrey Nunberg (October 28, 2001). "Head Games / It All Started with Robespierre / "Terrorism": The history of a very frightening word". San Francisco Chronicle. [http://articles.sfgate.com/2001-10-28/opinion/17622543\\_1\\_terrorism-robspierre-la-terreur](http://articles.sfgate.com/2001-10-28/opinion/17622543_1_terrorism-robspierre-la-terreur). Retrieved 2010-01-11. "For the next 150 years the word "terrorism" L.Ed. a double life – a justifiable political strategy to some an abomination to others"

<sup>241</sup> <sup>a b c</sup> Geoffrey Nunberg (October 28, 2001). "Head Games / It All Started with Robespierre / "Terrorism": The history of a very frightening word". San Francisco Chronicle. [http://articles.sfgate.com/2001-10-28/opinion/17622543\\_1\\_terrorism-robspierre-la-terreur](http://articles.sfgate.com/2001-10-28/opinion/17622543_1_terrorism-robspierre-la-terreur). Retrieved 2010-01-11. "For the next 150 years the word "terrorism" L.Ed. a double life – a justifiable political strategy to some an abomination to others"

<sup>242</sup> Elysa Gardner (2008-12-25). "Harold Pinter: Theater's singular voice falls silent". USA Today. [http://www.usatoday.com/life/theater/news/2008-12-25-pinter\\_N.htm](http://www.usatoday.com/life/theater/news/2008-12-25-pinter_N.htm). Retrieved 2010-01-11. "In 2004, he earned the prestigious Wilfred Owen prize for a series of poems opposing the war in Iraq. In his acceptance speech, Pinter described the war as "a bandit act, an act of blatant state terrorism, demonstrating absolute contempt for the concept of international law."



worldwide empire by the same techniques. When they wanted to capture and conquer a city or a state without violence, they would place guards on all the main roads in and out. They would embargo the city or state from all commerce and turn the ability to conduct commerce into a franchise and a privilege, and force the inhabitants to pay tribute to Caesar in order to restore their ability to support themselves and travel freely. Then they would make everyone in the city turn in all their gold and silver as tribute. A small portion of it would be given back, all of which was melted down and re-minted with Caesar's image on it. It was nonviolent commercial and legal conquest, but still conquest.

***"TRIBUTE.** Tribute in the sense of an impost paid by one state to another, as a mark of subjugation, is a common feature of international relationships in the biblical world. The tributary could be either a hostile state or an ally. Like deportation, its purpose was to weaken a hostile state. Deportation aimed at depleting the man-power. The aim of tribute was probably twofold: to impoverish the subjugated state and at the same time to increase the conqueror's own revenues and to acquire commodities in short supply in his own country. As an instrument of administration it was one of the simplest ever devised: the subjugated country could be made responsible for the payment of a yearly tribute. Its non-arrival would be taken as a sign of rebellion, and an expedition would then be sent to deal with the recalcitrant. This was probably the reason for the attack recorded in Gn. 14. [*New Bible Dictionary*. Third Edition. Wood, D. R. W., Wood, D. R. W., & Marshall, I. H. 1996, c1982, c1962; InterVarsity Press: Downers Grove]*

The only thing new in the world is the history you do not know. The reason you do not know it is that the same corporate and elite special interests who oppress you and use their franchises to destroy equal protection and your rights also run the public schools and the media and decide what they want you to know. All they want are good little corporate, tax-paying whores and drones who don't ask any questions and keep the plunder flowing into their checking account so they don't have to pay their fair share, which is really the only share that the Constitution can or does lawfully authorize: franchise/excise taxes upon corporate privileges. Congress is only supposed to be able to tax what it creates and it didn't create human beings (God did), but it did create federal corporation franchises and can and should tax ONLY them.

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

## 23.4 Franchises are abused to UNLAWFULLY create statutory government "employees" or "officers"<sup>243</sup>

*"All systems either of preference or of restraint, therefore, being thus completely taken away, the obvious and simple system of natural liberty establishes itself of its own accord. Every man, as long as he does not violate the laws of justice, is left perfectly free to pursue his own interest his own way, and to bring both his industry and capital into competition with those of any other man or order of men. The sovereign is completely discharged from a duty, in the attempting to perform which he must always be exposed to innumerable delusions, and for the proper performance of which no human wisdom or knowledge could ever be sufficient: the duty of superintending the industry of private people."* [*Adam Smith, An Inquiry into the Nature and Causes of the Wealth of Nations* (1776)]

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

*"The power to tax is, therefore, the strongest, the most pervading of all powers of government, reaching directly or indirectly to all classes of the people. It was said by Chief Justice Marshall, in the case of *McCulloch v. Md.*, 4 Wheat. 431, that the power to tax is the power to destroy. A striking instance of the truth of the proposition is seen in the fact that the existing tax of ten per cent, imposed by the United States on the circulation of all other banks than the National Banks, drove out of existence every \*state bank of circulation within a year or two after its passage. This power can be readily employed against one class of individuals and in favor of another, so as*

<sup>243</sup> Adapted with permission from the *Great IRS Hoax*, Form #11.302, Section 5.2.5, ver. 4.38, found at: <http://famguardian.org/Publications/GreatIRSHoax/GreatIRSHoax.htm>



to ruin the one class and give unlimited wealth and prosperity to the other, if there is no implied limitation of the uses for which the power may be exercised.

**To lay, with one hand, the power of the government on the property of the citizen, and with the other to bestow it upon favored individuals to aid private enterprises and build up private fortunes, is none the less a robbery because it is done under the forms of law and is called taxation. This is not legislation. It is a decree under legislative forms.**

**Nor is it taxation. 'A tax,' says Webster's Dictionary, 'is a rate or sum of money assessed on the person or property of a citizen by government for the use of the nation or State.' 'Taxes are burdens or charges imposed by the Legislature upon persons or property to raise money for public purposes.' Cooley, Const. Lim., 479.**

Coulter, J., in *Northern Liberties v. St. John's Church*, 13 Pa.St. 104 says, very forcibly, 'I think the common mind has everywhere taken in the understanding that **taxes are a public imposition, levied by authority of the government for the purposes of carrying on the government in all its machinery and operations—that they are imposed for a public purpose.**' See, also *Pray v. Northern Liberties*, 31 Pa.St., 69; *Matter of Mayor of N.Y.*, 11 Johns., 77; *Camden v. Allen*, 2 Dutch., 398; *Sharpless v. Mayor*, supra; *Hanson v. Vernon*, 27 Ia., 47; *Whiting v. Fond du Lac*, supra."  
[[Loan Association v. Topeka](#), 20 Wall. 655 (1874)]

"A tax, in the general understanding of the term and as used in the constitution, signifies an exaction for the support of the government. The word has never thought to connote the expropriation of money from one group for the benefit of another."  
[[U.S. v. Butler](#), 297 U.S. 1 (1936)]

Black's Law Dictionary defines the word "public purpose" as follows:

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

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

A related word defined in Black's Law Dictionary is "public use":

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

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

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

Black's Law Dictionary also defines the word "tax" as follows:

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

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

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

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

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

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

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

5 *“The Legislature may enjoin, permit, forbid, and punish; they may declare new crimes; and establish rules of*  
6 *conduct for all its citizens in future cases; they may command what is right, and prohibit what is wrong; but they*  
7 *[the government] cannot change innocence [a “nontaxpayer”] into guilt [a “taxpayer”]; or punish innocence*  
8 *as a crime [criminally prosecute a “nontaxpayer” for violation of the tax laws]; or violate the right of an*  
9 *antecedent lawful private contract; or the right of private property. To maintain that our Federal, or State,*  
10 *Legislature possesses such powers [of THEFT and FRAUD], if they had not been expressly restrained; would,*  
11 *\*389 in my opinion, be a political heresy, altogether inadmissible in our free republican governments.”*  
12 *[Calder v. Bull, 3 U.S. 386 (1798)]*

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

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

20 Based on the foregoing analysis, we are then forced to divide the monies collected by the government through its taxing  
21 powers into only two distinct classes. We also emphasize that every tax collected and every expenditure originating from the  
22 tax paid MUST fit into one of the two categories below:  
23  
24

1 **Table 18: Two methods for taxation**

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

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

- 11 1. Subtitle A of the Internal Revenue Code. I.R.C. §§1, 32, and 162 all confer privileged financial benefits to the participant
- 12 which constitute federal “employment” compensation.
- 13 2. Social Security.
- 14 3. Unemployment compensation.
- 15 4. Medicare.

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

18 [TITLE 5 > PART I > CHAPTER 5 > SUBCHAPTER II > § 552a](#)

1                    [§552a. Records maintained on individuals](#)

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

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

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

8                    [TITLE 5 > PART I > CHAPTER 5 > SUBCHAPTER II > § 552a](#)  
9                    [§552a. Records maintained on individuals](#)

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

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

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

19                    *“The individual may stand upon his constitutional rights as a citizen. He is entitled to carry on his private*  
20                    *business in his own way [unregulated by the government]. His power to contract is unlimited. He owes no duty*  
21                    *to the State or to his neighbor to divulge his business, or to open his doors to an investigation, so far as it may*  
22                    *tend to criminate him. He owes no such duty to the State, since he receives nothing therefrom, beyond the*  
23                    *protection of his life and property.* His rights are such as existed by the law of the land long antecedent to the  
24                    organization of the State, and can only be taken from him by due process of law, and in accordance with the  
25                    Constitution. Among his rights are a refusal to incriminate himself, and the immunity of himself and his property  
26                    from arrest or seizure except under a warrant of the law. He owes nothing to the public [including so-called  
27                    “taxes” under Subtitle A of the I.R.C.] so long as he does not trespass upon their rights.”  
28                    [*Hale v. Henkel*, [201 U.S. 43](#), 74 (1906)]

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

31                    *“The makers of our Constitution undertook to secure conditions favorable to the pursuit of happiness. They*  
32                    *recognized the significance of man's spiritual nature, of his feelings and of his intellect. They knew that only a*  
33                    *part of the pain, pleasure and satisfactions of life are to be found in material things. They sought to protect*  
34                    *Americans in their beliefs, their thoughts, their emotions and their sensations. They conferred, as against the*  
35                    *Government, the right to be let alone - the most comprehensive of rights and the right most valued by civilized*  
36                    *men.”*  
37                    [*Olmstead v. United States*, [277 U.S. 438, 478](#) (1928) (Brandeis, J., dissenting); see also *Washington v. Harper*,  
38                    [494 U.S. 210](#) (1990)]



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

<https://law.justia.com/cfr/title20.html>

Below is the definition of "employee" for the purposes of the above:

[26 C.F.R. §31.3401\(c\)-1 Employee:](#)

"...the term [employee] includes officers and employees, whether elected or appointed, **of the United States, a [federal] State, Territory, Puerto Rico or any political subdivision, thereof, or the District of Columbia, or any agency or instrumentality of any one or more of the foregoing.** The term 'employee' also includes an officer of a corporation."

[26 U.S.C. §3401\(c\) Employee](#)

For purposes of this chapter, the term "employee" includes [is limited to] an officer, employee, or elected official of the United States, a State, or any political subdivision thereof, or the District of Columbia, or any agency or instrumentality of any one or more of the foregoing. The term "employee" also includes an officer of a corporation.

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[TITLE 5 > PART III > Subpart A > CHAPTER 21 > § 2105](#)  
[§2105. Employee](#)

(a) For the purpose of this title, "employee", except as otherwise provided by this section or when specifically modified, means an officer and an individual who is—

(1) appointed in the civil service by one of the following acting in an official capacity—

- (A) the President;
- (B) a Member or Members of Congress, or the Congress;
- (C) a member of a uniformed service;
- (D) an individual who is an employee under this section;
- (E) the head of a Government controlled corporation; or
- (F) an adjutant general designated by the Secretary concerned under section 709 (c) of title 32;

(2) engaged in the performance of a Federal function under authority of law or an Executive act; and  
(3) subject to the supervision of an individual named by paragraph (1) of this subsection while engaged in the performance of the duties of his position.

Keeping in mind the following rules of statutory construction and interpretation, please show us SOMEWHERE in the statutes defining "employee" that EXPRESSLY includes PRIVATE human beings working as PRIVATE workers protected by the constitution and not subject to federal law:

**"Expressio unius est exclusio alterius.** A maxim of statutory interpretation meaning that **the expression of one thing is the exclusion of another.** *Burgin v. Forbes*, 293 Ky. 456, 169 S.W.2d. 321, 325; *Newblock v. Bowles*, 170 Okl. 487, 40 P.2d. 1097, 1100. Mention of one thing implies exclusion of another. **When certain persons or things are specified in a law, contract, or will, an intention to exclude all others from its operation may be inferred.** Under this maxim, if statute specifies one exception to a general rule or assumes to specify the effects of a certain provision, other exceptions or effects are excluded."  
[Black's Law Dictionary, Sixth Edition, p. 581]

**"When a statute includes an explicit definition, we must follow that definition, even if it varies from that term's ordinary meaning.** *Meese v. Keene*, 481 U.S. 465, 484-485 (1987) ("It is axiomatic that the statutory definition of the term excludes unstated meanings of that term"); *Colautti v. Franklin*, 439 U.S. at 392-393, n. 10 ("As a rule, 'a definition which declares what a term 'means' . . . excludes any meaning that is not stated"); *Western Union Telegraph Co. v. Lenroot*, 323 U.S. 490, 502 (1945); *Fox v. Standard Oil Co. of N.J.*, 294 U.S. 87, 95-96 (1935) (Cardozo, J.); see also 2A N. Singer, *Sutherland on Statutes and Statutory Construction* § 47.07, p. 152, and n. 10 (5th ed. 1992) (collecting cases). That is to say, the statute, read "as a whole," post at 998 [530 U.S. 943] (THOMAS, J., dissenting), leads the reader to a definition. That definition does not include the Attorney General's restriction -- "the child up to the head." Its words, "substantial portion," indicate the contrary."

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

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

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

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

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

“With all [our] blessings, what more is necessary to make us a happy and a prosperous people? Still one thing more, fellow citizens--**a wise and frugal Government, which shall restrain men from injuring one another, shall leave them otherwise free** to regulate their own pursuits of industry and improvement, and shall not take from the mouth of labor the bread it has earned. This is the sum of good government, and this is necessary to close the circle of our felicities.”  
[Thomas Jefferson: 1st Inaugural, 1801. ME 3:320]

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

“The power to “legislate generally upon” life, liberty, and property, as opposed to the “power to provide modes of redress” against offensive state action, was “repugnant” to the Constitution. *Id.*, at 15. See also *United States v. Reese*, [92 U.S. 214, 218](#) (1876); *United States v. Harris*, [106 U.S. 629, 639](#) (1883); *James v. Bowman*, [190 U.S. 127, 139](#) (1903). Although the specific holdings of these early cases might have been superseded or modified, see, e.g., *Heart of Atlanta Motel, Inc. v. United States*, [379 U.S. 241](#) (1964); *United States v. Guest*, [383 U.S. 745](#) (1966), their treatment of Congress’ §5 power as corrective or preventive, not definitional, has not been questioned.”  
[*City of Boerne v. Flores, Archbishop of San Antonio*, [521 U.S. 507](#) (1997)]

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

1. Only applies to “public employees”, “public offices”, and federal instrumentalities in the official conduct of their duties on behalf of the municipal corporation located in the District of Columbia, which [4 U.S.C. §72](#) makes the “seat of government”.
2. Does not CREATE any new public offices or instrumentalities within the national government, but only regulates the exercise of EXISTING public offices lawfully created through Title 5 of the U.S. Code. The IRS abuses its forms to unlawfully CREATE public offices within the federal government. In payroll terminology, this is called “creating fictitious employees”, and it is not only quite common, but highly illegal and can get private workers FIRED on the spot if discovered.

3. Regulates PUBLIC and not PRIVATE conduct and therefore does not pertain to private human beings.
4. Constitutes a franchise and a “benefit” within the meaning of 5 U.S.C. §552a. Tax “refunds” and “deductions”, in fact, are the “benefit”, and 26 U.S.C. §162 says that all those who take deductions MUST, in fact, be engaged in a public office within the government, which is called a “trade or business”:

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

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

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

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

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

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

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

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

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

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

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

Below is the definition of “public office”:

Public office

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

- (1) Authority conferred by law,
- (2) Fixed tenure of office, and
- (3) Power to exercise some of the sovereign functions **of government**.
- (4) Key element of such test is that “officer is carrying out a sovereign function”.
- (5) Essential elements to establish public position as ‘public office’ are:
  - (a) Position must be created by Constitution, legislature, or through authority conferred by legislature.
  - (b) Portion of sovereign power of government must be delegated to position,
  - (c) Duties and powers must be defined, directly or implied, by legislature or through legislative authority.
  - (d) Duties must be performed independently without control of superior power other than law, and

(e) Position must have some permanency.”  
[Black’s Law Dictionary, Sixth Edition, p. 1230]

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

“As expressed otherwise, the powers delegated to a public officer are held in trust for the people and are to be exercised in behalf of the government or of all citizens who may need the intervention of the officer.”<sup>244</sup>  
Furthermore, the view has been expressed that all public officers, within whatever branch and whatever level of government, and whatever be their private vocations, are trustees of the people, and accordingly labor under every disability and prohibition imposed by law upon trustees relative to the making of personal financial gain from a discharge of their trusts.<sup>245</sup> That is, a public officer occupies a fiduciary relationship to the political entity on whose behalf he or she serves.<sup>246</sup> and owes a fiduciary duty to the public.<sup>247</sup> It has been said that the fiduciary responsibilities of a public officer cannot be less than those of a private individual.<sup>248</sup>  
Furthermore, it has been stated that any enterprise undertaken by the public official which tends to weaken public confidence and undermine the sense of security for individual rights is against public policy.<sup>249</sup>”  
[63C American Jurisprudence 2d, Public Officers and Employees, §247 (1999)]

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

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

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

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

<sup>244</sup> State ex rel. Nagle v. Sullivan, 98 Mont. 425, 40 P.2d. 995, 99 A.L.R. 321; Jersey City v. Hague, 18 N.J. 584, 115 A.2d. 8.

<sup>245</sup> Georgia Dep’t of Human Resources v. Sistrunk, 249 Ga. 543, 291 S.E.2d. 524. A public official is held in public trust. Madlener v. Finley (1st Dist) 161 Ill.App.3d. 796, 113 Ill.Dec. 712, 515 N.E.2d. 697, app gr 117 Ill.Dec. 226, 520 N.E.2d. 387 and revd on other grounds 128 Ill.2d. 147, 131 Ill.Dec. 145, 538 N.E.2d. 520.

<sup>246</sup> Chicago Park Dist. v. Kenroy, Inc., 78 Ill.2d. 555, 37 Ill.Dec. 291, 402 N.E.2d. 181, appeal after remand (1st Dist) 107 Ill.App.3d. 222, 63 Ill.Dec. 134, 437 N.E.2d. 783.

<sup>247</sup> United States v. Holzer (CA7 Ill), 816 F.2d. 304 and vacated, remanded on other grounds 484 U.S. 807, 98 L.Ed. 2d 18, 108 S.Ct. 53, on remand (CA7 Ill) 840 F.2d. 1343, cert den 486 U.S. 1035, 100 L.Ed. 2d 608, 108 S.Ct. 2022 and (criticized on other grounds by United States v. Osser (CA3 Pa) 864 F.2d. 1056) and (superseded by statute on other grounds as stated in United States v. Little (CA5 Miss) 889 F.2d. 1367) and (among conflicting authorities on other grounds noted in United States v. Boylan (CA1 Mass), 898 F.2d. 230, 29 Fed.Rules.Evid.Serv. 1223).

<sup>248</sup> Chicago ex rel. Cohen v. Keane, 64 Ill.2d. 559, 2 Ill.Dec. 285, 357 N.E.2d. 452, later proceeding (1st Dist) 105 Ill.App.3d. 298, 61 Ill.Dec. 172, 434 N.E.2d. 325.

<sup>249</sup> Indiana State Ethics Comm’n v. Nelson (Ind App), 656 N.E.2d. 1172, reh gr (Ind App) 659 N.E.2d. 260, reh den (Jan 24, 1996) and transfer den (May 28, 1996).

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

*“My son, if sinners [socialists, in this case] entice you,  
**Do not consent [do not abuse your power of choice]**  
If they say, “Come with us,  
Let us lie in wait to shed blood [of innocent “nontaxpayers”];  
Let us lurk secretly for the innocent without cause;  
Let us swallow them alive like Sheol,  
And whole, like those who go down to the Pit:  
**We shall fill our houses with spoil [plunder];**  
Cast in your lot among us,  
Let us all have one purse [share the stolen LOOT]”--*

*My son, do not walk in the way with them [do not ASSOCIATE with them and don't let the government FORCE you to associate with them either by forcing you to become a “taxpayer”/government whore or a “U.S. citizen”].*  
*Keep your foot from their path;  
For their feet run to evil,  
And they make haste to shed blood.  
Surely, in vain the net is spread  
In the sight of any bird;  
**But they lie in wait for their own blood.**  
**They lurk secretly for their own lives.**  
**So are the ways of everyone who is greedy for gain [or unearned government benefits];**  
**It takes away the life of its owners.”**  
*[Proverbs 1:10-19, Bible, NKJV]**

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

*“Men are endowed by their Creator with certain unalienable rights,-life, liberty, and the pursuit of happiness;’ and to ‘secure,’ not grant or create, these rights, governments are instituted. **That property [or income] which a man has honestly acquired he retains full control of, subject to these limitations: First, that he shall not use it to his neighbor's injury, and that does not mean that he must use it for his neighbor's benefit; second, that if he devotes it to a public use, he gives to the public a right to control that use; and third, that whenever the public needs require, the public may take it upon payment of due compensation.***  
*[Budd v. People of State of New York, 143 U.S. 517 (1892)]*

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

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

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

*The “Trade or Business” Scam*, Form #05.001  
<http://sedm.org/Forms/FormIndex.htm>

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

1. SEDM Liberty University, Section 4: Avoiding Government Franchises and Licenses



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

2. Authorities on “franchise”

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

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

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

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

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

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

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

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

*“No one can serve two masters [god and government, or two employers, for instance]; for either he will hate the one and love the other, or else he will be loyal to the one and despise the other. You cannot serve God and mammon [government].”*

*[Luke 16:13, Bible, NKJV. Written by a tax collector]*

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

*“THE” + “IRS” = “THEIRS”*

A federal “public officer” has no rights in relation to their master, the federal government:

*“The restrictions that the Constitution places upon the government in its capacity as lawmaker, i.e., as the regulator of private conduct, are not the same as the restrictions that it places upon the government in its capacity as employer. We have recognized this in many contexts, with respect to many different constitutional guarantees. Private citizens perhaps cannot be prevented from wearing long hair, but policemen can. Kelley v. Johnson, [425 U.S. 238, 247](#) (1976). Private citizens cannot have their property searched without probable cause, but in many circumstances government employees can. O’Connor v. Ortega, [480 U.S. 709, 723](#) (1987) (plurality opinion); id., at 732 (SCALIA, J., concurring in judgment). Private citizens cannot be punished for refusing to provide the government information that may incriminate them, but government employees can be dismissed when the incriminating information that they refuse to provide relates to the performance of their job. Gardner v. Broderick, [497 U.S. 62, 95] [392 U.S. 273, 277](#) -278 (1968). With regard to freedom of speech in particular: Private citizens cannot be punished for speech of merely private concern, but government employees can be fired for that reason. Connick v. Myers, [461 U.S. 138, 147](#) (1983). Private citizens cannot be punished for partisan political activity, but federal and state employees can be dismissed and otherwise punished for that reason. Public Workers v. Mitchell, [330 U.S. 75, 101](#) (1947); Civil Service Comm’n v. Letter Carriers, [413 U.S. 548, 556](#) (1973); Broadrick v. Oklahoma, [413 U.S. 601, 616](#) -617 (1973).”*  
*[Rutan v. Republican Party of Illinois, [497 U.S. 62](#) (1990)]*

Your existence and your earnings as a federal “public officer” and “trustee” and “fiduciary” are entirely subject to the whim and pleasure of corrupted lawyers and politicians, and you must beg and grovel if you expect to retain anything:

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

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

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

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

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

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

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

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

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

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

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

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

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

8 *“The waters which you saw, where the harlot sits, are peoples, multitudes, nations, and tongues.”*  
9 *[Rev. 17:15, Bible, NKJV]*

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

11 *“And I saw **the beast, the kings of the earth**, and their armies, gathered together to make war against Him who*  
12 *sat on the horse and against His army.”*  
13 *[Rev. 19:19, Bible, NKJV]*

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

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

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

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

31 In summary, it ought to be very clear from reading this section then, that:

- 32 1. It is an abuse of the government’s taxing power, according to the U.S. Supreme Court, to pay public monies to private  
33 persons or to use the government’s taxing power to transfer wealth between groups of private individuals.
- 34 2. Because of these straight jacket constraints of the use of “public funds” by the government, the government can only  
35 lawfully make payments or pay “benefits” to persons who have contracted with them to render specific services that are  
36 authorized by the Constitution to be rendered.
- 37 3. The government had to create an intermediary called the “straw man” that is a public office or agent within the  
38 government and therefore part of the government that they could pay the “benefit” to in order to circumvent the  
39 restrictions upon the government from abusing its powers to transfer wealth between private individuals.
- 40 4. The straw man is a “public office” within the U.S. government. It is a creation of Congress and an agent and fiduciary  
41 of the government subject to the statutory control of Congress. It is therefore a public entity and not a private entity  
42 which the government can therefore lawfully pay public funds to without abusing its taxing powers.
- 43 5. Those who sign up for government contracts, benefits, franchises, or employment agree to become surety for the straw  
44 man or public office and agree to act in a representative capacity on behalf of a federal corporation in the context of all  
45 the duties of the office pursuant to Federal Rule of Civil Procedure 17(b).
- 46 6. Because the straw man is a public office, you can’t be compelled to occupy the office. You and not the government set  
47 the compensation or amount of money you are willing to work for in order to consensually occupy the office. If you  
48 don’t think the compensation is adequate, you have the right to refuse to occupy the office by refusing to connect your  
49 assets to the office using the de facto license number for the office called the Taxpayer Identification Number.

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

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

#### 23.4.1 "Public Office" v. "Public Officer"

Every lawful "public office" requires all of the following elements to be lawfully exercised:

1. A name, specific legal "person", or title associated with the office. In the case of federal franchises, THAT name is your all caps birth name and it is identified in Federal Rule of Civil Procedure 17(d) as follows. Note that they MAY be addressed by their title, but in the case of most franchises, they are addressed by their all caps name, which is also called an "idemsonans".

*Federal Rules of Civil Procedure*  
[Rule 17. Plaintiff and Defendant; Capacity; Public Officers](#)

*(d) Public Officer's Title and Name.*

*A public officer who sues or is sued in an official capacity may be designated by official title rather than by name, but the court may order that the officer's name be added.*

[SOURCE: [http://www.law.cornell.edu/rules/frcp/rule\\_17/](http://www.law.cornell.edu/rules/frcp/rule_17/)]

We call this public officer "fiction of law" the "straw man". Here is the definition of "fiction of law" for your edification:

**"Fiction of law.** *An assumption or supposition of law that something which is or may be false is true, or that a state of facts exists which has never really taken place. An assumption [PRESUMPTION], for purposes of justice, of a fact that does not or may not exist. A rule of law which assumes as true, and will not allow to be disproved, something which is false, but not impossible.* Ryan v. Motor Credit Co., 30 N.J.Eq. 531, 23 A.2d. 607, 621. *These assumptions are of an innocent or even beneficial character, and are made for the advancement of the ends of justice. They secure this end chiefly by the extension of procedure from cases to which it is applicable to other cases to which it is not strictly applicable, the ground of inapplicability being some difference of an immaterial character. See also Legal fiction."*  
[Black's Law Dictionary, Sixth Edition, p. 623]

2. The "office", which has specific duties and powers conferred by law and which are authorized to be exercised only in a specific place.
3. The "officer", who is the human being who fills the office. This human being has voluntarily agreed, under contract, being the franchise agreement, to serve as surety for all the actions of the office, including those that are unlawful.
4. A specific period of performance in which the office is lawfully occupied and active with the specific officer who is authorized to occupy it.
5. Public property under the custody or control of the office. This is confirmed by the definition of "public officer":

**"Public office.** *The right, authority, and duty created and conferred by law, by which for a given period, either fixed by law or enduring at the pleasure of the creating power, an individual is invested with some portion of the sovereign functions of government for the benefit of the public.* Walker v. Rich, 79 Cal.App. 139, 249 P. 56, 58. *An agency for the state, the duties of which involve in their performance the exercise of some portion of the sovereign power, either great or small.* Yaselli v. Goff, C.C.A., 12 F.2d. 396, 403, 56 A.L.R. 1239; Lacey v. State, 13 Ala.App. 212, 68 So. 706, 710; Curtin v. State, 61 Cal.App. 377, 214 P. 1030, 1035; Shelmadine v. City of Elkhart, 75 Ind.App. 493, 129 N.E. 878. *State ex rel. Colorado River Commission v. Frohmiller*, 46 Ariz. 413, 52 P.2d. 483, 486. **Where, by virtue of law, a person is clothed, not as an incidental or transient authority, but for such time as de- notes duration and continuance, with Independent power to control the property of the public,** *or with public functions to be exercised in the supposed interest of the people, the service to be compensated by a stated yearly salary, and the occupant having a designation or title, the position so created is a public office.* State v. Brennan, 49 Ohio.St. 33, 29 N.E. 593.  
[Black's Law Dictionary, Fourth Edition, p. 1235]

When the office is lawfully occupied, a fiduciary duty is established against the officer which is owed to the public at large:

1           *"As expressed otherwise, the powers delegated to a public officer are held in trust for the people and are to be*  
2 *exercised in behalf of the government or of all citizens who may need the intervention of the officer.* <sup>250</sup>  
3 ***Furthermore, the view has been expressed that all public officers, within whatever branch and whatever level***  
4 ***of government, and whatever be their private vocations, are trustees of the people, and accordingly labor under***  
5 ***every disability and prohibition imposed by law upon trustees relative to the making of personal financial gain***  
6 ***from a discharge of their trusts.*** <sup>251</sup> ***That is, a public officer occupies a fiduciary relationship to the political***  
7 ***entity on whose behalf he or she serves,*** <sup>252</sup> ***and owes a fiduciary duty to the public.*** <sup>253</sup> ***It has been said that***  
8 ***the fiduciary responsibilities of a public officer cannot be less than those of a private individual.*** <sup>254</sup>  
9 *Furthermore, it has been stated that any enterprise undertaken by the public official which tends to weaken public*  
10 *confidence and undermine the sense of security for individual rights is against public policy.* <sup>255</sup> "  
11 [63C American Jurisprudence 2d, Public Officers and Employees, §247 (1999)]

12 Many people confuse the **office** with the **officer** and they are not the same. Some important points on this subject:

13 1. The "public office" is:

- 14 1.1. A "corporation sole" artificial person that is wholly owned by the federal government and incorporated under the  
15 laws of the United States\*\*.
- 16 1.2. A STATUTORY but not CONSTITUTIONAL "citizen" and "resident" of the United States\*\* since incorporated  
17 under the laws of the United State\*\*.

18           *"A corporation is a citizen, resident, or inhabitant of the state or country by or under the laws of which it was*  
19 *created, and of that state or country only."*  
20 *[19 Corpus Juris Secundum (C.J.S.), Corporations, §886 (2003)]*

- 21 1.3. Domiciled in the District of Columbia pursuant to 4 U.S.C. §72 and Federal Rule of Civil Procedure 17(b).
- 22 1.4. The franchisee to whom has been granted special powers to exercise some portion of the sovereign functions of the  
23 government for the benefit of the public. Receipt of this power is what makes this corporation into a "public office"  
24 and a part of the government. This sovereign function power is referred to as "functions of a public office" in the  
25 I.R.C. under 26 U.S.C. §7701(a)(26).
- 26 1.5. The "taxpayer" under the I.R.C. as defined in 26 U.S.C. §7701(a)(14). The "public office" becomes the statutory  
27 "taxpayer" from its privileged activity of "the functions of a public office".
- 28 1.6. The franchisee to whom other government franchises have been granted. Typically these would include: "Social  
29 Security", "Driver", "Voter", etc.
- 30 1.7. A creation of the government and part of the government. That government is a corporation per 28 U.S.C.  
31 §3002(15)(A) and all corporations are statutory "citizens" and "residents" of the place they were incorporated and  
32 ONLY of that place:
- 33 1.8. An officer of the federal corporation called "United States" and defined in 28 U.S.C. §3002(15)(A). This officer  
34 is also described as a "person" in 26 U.S.C. §6671(b) and 7343:

35           [TITLE 26](#) > [Subtitle F](#) > [CHAPTER 68](#) > [Subchapter B](#) > [PART I](#) > § 6671  
36           [§ 6671. Rules for application of assessable penalties](#)

37           (b) Person defined

<sup>250</sup> State ex rel. Nagle v. Sullivan, 98 Mont. 425, 40P.2d. 995, 99 A.L.R. 321; Jersey City v. Hague, 18 N.J. 584, 115 A.2d. 8.

<sup>251</sup> Georgia Dep't of Human Resources v. Sistrunk, 249 Ga. 543, 291 S.E.2d. 524. A public official is held in public trust. Madlener v. Finley (1st Dist) 161 Ill.App.3d. 796, 113 Ill.Dec. 712, 515 N.E.2d. 697, app gr 117 Ill.Dec. 226, 520 N.E.2d. 387 and revd on other grounds 128 Ill.2d. 147, 131 Ill.Dec. 145, 538 N.E.2d. 520.

<sup>252</sup> Chicago Park Dist. v. Kenroy, Inc., 78 Ill.2d. 555, 37 Ill.Dec. 291, 402 N.E.2d. 181, appeal after remand (1st Dist) 107 Ill.App.3d. 222, 63 Ill.Dec. 134, 437 N.E.2d. 783.

<sup>253</sup> United States v. Holzer (CA7 Ill), 816 F.2d. 304 and vacated, remanded on other grounds 484 U.S. 807, 98 L.Ed.2d. 18, 108 S.Ct. 53, on remand (CA7 Ill) 840 F.2d. 1343, cert den 486 U.S. 1035, 100 L.Ed.2d. 608, 108 S.Ct. 2022 and (criticized on other grounds by United States v. Osser (CA3 Pa) 864 F.2d. 1056) and (superseded by statute on other grounds as stated in United States v. Little (CA5 Miss) 889 F.2d. 1367) and (among conflicting authorities on other grounds noted in United States v. Boylan (CA1 Mass), 898 F.2d. 230, 29 Fed.Rules.Evid.Serv. 1223).

<sup>254</sup> Chicago ex rel. Cohen v. Keane, 64 Ill.2d. 559, 2 Ill.Dec. 285, 357 N.E.2d. 452, later proceeding (1st Dist) 105 Ill.App.3d. 298, 61 Ill.Dec. 172, 434 N.E.2d. 325.

<sup>255</sup> Indiana State Ethics Comm'n v. Nelson (Ind App), 656 N.E.2d. 1172, reh gr (Ind App) 659 N.E.2d. 260, reh den (Jan 24, 1996) and transfer den (May 28, 1996).



The term "person", as used in this subchapter, **includes an officer or employee of a [federal and not state] corporation**, or a member or employee of a partnership, who as such officer, employee, or member is under a duty to perform the act in respect of which the violation occurs.

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[TITLE 26 > Subtitle F > CHAPTER 75 > Subchapter D > § 7343](#)  
[§ 7343. Definition of term "person"](#)

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

- 1.9. A "public trust". The public servant is the trustee, the Constitution is the trust document, the beneficiaries are our posterity, and the corpus of the trust is the public property under the management and control of the office.

Executive Order 12731  
"Part 1 -- PRINCIPLES OF ETHICAL CONDUCT

"Section 101. Principles of Ethical Conduct. To ensure that every citizen can have complete confidence in the integrity of the Federal Government, each Federal employee shall respect and adhere to the fundamental principles of ethical service as implemented in regulations promulgated under sections 201 and 301 of this order:

**"(a) Public service is a public trust, requiring employees to place loyalty to the Constitution, the laws, and ethical principles above private gain.**

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**TITLE 5--ADMINISTRATIVE PERSONNEL**  
**CHAPTER XVI--OFFICE OF GOVERNMENT ETHICS**  
**PART 2635--STANDARDS OF ETHICAL CONDUCT FOR EMPLOYEES OF THE EXECUTIVE BRANCH--Table of Contents**  
**Subpart A--General Provisions**  
**Sec. 2635.101 Basic obligation of public service.**

(a) Public service is a public trust.

Each employee has a responsibility to the United States Government and its citizens to place loyalty to the Constitution, laws and ethical principles above private gain. To ensure that every citizen can have complete confidence in the integrity of the Federal Government, each employee shall respect and adhere to the principles of ethical conduct set forth in this section, as well as the implementing standards contained in this part and in supplemental agency regulations.

2. The "officer" occupying the public office:
- 2.1. Is a human being and a separate legal person from the office he or she occupies.
  - 2.2. Is not the franchisee called "taxpayer".
  - 2.3. Is voluntary surety for the actions of the "taxpayer"/"public office".
  - 2.4. Is the proxy/agent through which the "public office" acts.
  - 2.5. Provides consciousness and hence, "life" to the office. The "public office" dies when it loses consciousness.
  - 2.6. Operates in a public capacity, subject to federal civil law, while on official duty, and in a private capacity, not subject to federal civil law, while off official duty.
  - 2.7. Is protected by official immunity so long as he/she/it stays within the bounds of his expressly delegated authority as described by law.
  - 2.8. Waives official immunity and becomes personally liable for a tort if he/she/it exceeds the bounds of his lawfully delegated authority.

Now let's apply the above concepts to the income tax, which is a franchise tax upon public offices served within the federal government. The activity subject to indirect/excise/privilege tax is a "trade or business", which is defined as "the functions of a public office" within 26 U.S.C. §7701(a)(26). IRS forms that address the citizenship and residence of the submitter relate to the "public officer" and not the office he or she occupies. The office can have a different domicile or residence than the officer.

1 **EXAMPLE:** For instance, a Congressman who lives outside of the District of Columbia and commutes daily to work inside  
2 the Beltway is a nonresident of the “United States” engaged in a public office. “United States” is defined at 26 U.S.C.  
3 §7701(a)(9) and (a)(10) to include the District of Columbia and exclude states of the Union. Therefore, the states of Maryland  
4 and Virginia that surround the District of Columbia would not be part of the “United States” described in the I.R.C. As such,  
5 the Congressman is a “non-resident non-person” or who has earnings from a “trade or business”, which is a public office. 4  
6 U.S.C. §72 says that office can only lawfully be exercised by the public officer, which is himself, within the District of  
7 Columbia and NOT elsewhere. Therefore, any earnings from the office originating from within the District of Columbia  
8 become taxable only at the point when the Congressmen goes temporarily abroad under 26 U.S.C. §911 and avails himself  
9 of the benefits of a tax treaty. In relation to the foreign country and the tax treaty, he is an alien and therefore an “individual”  
10 and therefore pays income tax on earnings during the time he was abroad pursuant to 26 U.S.C. §871. He doesn’t owe any  
11 tax on earnings while not abroad under 26 U.S.C. §871, because he can’t be either an “individual” or an “alien” under Title  
12 26 while he is physically located anywhere in America.

13 The only thing the feds can tax is constitutionally foreign commerce, including imports and exports and earnings in foreign  
14 countries. They can’t tax domestic transactions within a state:

15 *“The States, after they formed the Union, continued to have the same range of taxing power which they had*  
16 *before, barring only duties affecting exports, imports, and on tonnage. . . 2 Congress, on the other hand, to lay*  
17 *taxes in order ‘to pay the Debts and provide for the common Defence and general Welfare of the United States’,*  
18 *Art. 1, Sec. 8, U.S.C.A.Const., can reach every person and every dollar in the land with due regard to*  
19 *Constitutional limitations as to the method of laying taxes.”*  
20 *[Graves v. People of State of New York, 306 U.S. 466 (1939)]*

21  
22 *“The difficulties arising out of our dual form of government and the opportunities for differing opinions*  
23 *concerning the relative rights of state and national governments are many; **but for a very long time this court***  
24 ***has steadfastly adhered to the doctrine that the taxing power of Congress does not extend to the states or their***  
25 ***political subdivisions.** The same basic reasoning which leads to that conclusion, we think, requires like limitation*  
26 *upon the power which springs from the bankruptcy clause. United States v. Butler, supra.”*  
27 *[Ashton v. Cameron County Water Improvement District No. 1, 298 U.S. 513; 56 S.Ct. 892 (1936)]*

28  
29 *“Thus, Congress having power to regulate commerce with foreign nations, and among [but not WITHIN] the*  
30 *several States, and with the Indian tribes, may, without doubt, provide for **granting** coasting **licenses**, licenses to*  
31 *pilots, licenses to trade with the Indians, and any other **licenses** necessary or proper for the exercise of that great*  
32 *and extensive power; and the same observation is applicable to every other power of Congress, to the exercise of*  
33 *which the granting of licenses may be incident. All such licenses confer authority, and give rights to the licensee.*

34 *But very different considerations apply to the **internal commerce** or **domestic trade** of the States. Over this*  
35 *commerce and trade Congress has **no power of regulation nor any direct control**. This power belongs **exclusively***  
36 *to the States. **No interference by Congress with the business of citizens transacted within a State is warranted***  
37 ***by the Constitution, except such as is strictly incidental to the exercise of powers clearly granted to the***  
38 ***legislature.** The power to authorize a business within a State is plainly repugnant to the exclusive power of the*  
39 *State over the same subject. It is true that the power of Congress to tax is a very extensive power. It is given in*  
40 *the Constitution, with only one exception and only two qualifications. Congress cannot tax exports, and it must*  
41 *impose direct taxes by the rule of apportionment, and indirect taxes by the rule of uniformity. Thus limited, and*  
42 *thus only, it reaches every subject, and may be exercised at discretion. But, it reaches only existing subjects.*  
43 ***Congress cannot authorize a trade or business [including public offices] within a State in order to tax it.”***  
44 *[License Tax Cases, 72 U.S. 462, 18 L.Ed. 497, 5 Wall. 462, 2 A.F.T.R. 2224 (1866) ]*

#### 45 **23.4.2 Deliberately confusing who the “taxpayer” is to facilitate MISREPRESENTING the nature of the tax**

46 There is a lot of confusion even among seasoned tax professionals about WHO exactly is the “taxpayer” and how does one  
47 lawfully become a “taxpayer”. This confusion is deliberate, because the activity or subject of the tax is carefully concealed  
48 and obfuscated to disguise the nature of the Internal Revenue Code, Subtitles A and C as an excise tax upon public offices  
49 within the government. The purpose of this confusion and obfuscation is to facilitate misrepresenting the income tax as a  
50 direct, unapportioned, unavoidable tax, even though it is not.

51 Pursuant to 26 U.S.C. §7701(a)(14), “taxpayer” is defined as:

52 *“The term “taxpayer” means any person subject to any internal revenue tax.”*

The statutory “taxpayer” is the person who incurs the tax liability. The activity subject to excise taxation is engaging in a “trade or business”, which is defined as “the functions of a public office”. So the “taxpayer” must be whoever performs “the functions of a public office”. The “public office” and not the “public officer” performs the privileged activity of “the functions of a public office”. A “public office” may be a natural person or an artificial person. But for the case of the “taxpayer” public office, the office is an artificial corporate entity created by the government. A “public office”, in the form of either a natural person or artificial person, is capable of action itself. But in the case of an artificial person, all actions of the office are performed through agents of the office on behalf of the office. An agent of the public office, while on official duty representing the office, does not act in his own-right but instead acts on behalf of the public office. Therefore all such actions of the public officer while on official duty representing the office are legally the actions of the office and not of the “public officer” himself as a private person. Only if a “public officer” acts outside of his authority does the “public officer” stop representing the “public office”/government and acts in his own-right. Therefore, the “public office” and not the “public officer” performs “the functions of a public office” and is the “taxpayer”. Other reasons for the “public office” but not the “public officer” being the “taxpayer” include:

1. Since the power to tax is the power to destroy, the government can only tax those things which it creates, which are corporations and public offices. The Government did not create human beings and therefore cannot tax human beings.
2. Domicile more than anything else determines tax liability. The “public office” but not the “public officer” is the statutory “citizen” /“resident” with a domicile in the federal zone. In most cases, the “public officer” is a constitutional citizen of the United States\*\*\* domiciled in a state of the Union. Therefore it is the “public office” and not the “public officer” who incurs the tax liability.
3. The “public office” is the person to whom the power to perform “the functions of a public office” is granted. (see section 9.2 “Who is the Franchisee?” for more details)

Key to understanding how the franchise contract or agreement works to usurp power from the private U.S.A. “nationals” domiciled in a state of the Union and to break down the separation of powers between the federal zone and the states of the Union is to understand the legal implications of the agency relationship that is formed between the “public office” and the “public officer”. All powers of the government, or of any other artificial person such as a corporation, are exercised by the government/corporate person only through the expressly authorized (by law) agents/contractors of the government/corporate person. Although the agent/contractor may physically perform the action, from a legal point of view, it is the government/corporate person who is acting. Likewise, in a legal proceeding, you can appear in court as “Pro se”, representing yourself as a franchisee called an attorney at law”, or you can appear as “Sui juris” of your own right; not under a legal disability or power of another. As “Pro se”, although you are physically appearing, the court legally recognizes only a franchisee/“public office” called “attorney at law” appearing on your behalf and representing you the private human being. To go one step further, if you appear “Pro se” AND provide an SSN, then although you are physically appearing, the court legally recognizes only a franchisee called “attorney at law” appearing on behalf and representing NOT you the private person, BUT the “public office”. This is how the courts can refer to the person appearing as the “taxpayer” and legally be correct in doing so. As “Sui juris”, you are physically there of your own right as the sovereign human being. Sovereign people act of their own right and not under the legal disability or power of another as a representative of the other person. Everything that a human being does of their own right is legally the action of that same human being. An SSA Form SS-5 submitter becomes a “public servant”/“employee” of the government and the “public officer” representing the “public office” ILLEGALLY created when the SSA Form SS-5 was submitted. The “public officer” has an agency type relationship with the “public office”. While on official duty, you, the “public officer”, are not acting of your own right as a sovereign human being but instead, are acting on behalf of the “public office”, representing the “public office”. All actions that you may physically perform while on official duty are legally the actions of the “public office that you represent as the “public officer”/agent of the office.

Below is a summary illustrating the agency relationship that exists between the “public office” and “public officers” as it pertains to income taxes. This illustration will hopefully help our readers to understand what really happens in implementing and enforcing the tax ILLEGALLY upon the WRONG parties, which includes ALL parties domiciled within constitutional states of the Union.

1. The government puts out false propaganda that is designed to trick most people into falsely thinking that the I.R.C. is positive and positive law that applies to everyone, that everyone is a “taxpayer” and that everyone must sign up for Social Security Insurance.
2. A human being that was born in and is domiciled in a state of the Union is bamboozled into unlawfully submitting an SSA form SS-5 application for a SSN. The SSA Form SS-5, Internal Revenue Code, Subtitle A of the U.S.C., and

1 Title 42 of the U.S. Code form the franchise agreement that you just consented to. By consenting to the franchise  
2 agreement, the agreement becomes private law that pertains to you ONLY, making you subject to it.

- 3 3. The government unlawfully accepts your application for an SSN. It is unlawful because only those domiciled in the  
4 federal zone, where no rights exist, who already hold a public office in the federal government may apply for an SSN.
- 5 4. The government unlawfully creates a public office in the federal government as a corporation sole artificial entity  
6 wholly owned by the government, incorporated under the laws of the federal zone. Creation of the "public office" is  
7 unlawful because the I.R.C. regulates and adds benefits to existing "public offices" only; but no authority exists to  
8 create the new "public office" that they created for you to fill. All corporations are "citizens" and "residents" of the  
9 jurisdiction of the laws under which it was incorporated. Therefore, the de facto "public office", as an incorporated  
10 person, is the "citizen" and "resident" of the federal zone since it is incorporated under the laws of the federal zone.
- 11 5. The franchise agreement contains a partnership agreement between you and the public office in which you agree to fill  
12 and represent the "public office" and you agree to be surety for all actions of the "public office". The "public office"  
13 and "public officer", as parties to the partnership agreement, are the legal "persons" in the franchise agreement. You,  
14 as a human being, now operate in two capacities: While on official duty representing the "public office" as the "public  
15 officer" you are operating in a public capacity as a "public servant", acting on behalf of the "public office" rather than  
16 of your own right; While off official duty, you operate in a private capacity, acting of your own-right as a private  
17 person. You are on official duty whenever you are involved with an activity that is associated with an SSN.  
18 Although any actions of the "public officer" while on official duty are physically perform by the "public officer", since  
19 the actions are performed on behalf of the "public office" they legally become the actions of the "public office" rather  
20 than the "public officer".
- 21 6. The franchise agreement also contains a "trust indenture", making the "public officer" also a trustee of the "public  
22 trust"
- 23 7. The government assigns an SSN to the "public office" and forwards the number to the "public office", addressed to  
24 your home mailing address in your care as the representative of the "public office". The SS card, and any other  
25 correspondence between the IRS or the SSA and the "public office", is always addressed to the ALL CAP rendition of  
26 your Christian name and always includes the SSN. Whenever you receive any correspondence addressed to the ALL  
27 CAP rendition of your Christian name with the SSN, the addressee is always the "public office" and not you as a  
28 private human being. The SS card with the SSN on it is the first public property to come into your possession and  
29 under your management as the "public officer" representing the "public office" and/or the "trustee" of the "public  
30 trust".
- 31 8. Private employers in the private sector are falsely told by the IRS that they must get an SSN from all of their workers.  
32 Therefore, their application form for employment with the company will always include an IRS Form W-4 for the  
33 applicant to provide an SSN to the company. Due to pressure from the IRS, private sector companies will usually  
34 pressure and intimidate all applicants, including those born and domiciled in a state of the Union who are not  
35 participating in the SS program, to provide an SSN.
- 36 9. If a job applicant provides an SSN to the company then the applicant is not the human being who submitted the  
37 application but instead is the "public officer" acting through the human being, who is also the "public officer"  
38 representing and acting on behalf of the "public office". Later, if the job is awarded to the applicant, the "public  
39 office" becomes the worker for the company, not you the human being, who works for and represents the "public  
40 office" as the "public officer". Each day that you report to the private company to work, you are there not of your  
41 own-right but instead on behalf of the "public office". The "public office" has contracted with the private company  
42 and you work for the "public office". Therefore the earnings from the company are the earnings of the "public office"  
43 and not yours as the human being who physically does the work.
- 44 10. It is the duty of the public officer, like any other agent or trustee, although not declared by express statues, to faithfully  
45 account for and pay over to the proper authorities all moneys which may come into his hands upon the public account,  
46 and the performance of this duty may be enforced by proper action against the officer himself, or against those who  
47 have become sureties for the faithful discharge of his duties. See A Treatise on the Law of Public Offices and Officers,  
48 Floyd Russell Mechem, 1890, p. 609, §909.
- 49 11. As a "public officer" and surety for the "public office, you discharge your duty to account and pay to the proper  
50 authorities all earnings that are associated with the SSN by filing and an income tax form. In filing the income tax  
51 form you can claim the tax benefits of the "public office" such as a "tax exclusion", "tax credits", and "tax deductions"  
52 to reduce the amount of tax owed. Any outstanding tax due by the "public office" is paid from the earnings of the  
53 "public office". Any remaining earnings of the "public office" is then given to the "public officer" as compensation  
54 for acting as the "public officer".

### 23.4.3 Legal Requirements for Occupying a “Public Office”

The subject of exactly what constitutes a “public office” within the meaning described in 26 U.S.C. §7701(a)(26) is not defined in any IRS publication we could find. The reason is quite clear: the “trade or business” scam is the Achilles heel of the IRS fraud and both the IRS and the Courts are loath to even talk about it because there is nothing they can defend themselves with other than unsubstantiated presumption created by the abuse of the word “includes” and certain key “words of art”. In the face of such overwhelming evidence of their own illegal and criminal mis-enforcement of the tax codes, silence or omission in either admitting it or prosecuting it can only be characterized as FRAUD on a massive scale, in fact:

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*“Silence can only be equated with fraud where there is a legal or moral duty to speak or where an inquiry left unanswered would be intentionally misleading.”*  
[U.S. v. Prudden, 424 F.2d. 1021 (5<sup>th</sup> Cir. 1970)]

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*“Silence can be equated with fraud where there is a legal or moral duty to speak, or where an inquiry left unanswered would be intentionally misleading. . . We cannot condone this shocking behavior by the IRS. Our revenue system is based on the good faith of the taxpayer and the taxpayers should be able to expect the same from the government in its enforcement and collection activities.”*  
[U.S. v. Tweel, 550 F.2d. 297, 299 (5<sup>th</sup> Cir. 1977)]

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*“Silence is a species of conduct, and constitutes an implied representation of the existence of the state of facts in question , and the estoppel is accordingly a species of estoppel by misrepresentation. When silence is of such a character and under such circumstances that it would become a fraud upon the other party to permit the party who has kept silent to deny what his silence has induced the other to believe and act upon, it will operate as an estoppel.”*  
[Carmine v. Bowen, 64 A. 932 (1906)]

The “duty” the courts are talking about above is the fiduciary duty of all those serving in public offices in the government, and that fiduciary duty was created by the oath of office they took before they entered the office. Therefore, those who want to know how they could lawfully be classified as a “public officer” will have to answer that question completely on their own, which is what we will attempt to do in this section.

We begin our search with a definition of “public office” from Black’s Dictionary:

*Public office. The right, authority, and duty created and conferred by law, by which for a given period, either fixed by law or enduring at the pleasure of the creating power, an individual is invested with some portion of the sovereign functions of government for the benefit of the public. Walker v. Rich, 79 Cal.App. 139, 249 P. 56, 58. An agency for the state, the duties of which involve in their performance the exercise of some portion of the sovereign power, either great or small. Yaselli v. Goff, C.C.A., 12 F.2d. 396, 403, 56 A.L.R. 1239; Lacey v. State, 13 Ala.App. 212, 68 So. 706, 710; Curtin v. State, 61 Cal.App. 377, 214 P. 1030, 1035; Sheldmadine v. City of Elkhart, 75 Ind.App. 493, 129 N.E. 878. State ex rel. Colorado River Commission v. Frohmiller, 46 Ariz. 413, 52 P.2d. 483, 486. Where, by virtue of law, a person is clothed, not as an incidental or transient authority, but for such time as de- notes duration and continuance, with Independent power to control the property of the public, or with public functions to be exercised in the supposed interest of the people, the service to be compensated by a stated yearly salary, and the occupant having a designation or title, the position so created is a public office. State v. Brennan, 49 Ohio.St. 33, 29 N.E. 593.*  
[Black’s Law Dictionary, Fourth Edition, p. 1235]

Black’s Law Dictionary Sixth Edition further clarifies the meaning of a “public office” below:

*“Essential characteristics of a ‘public office’ are:*  
*(1) Authority conferred by law,*  
*(2) Fixed tenure of office, and*  
*(3) Power to exercise some of the sovereign functions of government.*

*Key element of such test is that “officer is carrying out a sovereign function. Spring v. Constantino, 168 Conn. 563, 362 A.2d. 871, 875. Essential elements to establish public position as ‘public office’ are:*  
*Position must be created by Constitution, legislature, or through authority conferred by legislature.*  
*Portion of sovereign power of government must be delegated to position,*  
*Duties and powers must be defined, directly or implied, by legislature or through legislative authority.*  
*Duties must be performed independently without control of superior power other than law, and*  
*Position must have some permanency.”*  
[Black’s Law Dictionary, Sixth Edition, p. 1230]



American Jurisprudence Legal Encyclopedia further clarifies what a “public office” is as follows:

*“As expressed otherwise, the powers delegated to a public officer are held in trust for the people and are to be exercised in behalf of the government or of all citizens who may need the intervention of the officer.”<sup>256</sup> Furthermore, the view has been expressed that all public officers, within whatever branch and whatever level of government, and whatever be their private vocations, are trustees of the people, and accordingly labor under every disability and prohibition imposed by law upon trustees relative to the making of personal financial gain from a discharge of their trusts.<sup>257</sup> That is, a public officer occupies a fiduciary relationship to the political entity on whose behalf he or she serves,<sup>258</sup> and owes a fiduciary duty to the public.<sup>259</sup> It has been said that the fiduciary responsibilities of a public officer cannot be less than those of a private individual.<sup>260</sup> Furthermore, it has been stated that any enterprise undertaken by the public official which tends to weaken public confidence and undermine the sense of security for individual rights is against public policy.<sup>261</sup>”*  
[63C American Jurisprudence 2d, Public Officers and Employees, §247 (1999)]

Based on the foregoing, one cannot be a “public officer” if:

1. There is not a statute or constitutional authority that specifically creates the office. All “public offices” can only be created through legislative authority.
2. Their duties are not specifically and exactly enumerated in some Act of Congress.
3. They have a boss or immediate supervisor. All duties must be performed INDEPENDENTLY.
4. They have anyone but the law and the courts to immediately supervise their activities.
5. They are serving as a “public officer” in a location NOT specifically authorized by the law. The law must create the office and specify exactly where it is to be exercised. 4 U.S.C. §72 says ALL public offices of the federal and national government MUST be exercised ONLY in the District of Columbia and not elsewhere, except as expressly provided by law.
6. Their position does not carry with it some kind of fiduciary duty to the “public” which in turn is documented in and enforced by enacted law itself.
7. The beneficiary of their fiduciary duty is other than the “public”. Public service is a public trust, and the beneficiary of the trust is the public at large and not any one specific individual or group of individuals. See 5 C.F.R. §2635.101(b) and Executive Order 12731.

All public officers must take an oath. The oath, in fact, is what creates the fiduciary duty that attaches to the office. This is confirmed by the definition of “public official” in Black’s Law Dictionary:

*A person who, upon being issued a commission, taking required oath, enters upon, for a fixed tenure, a position called an office where he or she exercises in his or her own right some of the attributes of sovereign he or she serves for benefit of public. Macy v. Heverin, 44 Md.App. 358, 408 A.2d. 1067, 1069. The holder of a public office though not all persons in public employment are public officials, because public official’s position requires the exercise of some portion of the sovereign power, whether great or small. Town of Arlington v. Bds. of Conciliation and Arbitration, Mass., 352 N.E.2d. 914.*  
[Black’s Law Dictionary, Sixth Edition, p. 1230]

The oath for United States federal and state officials was prescribed in the very first enactment of Congress on March 4, 1789 as follows:

*Statutes At Large, March 4, 1789*

<sup>256</sup> State ex rel. Nagle v. Sullivan, 98 Mont. 425, 40P.2d. 995, 99 A.L.R. 321; Jersey City v. Hague, 18 N.J. 584, 115 A.2d. 8.

<sup>257</sup> Georgia Dep’t of Human Resources v. Sistrunk, 249 Ga. 543, 291 S.E.2d. 524. A public official is held in public trust. Madlener v. Finley (1st Dist) 161 Ill.App.3d. 796, 113 Ill.Dec. 712, 515 N.E.2d. 697, app gr 117 Ill.Dec. 226, 520 N.E.2d. 387 and revd on other grounds 128 Ill.2d. 147, 131 Ill.Dec. 145, 538 N.E.2d. 520.

<sup>258</sup> Chicago Park Dist. v. Kenroy, Inc., 78 Ill.2d. 555, 37 Ill.Dec. 291, 402 N.E.2d. 181, appeal after remand (1st Dist) 107 Ill.App.3d. 222, 63 Ill.Dec. 134, 437 N.E.2d. 783.

<sup>259</sup> United States v. Holzer (CA7 Ill), 816 F.2d. 304 and vacated, remanded on other grounds 484 U.S. 807, 98 L.Ed.2d. 18, 108 S.Ct. 53, on remand (CA7 Ill) 840 F.2d. 1343, cert den 486 U.S. 1035, 100 L.Ed.2d. 608, 108 S.Ct. 2022 and (criticized on other grounds by United States v. Osser (CA3 Pa) 864 F.2d. 1056) and (superseded by statute on other grounds as stated in United States v. Little (CA5 Miss) 889 F.2d. 1367) and (among conflicting authorities on other grounds noted in United States v. Boylan (CA1 Mass), 898 F.2d. 230, 29 Fed.Rules.Evid.Serv. 1223).

<sup>260</sup> Chicago ex rel. Cohen v. Keane, 64 Ill.2d. 559, 2 Ill.Dec. 285, 357 N.E.2d. 452, later proceeding (1st Dist) 105 Ill.App.3d. 298, 61 Ill.Dec. 172, 434 N.E.2d. 325.

<sup>261</sup> Indiana State Ethics Comm’n v. Nelson (Ind App), 656 N.E.2d. 1172, reh gr (Ind App) 659 N.E.2d. 260, reh den (Jan 24, 1996) and transfer den (May 28, 1996).

SEC. 1. Be it enacted by the Senate and [Home of] Representatives of the United States of America in Congress assembled, That the oath or affirmation required by the sixth article of the Constitution of the United States, shall be administered in the form following, to wit : " I, A, B. do solemnly swear or affirm (as the case may be) that I will support the Constitution of the United States." The said oath or affirmation shall be administered within three days after the passing of this act, by any one member of the Senate, to the President of the Senate, and by him to all the members and to the secretary; and by the Speaker of the House of Representatives, to all the members who have not taken a similar oath, by virtue of a particular resolution of the said House, and to the clerk: and in case of the absence of any member from the service of either House, at the time prescribed for taking the said oath or affirmation, the same shall be administered to such member, when he shall appear to take his seat.

SEC. 2. And he it further enacted, That at the first session of Congress after every general election of Representatives, the oath or affirmation aforesaid, shall be administered by any one member of the House of Representatives to the Speaker; and by him to all the members present, and to the clerk, previous to entering on any other business; and to the members who shall afterwards appear, previous to taking their seats. The President of the Senate for the time being, shall also administer the said oath or affirmation to each Senator who shall hereafter be elected, previous to his taking his seat: and in any future case of a President of the Senate, who shall not have taken the said oath or affirmation, the same shall be administered to him by any one of the members of the Senate.

SEC. 3. And be it further enacted. That the members of the several State legislatures, at the next sessions of the said legislatures, respectively, and all executive and judicial officers of the several States, who have been heretofore chosen or appointed, or who shall be chosen or appointed before the first day of August next, and who shall then be in office, shall, within one month thereafter, take the same oath or affirmation, except where they shall have taken it before; which may be administered by any person authorized by the law of the State, in which such office shall be holden, to administer oaths. And the members of the several State legislatures, and all executive and judicial officers of the several States, who shall be chosen or appointed after the said first day of August, shall, before they proceed to execute the duties of their respective offices, take the foregoing oath or affirmation, which shall be administered by the person or persons, who by the law of the State shall be authorized to administer the oath of office; and the person or persons so administering the oath hereby required to be taken, shall cause a re- cord or certificate thereof to be made, in the same manner, as, by the law of the State, he or they shall be directed to record or certify the oath of office.

SEC. 4. And he it further enacted, That all officers appointed, or hereafter to be appointed under the authority of the United States, shall, before they act in their respective offices, take the same oath or affirmation, which shall be administered by the person or persons who shall be authorized by law to administer to such officers their respective oaths of office; and such officers shall incur the same penalties in case of failure, as shall be imposed by law in case of failure in taking their respective oaths of office.

SEC. 5. And be it further enacted, That the secretary of the Senate, and the clerk of the House of Representatives for the time being, shall, at the time of taking the oath or affirmation aforesaid, each take an oath or affirmation in the words following, to wit : "I, A. B. secretary of the Senate, or clerk of the House of Representatives (as the case may be) of the United States of America, do solemnly swear or affirm, that I will truly and faithfully discharge the duties of my said office, to the best of my knowledge and abilities."

Based on the above, the following persons within the government are "public officers":

1. Federal Officers:
  - 1.1. The President of the United States.
  - 1.2. Members of the House of Representatives.
  - 1.3. Members of the Senate.
  - 1.4. All appointed by the President of the United States.
  - 1.5. The secretary of the Senate.
  - 1.6. The clerk of the House of Representatives.
  - 1.7. All district, circuit, and supreme court justices.
2. State Officers:
  - 2.1. The governor of the state.
  - 2.2. Members of the House of Representatives.
  - 2.3. Members of the Senate.
  - 2.4. All district, circuit, and supreme court justices of the state.

At the federal level, all those engaged in the above "public offices" are statutorily identified in 26 U.S.C. §2105. Consistent with this section, what most people would regard as ordinary common law employees are not included in the definition. Note the phrase "an officer AND an individual":

(a) For the purpose of this title, “employee”, except as otherwise provided by this section or when specifically modified, means **an officer and an individual** who is—

(1) appointed in the civil service by one of the following acting in an official capacity—

(A) the President;

(B) a Member or Members of Congress, or the Congress;

(C) a member of a uniformed service;

(D) an individual who is an employee under this section;

(E) the head of a Government controlled corporation; or

(F) an adjutant general designated by the Secretary concerned under section 709 (c) of title 32;

(2) engaged in the performance of a Federal function under authority of law or an Executive act; and

(3) subject to the supervision of an individual named by paragraph (1) of this subsection while engaged in the performance of the duties of his position.

Within the military, only commissioned officers are “public officers”. Enlisted or NCOs (Non-Commissioned Officers) are not.

Those holding Federal or State public office, county or municipal office, under the Legislative, Executive or Judicial branch, including Court Officials, Judges, Prosecutors, Law Enforcement Department employees, Officers of the Court, and etc., before entering into these public offices, are required by the U.S. Constitution and statutory law to comply with 5 U.S.C. §3331, “Oath of office.” State Officials are also required to meet this same obligation, according to State Constitutions and State statutory law.

All oaths of office come under 22 C.F.R., Foreign Relations, Sections §§92.12 - 92.30, and all who hold public office come under 8 U.S.C. §1481 “Loss of nationality by native-born or naturalized citizen; voluntary action; burden of proof; presumptions.”

Under Title 22 U.S.C., Foreign Relations and Intercourse, Section §611, a Public Official is considered a foreign agent. In order to hold public office, the candidate must file a true and complete registration statement with the State Attorney General as a foreign principle.

The Oath of Office requires the public officials in his/her foreign state capacity to uphold the constitutional form of government or face consequences, according to 10 U.S.C. §333, “Interference with State and Federal law”

*The President, by using the militia or the armed forces, or both, or by any other means, shall take such measures as he considers necessary to suppress, in a State, any insurrection, domestic violence, unlawful combination, or conspiracy, if it—*

*(1) so hinders the execution of the laws of that State, and of the United States within the State, that any part or class of its people is deprived of a right, privilege, immunity, or protection named in the Constitution and secured by law, and the constituted authorities of that State are unable, fail, or refuse to protect that right, privilege, or immunity, or to give that protection; or*

*(2) opposes or obstructs the execution of the laws of the United States or impedes the course of justice under those laws.*

*In any situation covered by clause (1), the State shall be considered to have denied the equal protection of the laws secured by the Constitution.*

Willful refusal action while serving in official capacity violates 18 U.S.C. §1918, “Disloyalty and asserting the right to strike against the Government”

*Whoever violates the provision of 7311 of title 5 that an individual may not accept or hold a position in the Government of the United States or the government of the District of Columbia if he—*

*(1) advocates the overthrow of our constitutional form of government;*

(2) is a member of an organization that he knows advocates the overthrow of our constitutional form of government;

shall be fined under this title or imprisoned not more than one year and a day, or both.

AND violates 18 U.S.C. §1346:

TITLE 18 > PART I > CHAPTER 63 § 1346. Definition of “scheme or artifice to defraud

” For the purposes of this chapter, the term “scheme or artifice to defraud” includes a scheme or artifice to deprive another of the intangible right of honest services.

The “public offices” described in 26 U.S.C. §7701(a)(26) within the definition of “trade or business” are ONLY public offices located in the District of Columbia and not elsewhere. To wit:

TITLE 4 > CHAPTER 3 > § 72  
§ 72. Public offices; at seat of Government

All offices attached to the seat of government shall be exercised in the District of Columbia, and not elsewhere, except as otherwise expressly provided by law.  
[SOURCE: <https://www.law.cornell.edu/uscode/text/4/72>]

The only provision of any act of Congress that we have been able to find which authorizes “public offices” outside the District of Columbia as expressly required by law above, is 48 U.S.C. §1612, which authorizes enforcement of the Internal Revenue Code within the U.S. Virgin Islands. To wit:

TITLE 48 > CHAPTER 12 > SUBCHAPTER V > § 1612  
§ 1612. Jurisdiction of District Court

(a) Jurisdiction

The District Court of the Virgin Islands shall have the jurisdiction of a District Court of the United States, including, but not limited to, the diversity jurisdiction provided for in section 1332 of title 28 and that of a bankruptcy court of the United States. **The District Court of the Virgin Islands shall have exclusive jurisdiction over all criminal and civil proceedings in the Virgin Islands with respect to the income tax laws applicable to the Virgin Islands, regardless of the degree of the offense or of the amount involved, except the ancillary laws relating to the income tax enacted by the legislature of the Virgin Islands.** Any act or failure to act with respect to the income tax laws applicable to the Virgin Islands which would constitute a criminal offense described in chapter 75 of subtitle F of title 26 shall constitute an offense against the government of the Virgin Islands and may be prosecuted in the name of the government of the Virgin Islands by the appropriate officers thereof in the District Court of the Virgin Islands without the request or the consent of the United States attorney for the Virgin Islands, notwithstanding the provisions of section 1617 of this title.

There is NO PROVISION OF LAW which would similarly extend public offices or jurisdiction to enforce any provision of the Internal Revenue Code to any place within the exclusive jurisdiction of any state of the Union, because Congress enjoys NO LEGISLATIVE JURISDICTION THERE.

“It is no longer open to question that **the general government, unlike the states,** Hammer v. Dagenhart, 247 U.S. 251, 275, 38 S.Ct. 529, 3 A.L.R. 649, Ann.Cas.1918E 724, **possesses no inherent power in respect of the internal affairs of the states; and emphatically not with regard to legislation.**”  
[Carter v. Carter Coal Co., 298 U.S. 238, 56 S.Ct. 855 (1936)]

“The difficulties arising out of our dual form of government and the opportunities for differing opinions concerning the relative rights of state and national governments are many; **but for a very long time this court has steadfastly adhered to the doctrine that the taxing power of Congress does not extend to the states or their political subdivisions.** The same basic reasoning which leads to that conclusion, we think, requires like limitation upon the power which springs from the bankruptcy clause. United States v. Butler, supra.”  
[Ashton v. Cameron County Water Improvement District No. 1, 298 U.S. 513, 56 S.Ct. 892 (1936)]

By law then, no “public office” may therefore be exercised OUTSIDE the District of Columbia except as “expressly provided by law”, including privileged or licensed activities such as a “trade or business”. This was also confirmed by the U.S. Supreme Court in the License Tax Cases, when they said:

1       *"Thus, Congress having power to regulate commerce with foreign nations, and among the several States, and*  
2 *with the Indian tribes, may, without doubt, provide for **granting** coasting **licenses**, licenses to pilots, licenses to*  
3 *trade with the Indians, and any other **licenses** necessary or proper for the exercise of that great and extensive*  
4 *power; and the same observation is applicable to every other power of Congress, to the exercise of which the*  
5 *granting of licenses may be incident. All such licenses confer authority, and give rights to the licensee.*

6       *But very different considerations apply to the **internal commerce** or **domestic trade** of the **States**. Over this*  
7 *commerce and trade Congress has **no power of regulation nor any direct control**. This power belongs **exclusively***  
8 *to the States. **No interference by Congress with the business of citizens transacted within a State is warranted***  
9 ***by the Constitution, except such as is strictly incidental to the exercise of powers clearly granted to the***  
10 ***legislature**. The power to authorize a business within a State is plainly repugnant to the exclusive power of the*  
11 *State over the same subject. It is true that the power of Congress to tax is a very extensive power. It is given in*  
12 *the Constitution, with only one exception and only two qualifications. Congress cannot tax exports, and it must*  
13 *impose direct taxes by the rule of apportionment, and indirect taxes by the rule of uniformity. Thus limited, and*  
14 *thus only, it reaches every subject, and may be exercised at discretion. But, it reaches only existing subjects.*

15       **Congress cannot authorize a trade or business within a**  
16 **State in order to tax it."**

17       *[License Tax Cases, 72 U.S. 462, 18 L.Ed. 497, 5 Wall. 462, 2 A.F.T.R. 2224 (1866)]*

18       Since Internal Revenue Code, Subtitle A is a tax on "public offices", which is called a "trade or business", then the tax can  
19       only apply to those domiciled within the statutory but not constitutional "United States\*" (federal territory), wherever they  
20 are physically located to include states of the Union, but only if they are serving under oath in their official capacity as "public  
21       officers".

22       *"Thus, the Court has frequently held that **domicile or residence, more substantial than mere presence in transit***  
23 ***or sojourn, is an adequate basis for taxation, including income, property, and death taxes**. Since the Fourteenth*  
24 *Amendment makes one a citizen of the state wherein he resides, **the fact of residence creates universally***  
25 ***reciprocal duties of protection by the state and of allegiance and support by the citizen. The latter obviously***  
26 ***includes a duty to pay taxes, and their nature and measure is largely a political matter**. Of course, the situs of*  
27 *property may tax it regardless of the citizenship, domicile, or residence of the owner, the most obvious illustration*  
28 *being a tax on realty laid by the state in which the realty is located."*

29       *[Miller Brothers Co. v. Maryland, [347 U.S. 340](#) (1954)]*

30       Another important point needs to be emphasized, which is that those working for the federal government, while on official  
31       duty, are representing a federal corporation called the "United States", which is domiciled in the District of Columbia.

32       [TITLE 28 > PART VI > CHAPTER 176 > SUBCHAPTER A > Sec. 3002.](#)

33       TITLE 28 - JUDICIARY AND JUDICIAL PROCEDURE

34       PART VI - PARTICULAR PROCEEDINGS

35       CHAPTER 176 - FEDERAL DEBT COLLECTION PROCEDURE

36       SUBCHAPTER A - DEFINITIONS AND GENERAL PROVISIONS

37       [Sec. 3002. Definitions](#)

38       (15) "United States" means -

39       (A) a Federal corporation;

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

41       (C) an instrumentality of the United States.

42       Federal Rule of Civil Procedure 17(b) says that the capacity to sue and be sued civilly is based on one's domicile:

43       [IV. PARTIES > Rule 17.](#)

44       [Rule 17. Parties Plaintiff and Defendant; Capacity](#)

45       (b) *Capacity to Sue or be Sued.*

46       **Capacity to sue or be sued is determined as follows:**

47       (1) **for an individual who is not acting in a representative capacity, by the law of the individual's domicile;**

48       (2) **for a corporation [the "United States", in this case, or its officers on official duty representing the**

49 **corporation], by the law under which it was organized [laws of the District of Columbia]; and**

50       (3) **for all other parties, by the law of the state where the court is located, except that:**

51       (A) a partnership or other unincorporated association with no such capacity under that state's law may sue  
52       or be sued in its common name to enforce a substantive right existing under the United States Constitution  
53       or laws; and  
54



(B) 28 U.S.C. §§754 and 959(a) govern the capacity of a receiver appointed by a United States court to sue or be sued in a United States court.  
[SOURCE: <http://www.law.cornell.edu/rules/frcp/Rule17.htm>]

Government employees, including “public officers”, while on official duty representing the federal corporation called the “United States”, maintain the character of the entity they represent and therefore have a legal domicile in the statutory but not constitutional “United States\*” (federal territory) within the context of their official duties. The Internal Revenue Code also reflects this fact in 26 U.S.C. §7701(a)(39) and 26 U.S.C. §7408(d):

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

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

(39) Persons residing outside United States

If any citizen or resident of the United States does not reside in (and is not found in) any United States judicial district, such citizen or resident **shall be treated as residing in the District of Columbia for purposes of any provision of this title** relating to—

(A) jurisdiction of courts, or

(B) enforcement of summons

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[TITLE 26](#) > [Subtitle F](#) > [CHAPTER 76](#) > [Subchapter A](#) > § 7408  
[§ 7408. Actions to enjoin specified conduct related to tax shelters and reportable transactions](#)

(d) Citizens and residents outside the United States

If any citizen or resident of the United States does not reside in, and does not have his principal place of business in, any United States judicial district, such citizen or resident **shall be treated for purposes of this section as residing in the District of Columbia.**

Kidnapping and transporting the legal identity of a person domiciled outside the District of Columbia in a foreign state, which includes states of the Union, is illegal pursuant to 18 U.S.C. §1201. Therefore, the only people who can be legally and involuntarily “kidnapped” by the courts based on the above two provisions of statutory law are those who individually consent through private contract to act as “public officials” in the execution of their official duties. The fiduciary duty of these “public officials” is further defined in the I.R.C. as follows, and it is only by an oath of “public office” that this fiduciary duty can lawfully be created:

[TITLE 26](#) > [Subtitle F](#) > [CHAPTER 68](#) > [Subchapter B](#) > [PART I](#) > § 6671  
[§ 6671. Rules for application of assessable penalties](#)

(b) Person defined

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

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[TITLE 26](#) > [Subtitle F](#) > [CHAPTER 75](#) > [Subchapter D](#) > § 7343  
[§ 7343. Definition of term “person”](#)

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

We remind our readers that there is no liability statute within Subtitle A of the I.R.C. that would create the duty documented above, and therefore the ONLY way it can be created is by the oath of office of the “public officers” who are the subject of the tax in question. This was thoroughly described in the following article:

The existence of fiduciary duty of “public officers” is therefore the ONLY lawful method by which anyone can be prosecuted for an “omission”, which is a thing they didn’t do that the law required them to do. It is otherwise illegal and unlawful to prosecute anyone under either common law or statutory law for a FAILURE to do something, such as a FAILURE TO FILE a tax return pursuant to [26 U.S.C. §7203](#). Below is an example of where the government gets its authority to prosecute “taxpayers” for failure to file a tax return, in fact:

*“I. DUTY TO ACCOUNT FOR PUBLIC FUNDS  
§ 909. In general.-*

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

*[A Treatise on the Law of Public Offices and Officers, Floyd Russell Mechem, 1890, p. 609, §909;*

*SOURCE: <http://books.google.com/books?id=g-I9AAAAIAAJ&printsec=titlepage>]*

In addition to the above, every attorney admitted to practice law in any state or federal court is described as an “officer of the court”, and therefore ALSO is a “public officer”:

*Attorney at law.* *An advocate, counsel, or official agent employed in preparing, managing, and trying cases in the courts. An officer in a court of justice, who is employed by a party in a cause to manage it for him. In re Bergeron, 220 Mass. 472, 107 N.E. 1007, 1008, Ann.Cas.1917A, 549.*

*In English law. A public officer belonging to the superior courts of common law at Westminster. who conducted legal proceedings on behalf of others. called his clients, by whom he was retained; he answered to the solicitor in the courts of chancery, and the proctor of the admiralty, ecclesiastical, probate, and divorce courts. An attorney was almost invariably also a solicitor. It is now provided by the judicature act. 1873, 8 87. that solicitors. Attorneys, or proctors of, or by law empowered to practice in, any court the jurisdiction of which is by that act transferred to the high court of justice or the court of appeal, shall be called “solicitors of the supreme court.” Wharton.*

*[Black’s Law Dictionary, Fourth Edition, p. 164]*

ATTORNEY AND CLIENT, *Corpus Juris Secundum Legal Encyclopedia Volume 7, Section 4*

*His [the attorney’s] first duty is to the courts and the public, not to the client, and wherever the duties to his client conflict with those he owes as an officer of the court in the administration of justice, the former must yield to the latter.*

*[7 Corpus Juris Secundum (C.J.S.), Attorney and Client, §4 (2003)]*

Executive Order 12731 and 5 C.F.R. §2635.101(a) furthermore both indicate that “public service is a public trust”:

*Executive Order 12731*

*“Part 1 -- PRINCIPLES OF ETHICAL CONDUCT*

*“Section 101. Principles of Ethical Conduct. To ensure that every citizen can have complete confidence in the integrity of the Federal Government, each Federal employee shall respect and adhere to the fundamental principles of ethical service as implemented in regulations promulgated under sections 201 and 301 of this order:*

***“(a) Public service is a public trust, requiring employees to place loyalty to the Constitution, the laws, and ethical principles above private gain.***

***TITLE 5--ADMINISTRATIVE PERSONNEL***

***CHAPTER XVI--OFFICE OF GOVERNMENT ETHICS***

***PART 2635--STANDARDS OF ETHICAL CONDUCT FOR EMPLOYEES OF THE EXECUTIVE***

***BRANCH--Table of Contents***

***Subpart A--General Provisions***

***Sec. 2635.101 Basic obligation of public service.***

*(a) Public service is a public trust. Each employee has a responsibility to the United States Government and its citizens to place loyalty to the Constitution, laws and ethical principles above private gain. To ensure that every citizen can have complete confidence in the integrity of the Federal Government, each employee shall*

respect and adhere to the principles of ethical conduct set forth in this section, as well as the implementing standards contained in this part and in supplemental agency regulations.

The above provisions of law imply that everyone who works for the government is a “trustee” of “We the People”, who are the sovereigns they serve in the public. In law, EVERY “trustee” is a “fiduciary” of the Beneficiary of the trust within which he serves:

**“TRUSTEE.** *The person appointed, or required by law, to execute a trust; one in whom an estate, interest, or power is vested, under an express or implied agreement [e.g. PRIVATE LAW or CONTRACT] to administer or exercise it for the benefit or to the use of another called the cestui que trust. Pioneer Mining Co. v. Tyberg, C.C.A.Alaska, 215 F. 501, 506, L.R.A.1915B, 442; Kaehn v. St. Paul Co-op. Ass’n, 156 Minn. 113, 194 N.W. 112; Catlett v. Hawthorne, 157 Va. 372, 161 S.E. 47, 48. Person who holds title to res and administers it for others’ benefit. Reinecke v. Smith, Ill., 53 S.Ct. 570, 289 U.S. 172, 77 L.Ed. 1109. In a strict sense, a “trustee” is one who holds the legal title to property for the benefit of another, while, in a broad sense, the term is sometimes applied to anyone standing in a fiduciary or confidential relation to another, such as agent, attorney, bailee, etc. State ex rel. Lee v. Sartorius, 344 Mo. 912, 130 S.W.2d. 547, 549, 550. “Trustee” is also used in a wide and perhaps inaccurate sense, to denote that a person has the duty of carrying out a transaction, in which he and another person are interested, in such manner as will be most for the benefit of the latter, and not in such a way that he himself might be tempted, for the sake of his personal advantage, to neglect the interests of the other. In this sense, directors of companies are said to be “trustees for the shareholders.” Sweet. [Black’s Law Dictionary, Fourth Edition, p. 1684]*

An example of someone who is NOT a “public officer” is a federal worker on duty and who is not required to take an oath. These people may think of themselves as employees in an ordinary and not statutory sense and even be called employees by their supervisor or employer, but in fact NOT be the statutory “employee” defined in 5 U.S.C. §2105(a). Remember that 5 U.S.C. §2105(a) defines a STATUTORY “employee” as **“an officer and an individual”** and you don’t become an “officer” in a statutory sense unless and until you take a Constitutional oath. Almost invariably, such workers also have some kind of immediate supervisor who manages and oversees and evaluates his activities pursuant to the position description drafted for the position he fills. He may be a “trustee” and he may have a “fiduciary duty” to the public as a “public servant”, but he isn’t an “officer” or “public officer” unless and until he takes an oath of office prescribed by law. A federal worker, however, can become a “public office” by virtue of any one or more of the following purposes that we are aware of so far:

1. Being elected to political office.
2. Being appointed to political office by the President or the governor of a state of the Union.

A “public office” is not limited to a human being. It can also extend to an entire entity such as a corporation. An example of an entity that is a “public office” in its entirety is a federally chartered bank, such as the original Bank of the United States described in *Osborn v. United States*, in which the U.S. Supreme Court identified the original and first Bank of the United States, a federally chartered bank corporation created by Congress, as a “public office”:

**All the powers of the government must be carried into operation by individual agency, either through the medium of public officers, or contracts made with individuals.** *Can any public office be created, or does one exist, the performance of which may, with propriety, be assigned to this association [or trust], when incorporated? If such office exist, or can be created, then the company may be incorporated, that they may be appointed to execute such office. Is there any portion of the public business performed by individuals upon contracts, that this association could be employed to perform, with greater advantage and more safety to the public, than an individual contractor? If there be an employment of this nature, then may this company be incorporated to undertake it.*

**There is an employment of this nature.** *Nothing can be more essential to the fiscal concerns of the nation, than an agent of undoubted integrity and established credit, with whom the public moneys can, at all times, be safely deposited. Nothing can be of more importance to a government, than that there should be some capitalist in the country, who possesses the means of making advances of money to the government upon any exigency, and who is under a legal obligation to make such advances. For these purposes the association would be an agent peculiarly suitable and appropriate. [ . . . ]*

*The mere creation of a corporation, does not confer political power or political character. So this Court decided in Dartmouth College v. Woodward, already referred to. If I may be allowed to paraphrase the language of the Chief Justice, I would say, a bank incorporated, is no more a State instrument, than a natural person performing the same business would be. If, then, a natural person, engaged in the trade of banking, should contract with the government to receive the public money upon deposit, to transmit it from place to place, without charging for commission or difference of exchange, and to perform, when called upon, the duties of commissioner of loans, would not thereby become a public officer, how is it that this artificial being, created by law for the purpose of being employed for the same purposes, should become a part of the civil government of the country? Is it because its existence, its capacities, its powers, are given by law? because the government has*

given it power to take and hold property in a particular form, and to employ that property for particular purposes, and in the disposition of it to use a particular name? because the government has sold it a privilege [22 U.S. 738, 774] for a large sum of money, and has bargained with it to do certain things; is it, therefore, a part of the very government with which the contract is made?

**If the Bank be constituted a public office, by the connexion between it and the government, it cannot be the mere legal franchise in which the office is vested; the individual stockholders must be the officers.** Their character is not merged in the charter. This is the strong point of the *Mayor and Commonalty v. Wood*, upon which this Court ground their decision in the *Bank v. Deveaux*, and from which they say, that cause could not be distinguished. Thus, aliens may become public officers, and public duties are confided to those who owe no allegiance to the government, and who are even beyond its territorial limits.

**With the privileges and perquisites of office, all individuals holding offices, ought to be subject to the disabilities of office. But if the Bank be a public office, and the individual stockholders public officers, this principle does not have a fair and just operation.** The disabilities of office do not attach to the stockholders; for we find them every where holding public offices, even in the national Legislature, from which, if they be public officers, they are excluded by the constitution in express terms.

**If the Bank be a public institution of such character as to be justly assimilated to the mint and the post office, then its charter may be amended, altered, or even abolished, at the discretion of the National Legislature. All public offices are created [22 U.S. 738, 775] purely for public purposes, and may, at any time, be modified in such manner as the public interest may require. Public corporations partake of the same character. So it is distinctly adjudged in *Dartmouth College v. Woodward*. In this point, each Judge who delivered an opinion concurred. By one of the Judges it is said, that 'public corporations are generally esteemed such as exist for public political purposes only, such as towns, cities, parishes and counties; and in many respects they are so, although they involve some private interests; but, strictly speaking, public corporations are such only as are founded by the government for public purposes, where the whole interest belongs also to the government. If, therefore, the foundation be private, though under the charter of the government, the corporation is private, however extensive the uses may be to which it is devoted, either by the bounty of the founder, or the nature and objects of the institution. For instance, a bank, created by the government for its own uses, whose stock is exclusively owned by the government, is, in the strictest sense, a public corporation. So, a hospital created and endowed by the government for general charity. But a bank, whose stock is owned by private persons, is a private corporation, although it is erected by the government, and its objects and operations partake of a public nature. The same doctrine may be affirmed of insurance, canal, bridge, and turnpike companies. In all these cases, the uses may, in a certain sense, be called public, but the corporations are private; as much [22 U.S. 738, 776] so, indeed, as if the franchises were vested in a single person.[. . .]**

In what sense is it an instrument of the government? and in what character is it employed as such? Do the government employ the faculty, the legal franchise, or do they employ the individuals upon whom it is conferred? and what is the nature of that employment? does it resemble the post office, or the mint, or the custom house, or the process of the federal Courts?

The post office is established by the general government. It is a public institution. The persons who perform its duties are public officers. No individual has, or can acquire, any property in it. For all the services performed, a compensation is paid out of the national treasury; and all the money received upon account of its operations, is public property. Surely there is no similitude between this institution, and an association who trade upon their own capital, for their own profit, and who have paid the government a million and a half of dollars for a legal character and name, in which to conduct their trade.

Again: the business conducted through the agency of the post office, is not in its nature a private business. It is of a public character, and the [22 U.S. 738, 786] charge of it is expressly conferred upon Congress by the constitution. The business is created by law, and is annihilated when the law is repealed. But the trade of banking is strictly a private concern. It exists and can be carried on without the aid of the national Legislature. Nay, it is only under very special circumstances, that the national Legislature can so far interfere with it, as to facilitate its operations.

The post office executes the various duties assigned to it, by means of subordinate agents. The mails are opened and closed by persons invested with the character of public officers. But they are transported by individuals employed for that purpose, in their individual character, which employment is created by and founded in contract. To such contractors no official character is attached. These contractors supply horses, carriages, and whatever else is necessary for the transportation of the mails, upon their own account. The whole is engaged in the public service. The contractor, his horses, his carriage, his driver, are all in public employ. But this does not change their character. All that was private property before the contract was made, and before they were engaged in public employ, remain private property still. The horses and the carriages are liable to be taxed as other property, for every purpose for which property of the same character is taxed in the place where they are employed. The reason is plain: the contractor is employing his own means to promote his own private profit, and the tax collected is from the individual, though assessed upon the [22 U.S. 738, 787] means he uses to perform the public service. To tax the transportation of the mails, as such, would be taxing the operations of the government, which could not be allowed. But to tax the means by which this transportation is effected, so far as those means are private

property, is allowable; because it abstracts nothing from the government; and because, the fact that an individual employs his private means in the service of the government, attaches to them no **immunity whatever.**"  
[Osborn v. Bank of U.S., [22 U.S. 738](#) (1824)]

The record of the House of Representatives after the enactment of the first income tax during the Civil War in 1862, confirmed that the income tax was upon a "public office" and that even IRS agents, who are not "public officers" and who are not required to take an oath, are therefore exempt from the requirements of the revenue acts in place at the time. Read the amazing truth for yourself:

House of Representatives, Ex. Doc. 99, 1867  
<http://famguardian.org/Subjects/Taxes/Evidence/PublicOrPrivate-Tax-Return.pdf>

Below is an excerpt from that report proving our point. The Secretary of the Treasury at the time is comparing the federal tax liabilities of postal clerks to those of internal revenue clerks. At that time, the IRS was called the Bureau of Internal Revenue (B.I.R.). The office of Commissioner of Internal Revenue was established in 1862 as an emergency measure to fund the Civil War, which ended shortly thereafter, but the illegal enforcement of the revenue laws continued and expanded into the states over succeeding years:

House of Representatives, Ex. Doc. 99, 1867, pp. 1-2  
39<sup>th</sup> Congress, 2d Session

Salary Tax Upon Clerks to Postmasters

Letter from the Secretary of the Treasury in answer to A resolution of the House of the 12<sup>th</sup> of February, relative to salary tax upon clerks to postmasters, with the regulations of the department

Postmasters' clerks are appointed by postmasters, and take the oaths of office prescribed in the 2d section of the act of July 2, 1862, and in the 2d section of the act of March 3, 1863.

Their salaries are not fixed in amount bylaw, but from time to time the Post master General fixes the amount', allotted to each postmaster for clerk hire, under the authority conferred upon him by tile ninth section of the act of June 5, 1836, and then the postmaster, as an agent for and in behalf of the United States, determines the salary to be paid to each of his clerks. These salaries are paid by the postmasters, acting as disbursing agents, from United States moneys advanced to them for this purpose, either directly from the Post Office Department in pursuance of appropriations made by law, or from the accruing revenues of their offices, under the instructions of the Postmaster General. The receipt of such clerks constitute vouchers in the accounts of the postmasters acting as disbursing agents in the settlements made with them by the Sixth Auditor. In the foregoing transactions the postmaster acts not as a principal, but as an agent of the United States, and the clerks are not in his private employment, but in the public employment of the United States. Such being the facts, these clerks are subjected to and required to account for and pay the salary tax, imposed by the one hundred and twenty-third section of the internal revenue act of June 30, 1864, as amended by the ninth section of the internal revenue act of July 13, 1866, upon payments for services to persons in the civil employment or service of the United States.

Copies of the regulations under which such salary taxes are withheld and paid into the treasury to the credit of internal revenue collection account are herewith transmitted, marked A, b, and C. Clerks to assessors of internal revenue [IRS agents] are appointed by the assessors. Neither law nor regulations require them to take an oath of office, because, as the law at present stands, they are not in the public service of the United States, through the agency of the assessor, but are in the private service of the assessor, as a principal, who employs them.

The salaries of such clerks are neither fixed in amount by law, nor are they regulated by any officer of the Treasury Department over the clerk hire of assessors is to prescribe a necessary and reasonable amount which shall not be exceeded in reimbursing the assessors for this item of their expenses.

No money is advanced by the United States for the payment of such salaries, nor do the assessors perform the duties of disbursing agents of the United States in paying their clerks. The entire amount allowed is paid directly to the assessor, and he is not accountable to the United States for its payment to his clerks, for the reason that he has paid them in advance, out of his own funds, and this is a reimbursement to him of such amount as the department decides to be reasonable. No salary tax is therefore collected, or required by the Treasury Department to be accounted for, or paid, on account of payments to the assessors' clerks, as the United States pays no such clerks nor has them in its employ or service, and they do not come within the provisions of existing laws imposing such a tax.

Perhaps no better illustration of the difference between the status of postmasters' clerks and that of assessors' clerks can be given than the following: A postmaster became a defaulter, without paying his clerks,; his successor received from the Postmaster General a new remittance for paying them; and if at any time, the clerks in a post



office do not receive their salaries, by reason of the death, resignation or removal of a postmaster, the new appointee is authorized by the regulations of the Post Office Department to pay them out of the proceeds of the office; and should there be no funds in his hands belonging to the department, a draft is issued to place money in his hands for that purpose.

If an assessor had not paid his clerks, they would have no legal claim upon the treasury for their salaries. A discrimination is made between postmasters' clerks and assessor's clerks to the extent and for the reasons hereinbefore set forth.

I have the honor to be, very respectfully, your obedient servant.

H. McCulloch, Secretary of the Treasury  
[House of Representatives, Ex. Doc. 99, 1867, pp. 1-2]

Notice based on the above that revenue officers don't take an oath, so they don't have to pay the tax, while postal clerks take an oath, so they do. Therefore, the oath that creates the "public office" is the method by which the government manufactures "public officers", "taxpayers", and "sponsors" for its wasteful use or abuse of public monies. If you would like a whole BOOK full of reasons why the only "taxpayers" under the Internal Revenue Code, Subtitle A are "public offices", please see the following exhaustive analysis:

*Why Your Government is Either a Thief or You are a "Public Officer" for Income Tax Purposes*, Form #05.008  
<http://sedm.org/Forms/FormIndex.htm>

#### 23.4.4 De Facto Public Officers

Based on the previous section, we are now thoroughly familiar with all the legal requirements for:

1. How public offices are lawfully created.
2. The only places where they can lawfully be exercised.
3. The duties that attach to the public office.
4. The type of agency exercised by the public officer.
5. The relationship between the public office and the public officer.

What we didn't cover in the previous section is what are all the legal consequences when someone performs the duties of a public office without satisfying all the legal requirements for lawfully occupying the office? In law, such a person is called a "de facto officer" and books have been written about the subject of the "de facto officer doctrine". Below is what the U.S. Supreme Court held on the subject of "de facto officers":

*None of the cases cited militates against the doctrine that, **for the existence of a de facto officer, there must be an office de jure**, although there may be loose expressions in some of the opinions, not called for by the facts, seemingly against this view. **Where no office legally exists, the pretended officer is merely a usurper, to whose acts no validity can be attached; and such, in our judgment**, was the position of the commissioners of Shelby county, who undertook to act as the county court, which could be constitutionally held only by justices of the peace. Their right to discharge the duties of justices of the peace was never recognized by the justices, but from the outset was resisted by legal proceedings, which terminated in an adjudication that they were usurpers, clothed with no authority or official function.*  
[Norton v. Shelby Co State of Tennessee, 118 U.S. 425, 6 S.Ct. 1121, 30 L.Ed. 178 (1886)]

As we have already established, all statutory "taxpayers" are public offices in the U.S. and not state government. This is exhaustively proven with evidence in:

*Why Your Government is Either a Thief or You are a "Public Officer" for Income Tax Purposes*, Form #05.008  
<http://sedm.org/Forms/FormIndex.htm>

A person who fulfills the DUTIES of a statutory "taxpayer" under 26 U.S.C. §7701(a)(14) without lawfully occupying a public office in the U.S. government BEFORE becoming surety for the "taxpayer" public office would be a good example of a de facto public officer. Those who exercise the duties of a public officer without meeting all the requirements, from a legal perspective, are in fact committing the crime of impersonating a public officer.

[TITLE 18 > PART I > CHAPTER 43 > § 912](#)  
[§ 912. Officer or employee of the United States](#)

Whoever falsely assumes or pretends to be an officer or employee acting under the authority of the United States or any department, agency or officer thereof, and acts as such, or in such pretended character demands or obtains any money, paper, document, or thing of value, shall be fined under this title or imprisoned not more than three years, or both.

What are some examples where a person would be impersonating a public officer unlawfully? Here are a few:

1. You elect or appoint yourself into public office by filling out a tax form without being occupying said office BEFORE becoming surety for the statutory “taxpayer” office.
2. You serve in the office in a geographic place NOT expressly authorized by law. For instance, 4 U.S.C. §72 requires that ALL federal public offices MUST be exercised ONLY in the District of Columbia and NOT ELSEWHERE, unless expressly authorized by law.
3. A third party unilaterally ELECTS you into a public office by submitting an information return linking you to such a BOGUS office under the alleged but not actual authority of 26 U.S.C. §6041(a).
4. You occupy the public office without either expressly consenting to it IN WRITING or without even knowing you occupy such an office.

If a so-called “GOVERNMENT” is established in which:

1. The only kind of “citizens” or “residents” allowed are STATUTORY citizens and residents. CONSTITUTIONAL citizens are residents are either not recognized or allowed. . . .OR
2. All “citizens” and “residents” are compelled under duress to accept the duties of a public office or ANY kind of duties imposed by the government upon them. Remember, the Thirteenth Amendment forbids “involuntary servitude”, so if the government imposes any kind of duty or requires you to surrender private property of any kind by law, then they can only do so through the medium of a public office. . . .OR
3. Everyone is compelled to obey government statutory law. Remember, nearly all laws passed by government can and do regulate ONLY the government and not private people. See:

Why Statutory Civil Law is Law for Government and Not Private Persons, Form #05.037  
<http://sedm.org/Forms/FormIndex.htm>

. . .then you end up not only with a LOT of public officers, but a **de facto GOVERNMENT** as well. That government is thoroughly described in:

De Facto Government Scam, Form #05.043  
<http://sedm.org/Forms/FormIndex.htm>

Even at the state level, it is a crime in every state of the Union to pretend to be a public officer of the state government who does not satisfy ALL of the legal requirements for occupying the public office. Below is an itemized list by jurisdiction of constitutional and statutory requirements that are violated by those who either impersonate a state public officer OR who serve simultaneously as BOTH a FEDERAL public office and a STATE public office AT THE SAME TIME. That’s right: When you either impersonate a state public officer OR serve in BOTH a FEDERAL public office and STATE public office AT THE SAME TIME, then you are committing a crime and have a financial conflict of interest and conflict of allegiance that can and should disqualify you from exercising or accepting the duties of the office:

1 **Table 19: Statutory remedies for those compelled to act as public officers and straw man**

<i><b>Jurisdiction</b></i>	<i><b>Legal Cite Type</b></i>	<i><b>Title</b></i>	<i><b>Legal Cite</b></i>
Alabama	Constitution	Dual Office Prohibition	Article III, Section 25; Article IV, Sect. 22; Art. V, Sect. 10; Article VI, Section 12
Alabama	Statute	Crime: Impersonating Public Officer	C.O.A. §13A-10-10
Alabama	Statute	Crime: Identity Theft	C.O.A. Title 13A, Article 10
Alaska	Constitution	Dual Office Prohibition	Const. Sections 2.5, 3.6, 4.8
Alaska	Statute	Crime: Identity Theft	A.S. §11.46.160
Alaska	Statute	Crime: Impersonating Public Officer	A.S. §11.56.830
Arizona	Constitution	Dual Office Prohibition	Const. Article 4, Part 2, Section 4; Const. Article 6, Section 28
Arizona	Statute	Crime: Identity Theft	A.R.S. §13-2006
Arizona	Statute	Crime: Impersonating Public Officer	A.R.S. §13-2406
Arkansas	Constitution	Dual Office Prohibition	Const. Article 3, Section 10; Const. Article 5, Section 7; Article 5, Section 10; Art. 80, Sect. 14
Arkansas	Statute	Crime: Impersonating Public Officer	A.S.C. §5-37-208
California	Constitution	Dual Office Prohibition	Const. Article 5, Section 2 (governor); Const. Article 5, Section 14; Article 7, Section 7
California	Statute	Crime: Identity Theft	Penal Code §484.1
Colorado	Constitution	Dual Office Prohibition	Const. Article V, Section 8 (internal)
Connecticut	Constitution	Dual Office Prohibition	Const. Article 1, Section 11 (internal)
Connecticut	Statute	Crime: Identity Theft	C.G.S.A. § 53a-129a to 53a-129c
Delaware	Constitution	Dual Office Prohibition	Const. Article 1, Section 19
Delaware	Statute	Crime: Identity Theft	D.C. Title 11, Section 854
Delaware	Statute	Crime: Impersonating Public Officer	D.C. Title 11, Section 907(3)
District of Columbia	Constitution	Dual Office Prohibition	Const. of D.C., Article IV, Sect. 4(B) (judges); Art. III, Sect. 4(D) (governor)
District of Columbia	Statute	Crime: Impersonating Public Officer	D.C. Code §22-1404
Florida	Constitution	Dual Office Prohibition	Const. Article II, Section 5
Florida	Statute	Crime: Impersonating Public Officer	F.S. Title XLVI, Section 817.02
Georgia	Constitution	Dual Office Prohibition	Const. Article I, Section II, Para. III; Const. Article III, Section II, Para. IV(b)
Georgia	Statute	Crime: Impersonating Public Officer	O.C.G.A. §16-10-23
Hawaii	Constitution	Dual Office Prohibition	Const. Article III, Section 8 (internal)
Hawaii	Statute	Crime: Impersonating Public Officer	H.R.S. §710-1016
Idaho	Constitution	Dual Office Prohibition	Const. Article V, Section 7 (judges)

<i><b>Jurisdiction</b></i>	<i><b>Legal Cite Type</b></i>	<i><b>Title</b></i>	<i><b>Legal Cite</b></i>
Idaho	Statute	Crime: Impersonating Public Officer	I.S. §18-3001
Illinois	Constitution	Dual Office Prohibition	Const. Article IV, Section 2(e) (legislative)
Illinois	Statute	Crime: Impersonating Public Officer	720 I.L.C.S. 5/17-2
Indiana	Constitution	Dual Office Prohibition	Const. Article 2, Section 9; Const. Article 4, Section 30 (legislative)
Indiana	Statute	Crime: Impersonating Public Officer	I.C. §25-30-1-18
Iowa	Constitution	Dual Office Prohibition	Const. Article III, Section 22 (legislature); Const. Article IV, Section 14 (governor)
Iowa	Statute	Crime: Impersonating Public Officer	I.C. Title XVI, Section 718.2
Kansas	Constitution	Dual Office Prohibition	Const. Article 3, Section 13 (judges)
Kansas	Statute	Crime: Impersonating Public Officer	K.R.S. §21-3825
Kentucky	Statute	Crime: Impersonating Public Officer	K.R.S. §434.570
Kentucky	Statute	Crime: Identity Theft	K.R.S. §514.60; K.R.S. §532.034
Kentucky	Statute	Dual Office Prohibition	K.R.S. §61.080
Louisiana	Constitution	Dual Office Prohibition	Const. Article II, Section 2 (internal); Const. Article IV, Section 2 (executive)
Louisiana	Statute	Crime: Impersonating Public Officer	R.S. §14:112
Maine	Constitution	Dual Office Prohibition	Const. Article III, Section 2 (internal)
Maine	Statute	Crime: Impersonating Public Officer	17-A M.R.S. Section 457
Maryland	Constitution	Dual Office Prohibition	Const. Declaration of Rights, Article 33 (judges); Const. Const. Declaration of Rights, Article 35 (officers)
Maryland	Statute	Crime: Impersonating Public Officer	Statutes §8-301
Massachusetts	Constitution	Dual Office Prohibition	Const. Chapter VI, Article 2
Massachusetts	Statute	Crime: Impersonating Public Officer	G.L.M. Chapter 268, Section 33
Michigan	Constitution	Dual Office Prohibition	Const. Article IV, Section 8
Michigan	Statute	Crime: Impersonating Public Officer	Mich. Penal Code, Chapter XXXV, Section 750.217c
Minnesota	Constitution	Dual Office Prohibition	Const. Article IV, Section 5
Minnesota	Statute	Crime: Impersonating Public Officer	M.S. §609.475
Mississippi	Statute	Crime: Impersonating Public Officer	M.C. §97-7-43
Missouri	Constitution	Dual Office Prohibition	Const. Article VII, Section 9
Missouri	Statute	Crime: Impersonating Public Officer	M.R.S. §570.223
Missouri	Statute	Crime: Identity Theft	M.R.S. §570.223

<i><b>Jurisdiction</b></i>	<i><b>Legal Cite Type</b></i>	<i><b>Title</b></i>	<i><b>Legal Cite</b></i>
Montana	Constitution	Dual Office Prohibition	Const. Article III, Section 1; Const. Article V, Section 9 (office);Article VII, Section 9 (judges)
Montana	Statute	Crime: Impersonating Public Officer	M.C.A. §45-7-209
Nebraska	Constitution	Dual Office Prohibition	Const. Article III-9
Nebraska	Statute	Crime: Impersonating Public Officer	N.R.S. §28-636
Nebraska	Statute	Crime: Identity Theft	N.R.S. §28-639
Nevada	Constitution	Dual Office Prohibition	Const. Article 4, Section 9 (officers)
Nevada	Statute	Crime: Impersonating Public Officer	N.R.S. §197.120
New Hampshire	Constitution	Dual Office Prohibition	Const. Art. 94-95
New Hampshire	Statute	Crime: Identity Theft	N.H.R.S. §359-I:2
New Jersey	Constitution	Dual Office Prohibition	Const. Article III, Section 1; Const. Article IV, Section V, Sections 3-4; Const. Article V, Section I, Section 3
New Jersey	Statute	Crime: Impersonating Public Officer	N.J.S.A. §2C:28-8
New Mexico	Constitution	Dual Office Prohibition	Const. Article IV, Section 3 (senators);Const. Article VI, Section 19 (judge)
New Mexico	Statute	Crime: Identity Theft	N.M.S.A. §30-16-21.1
New York	Constitution	Dual Office Prohibition	Const. Article III, Section 7 (legislature); Const. Article VI, Section 20(b)(1)
New York	Statute	Crime: Identity Theft	General Business Law 380- S;Penal Law §190.78
New York	Statute	Crime: Impersonating Public Officer	Penal Law §190.23
North Carolina	Constitution	Dual Office Prohibition	Const. Article VI, Section 9
North Carolina	Statute	Crime: Impersonating Public Officer	N.C.G.S. §14-277
North Dakota	Statute	Crime: Impersonating Public Officer	N.D.C.C. §12.1-13-04
Ohio	Constitution	Dual Office Prohibition	Const. Article 2, Section 04 (legislature); Const. Article 4, Section 06, Para. (B)
Ohio	Statute	Crime: Impersonating Public Officer	
Oklahoma	Constitution	Dual Office Prohibition	Const. Article II, Section 12;Const. Article V, Section 18 (legislature)
Oklahoma	Statute	Crime: Impersonating Public Officer	O.S. Title 21, Section 1533
Oklahoma	Statute	Crime: Identity Theft	O.S. Title 21, Section 1533.1
Oregon	Constitution	Dual Office Prohibition	Const. Article II, Section 10
Oregon	Statute	Crime: Impersonating Public Officer	O.R.S. §162.365
Oregon	Statute	Crime: Identity Theft	O.R.S. §165.803
Pennsylvania	Constitution	Dual Office Prohibition	Const. Article V, Section 17 (judges)



<i><b>Jurisdiction</b></i>	<i><b>Legal Cite Type</b></i>	<i><b>Title</b></i>	<i><b>Legal Cite</b></i>
Pennsylvania	Statute	Crime: Identity Theft	18 Pa.C.A. §4120
Rhode Island	Constitution	Dual Office Prohibition	Const. Article III, Section 6
Rhode Island	Statute	Crime: Impersonating Public Officer	G.L.R.I. §11-14-1
South Carolina	Constitution	Dual Office Prohibition	Const. Article 1, Section 8(internal);Const. Article VI, Section 3 (officers)
South Carolina	Statute	Crime: Impersonating Public Officer	S.C.C.O.L. § 16-13-290
South Dakota	Constitution	Dual Office Prohibition	Const. Article 3, Section 3
South Dakota	Statute	Crime: Impersonating Public Officer	S.D.C.L. §22-40-16
South Dakota	Statute	Crime: Identity Theft	S.D.C.L. §22-40-8
Tennessee	Constitution	Dual Office Prohibition	Const. Article II, Section 2 (internal);Const. Article II, Section 26 (officers)
Tennessee	Statute	Crime: Impersonating Public Officer	T.C. §39-16-301
Texas	Constitution	Dual Office Prohibition	Const. Article 2, Section 1 (internal);Const. Article 3, Section 18 (legislature); Const. Article 4, Section 6 (executive)
Texas	Statute	Crime: Impersonating Public Officer	Penal Code, Section 37.11
Texas	Statute	Crime: Identity Theft	T.S. §32.51
United States	Statute	Crime: Impersonating Public Officer	18 U.S.C. §912
Utah	Constitution	Dual Office Prohibition	Const. Article V, Section 1 (internal);Const. Article VIII, Section 10 (judges)
Utah	Statute	Crime: Impersonating Public Officer	U.C. §76-8-512
Vermont	Constitution	Dual Office Prohibition	Const. Chapter II, Section 54
Vermont	Statute	Crime: Impersonating Public Officer	13 V.S.A. §3002
Virginia	Constitution	Dual Office Prohibition	Const. Article IV, Section 4 (legislature); Const. Article V, Section 4 (governor)
Virginia	Statute	Crime: Identity Theft	C.O.V. §18.2-186.3
Washington	Constitution	Dual Office Prohibition	Const. Article II, Section 14 (legislature); Const. Article IV, Section 15 (judges)
Washington	Statute	Crime: Impersonating Public Officer	R.C.W. §18.71.190
West Virginia	Constitution	Dual Office Prohibition	Const. Article 6, Section 16 (senators); Const. Article 7, Section 4 (executive); Const. Article 8, Section 7 (judges)
West Virginia	Statute	Crime: Impersonating Public Officer	W.V.C. §61-5-27a(e)
Wisconsin	Constitution	Dual Office Prohibition	Const. Article IV, Section 13
Wisconsin	Statute	Crime: Identity Theft	W.S. §943.201
Wyoming	Constitution	Dual Office Prohibition	Const. Section 97-3-008 (legislature);Const. Section 97-5-027 (judges)

<i>Jurisdiction</i>	<i>Legal Cite Type</i>	<i>Title</i>	<i>Legal Cite</i>
Wyoming	Statute	Crime: Identity Theft	W.S. §6-3-901
Wyoming	Statute	Crime: Impersonating Public Officer	W.S. §6-5-307

If you would like to research further the laws and remedies available in the specific jurisdiction you are in, we highly recommend the following free tools on our website:

1. [SEDM Jurisdictions Database](http://sedm.org/Litigation/LitIndex.htm), Litigation Tool #09.003  
<http://sedm.org/Litigation/LitIndex.htm>
2. [SEDM Jurisdictions Database Online](http://sedm.org/Litigation/LitIndex.htm), Litigation Tool #09.004  
<http://sedm.org/Litigation/LitIndex.htm>

The above tool is also available at the top row under the menu on our Litigation Tools Page at the link below:

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

## **23.5 The Government Protection Racket: Privilege Induced Slavery<sup>262</sup>**

*"In the matter of taxation, every privilege is an injustice."  
[Voltaire]*

*"The more you want, the more the world can hurt you."  
[Confucius]*

*"If you think of yourselves as helpless and ineffectual, it is certain that you will create a despotic government to be your master. The wise despot, therefore, maintains among his subjects a popular sense that they are helpless and ineffectual."  
[Frank Herbert, The Dosadi Experiment]*

A **protection racket** is an extortion scheme whereby a criminal group or individual coerces other less powerful entities to pay money, allegedly for protection services against external threats (usually violence or property damage). Many racketeers will coerce potential clients into buying protection through property damage or other harassment. In most cases, the "protection" they want you to pay for is really from themselves and not third parties and therefore, what they offer is little more than extortion.

Governments often become "protection rackets" just as readily as Italian mobs. The main difference is who the "organizers" of the mob are. In the private sector, the organizer is a violent and ruthless gangster leader. In the government:

1. The "organizer" is usually a corrupt franchise court judge with a financial conflict of interest and no scruples.
  - 1.1. He is much more "civilized" and far more educated than most gangsters, but he serves the same role.
  - 1.2. He serves in the Executive Branch rather than the Judicial Branch, because all franchise courts are in that branch as we pointed out earlier in section 4.
2. The IRS and licensed attorneys act as his/her "hit men". Both make "useful idiots" for the protection racket, because neither ever really reads or follows what the law says or applies the strict rules of statutory construction, but rather operate on "policy" disguised to "look" like law but which in fact, rarely has the "force of law". In effect, they are agents of the corrupt gangster judge instead of what the law actually says.
3. Instead of machine guns, they use administrative enforcement that is usually criminal and illegal against "nontaxpayers" who are outside their territorial or legislative jurisdiction. This unlawful and criminal administrative enforcement threatens property and hence, the only way to remove the threat is to pay the extortion.
4. Courts serve the same purpose as smoky rooms in the basement where people get "worked over" and terrorized:
  - 4.1. Everything that happens in these rooms is censored.
  - 4.2. No recording is allowed in the room. The guards at the door often search for recording devices and will confiscate them if you bring them in. The purpose of this is to protect the judge from the consequences of his criminal conspiracy against your constitutional rights and to keep the public from learning just how corrupt the courts really are.

<sup>262</sup> Adapted from Great IRS Hoax, Form #11.302, Section 4.3.12 with permission.

- 4.3. Judges tamper with the court record by telling court reporters fulfilling transcript requests to censor the record.
- 4.4. Judges whisper to counsel out of hearing of the jury. Thus, they engage in a conspiracy to obstruct justice and keep the WHOLE truth out of hearing of the fact finders.
- 4.5. More than 95% of all cases never even get in front of a real jury. Hence, they are routinely decided by corrupt judges with a criminal conflict of interest based on policy and not what the law actually says.
- 4.6. In tax trials, both litigants and jurists are forbidden to talk about or even read the law in the courtroom, thus allowing the judge to substitute his corrupt will for what the law actually says.
- 4.7. In many courthouses that have law libraries, jurists are forbidden to enter and read the law, because it would clearly prove that the judge is using the ignorance of the law of the jury and the vacuum of law in the courtroom to substitute his will for what the law says.
- 4.8. If the evidence against the government protection racket is especially unfavorable, the transcript and court record is sealed or unpublished by order of the gangster judge.
5. Tax collection notices sent by the extortionists serve as “threats” to compel people at the equivalent of gunpoint to:
- 5.1. Volunteer into a public office in the U.S. government and solicit bribes for the “privilege” of occupying said office. This violates 18 U.S.C. §912.
- 5.2. Fill out government forms that contain information about themselves that is usually FALSE. This is perjury in violation of 18 U.S.C. §1001, because all tax forms are required by 26 U.S.C. §6065 to be filled out under penalty of perjury and therefore constitute “testimony of a witness”. For instance, they describe themselves as a statutory “U.S. person”, “U.S. citizen”, or “U.S. resident”, or even a “taxpayer”, which is usually FALSE. Or they use an identifying number that the franchise contract itself says can only lawfully be used by those occupying a public office in the U.S. government. See:
- Why It is Illegal for Me to Request or Use a “Taxpayer Identification Number”,* Form #04.205  
<http://sedm.org/Forms/FormIndex.htm>
- 5.3. Send bribery money called a “tax” that so that the criminals sending the letter will unlawfully and criminally treat those who are not in fact “public officers” AS public officers, in criminal violation of 18 U.S.C. §912, 210, and 211.
6. Tax collection enforcement notices sent by the IRS constitute criminal witness tampering in violation of 18 U.S.C. §1512, because the tax forms that must be submitted in response to them are required to be signed under penalty of perjury per 26 U.S.C. §6065 and therefore constitute “testimony of a witness”. Gangster judges know this, but look the other way because they have a criminal financial conflict of interest in violation of 18 U.S.C. §208 and will unlawfully enlarge their own pay and importance by doing so. This is called “selective enforcement” and it is always motivated by the lust for money and power.
7. The entire activities of these gangsters also qualifies as an act of international terrorism, because it is instituted against nonresident parties outside the territorial or legislative jurisdiction of the tax collection agency in a legislatively “foreign state”. The U.S. Supreme Court has held more than once that states of the Union are “nations” in nearly every particular and therefore, illegal enforcement of tax laws that only apply to territory and domiciliaries of the national government qualifies as “international terrorism”. Where is the Department of Homeland Security when you need them?
8. The Internal Revenue Code serves as a ruse to deceive nonresident people into believing that they must pay the extortion money, when in fact, it clearly it is a voluntary franchise that does not even apply to the average American and can lawfully be enforced ONLY against public officers within the government itself. See:

*Great IRS Hoax*, Form #11.302

<http://famguardian.org/Publications/GreatIRSHoax/GreatIRSHoax.htm>

It is precisely because of the above types of criminal activity and conflict of interest by judges that the common law and common law courts was designed to prevent and avoid, because it leaves the outcome entirely to completely disinterested third parties who the corrupt judge and prosecutor have no influence over. Private rights, after all, should always be protected mainly by private people, who are the only true sovereign in the American republican form of government.

Now do you know why the Bible says the following?:

*“Shall the throne of iniquity, which devises evil by law, have fellowship with You? They gather together against the life of the righteous, and condemn innocent blood. But the Lord has been my defense, and my God the rock of my refuge. He has brought on them their own iniquity, and shall cut them off in their own wickedness; **the Lord our God shall cut them off.**”*  
[Psalm 94:20-23, Bible, NKJV]

The following subsections will explore how this criminal government mafia enterprise functions, how it behaves in every particular as an organized crime protection racket subject to the RICO laws found in Title 18 of the U.S. Code, Chapter 95, and why Christians are not allowed by God to subsidize or participate in it.

### 23.5.1 The Social Compact or “protection contract”

Anyone who has been married instinctively knows what “privilege-induced slavery” is. They understand that you have to give up some of your “rights” for the benefits and “privileges” associated with being married. For instance, one of the rights that the government forces you to give up using the instrument it created called the “marriage license”, especially if you are a man, is sovereignty over your property and your labor. If you get married with a state marriage license, then control over your property and labor is surrendered ultimately to the government, because if your spouse becomes dissatisfied, the marriage license gives the government absolute authority to hijack all your property and your labor for the imputed “public good”, but as you will find out, the chief result of this hijacking is actually injustice. The marriage license authorizes a family law judge to abuse your property and your labor without your voluntary consent to create a welfare state for women intent on rebelling against their husbands and using marriage as a means of economic equalization and administrative control. We explain in our book entitled Sovereign Christian Marriage, Form #06.009 that this very characteristic of marriage licenses issued by the state accomplishes the following unjust results:

1. Usurps and rebels against the sovereignty of God by interfering with His plan for marriage and family clearly spelled out in the Bible.
2. Encourages spouses to get divorced, because at least one of them will be financially rewarded with the property and labor of the other for doing so.
3. Makes marriage into legalized prostitution, where the sex comes during the marriage and the money comes after marriage and the state and family court judge becomes the pimp and the family law attorneys become collectors for the pimp.

The above defects in the institution of marriage caused by the government “privilege” called state-issued marriage licenses, of course, are the natural result of violating God’s/Natural law on marriage found in the Bible, where Eph. 5:22-24 makes the man, and not the government or the woman, the sovereign in the context of families. This is what happens whenever mankind rebels against God’s authority by trying to improve on God’s design for the family: massive injustice. Remember, that God created man first, and out of man’s rib was created woman, which makes man the sovereign, and this conclusion is completely consistent with the concept of Natural Order was discussed in section 4.1 of the Great IRS Hoax, Form #11.302.

*“For a man indeed ought not to cover his head, since he is made in the image and glory of God; but woman is the glory of man. For man is not from woman, but woman from man. Nor was man created for the woman, but woman for the man.”*  
[1 Cor. 11:7-9, Bible, NKJV]

If you are going to arrogantly call this attitude chauvinistic, politically incorrect, or bigoted then you’re slapping God in the face and committing blasphemy because this is the way GOD designed the system and who are YOU to question that?

*“But indeed, O man, who are you to reply against God? Will the thing formed say to him who formed it, ‘Why have you made me like this?’ Does not the potter have power over the clay, from the same lump to make one vessel for honor and another for dishonor?”*  
[Romans 9:20-21, Bible, NKJV]

If you would like to learn more about this subject, we refer you to the following book posted on our website at:

[Sovereign Christian Marriage](http://sedm.org/Forms/FormIndex.htm), Form #06.009  
<http://sedm.org/Forms/FormIndex.htm>

The de facto government uses this very same concept of privilege-induced slavery in the “constructive contract” you in effect consent to by becoming a statutory “citizen” or availing yourself of a government “benefit.” The writers of the Law of Nations upon which the constitution was written called this contract the “social compact”:

*The Law of Nations, Book I: Of Nations Considered in Themselves*

§ 223. Cases in which a citizen has a right to quit his country.

There are cases in which a citizen has an absolute right to renounce his country, and abandon it entirely — a right founded on reasons derived from the very nature of the social compact.

1. If the citizen cannot procure subsistence in his own country, it is undoubtedly lawful for him to seek it elsewhere. For, political or civil society being entered into only with a view of facilitating to each of its members the means of supporting himself, and of living in happiness and safety, it would be absurd to pretend that a member, whom it cannot furnish with such things as are most necessary, has not a right to leave it.

2. If the body of the society, or he who represents it, absolutely fail to discharge their obligations [of protection] towards a citizen, the latter may withdraw himself. For, if one of the contracting parties does not observe his engagements, the other is no longer bound to fulfil his; as the contract is reciprocal between the society and its members. It is on the same principle, also, that the society may expel a member who violates its laws.

3. If the major part of the nation, or the sovereign who represents it, attempt to enact laws relative to matters in which the social compact cannot oblige every citizen to submission, those who are averse to these laws have a right to quit the society, and go settle elsewhere. For instance, if the sovereign, or the greater part of the nation, will allow but one religion in the state, those who believe and profess another religion have a right to withdraw, and take with them their families and effects. For, they cannot be supposed to have subjected themselves to the authority of men, in affairs of conscience;<sup>3</sup> and if the society suffers and is weakened by their departure, the blame must be imputed to the intolerant party; for it is they who fail in their observance of the social compact — it is they who violate it, and force the others to a separation. We have elsewhere touched upon some other instances of this third case, — that of a popular state wishing to have a sovereign (§ 33), and that of an independent nation taking the resolution to submit to a foreign power (§ 195).

[The Law of Nations, Book 1, Section 223, Vattel; SOURCE:

[http://famguardian.org/Publications/LawOfNations/vattel\\_01.htm#%20224.%20Emigrants/](http://famguardian.org/Publications/LawOfNations/vattel_01.htm#%20224.%20Emigrants/)

Here is the phrase that one of our astute readers uses to describe the social compact in his book Social Security: Mark of the Beast, Form #11.407, which is posted on our website for your reading pleasure:

“Protection draws subjection.”  
[Steven Miller]

“Protectio trahit subjectionem, subjectio projectionem.  
Protection draws to it subjection, subjection, protection. Co. Litt. 65.”  
[Bouvier’s Maxims of Law, 1856;  
SOURCE: <http://famguardian.org/Publications/BouvierMaximsOfLaw/BouviersMaxims.htm>]

In a sense, when you become a “citizen”, you “marry” the state in order to have its protection. Consenting to the contract makes you into a “government contractor” and therefore “public officer” of sorts. The terms of this constructive “marriage contract” are described in section 4.12 of the Great IRS Hoax, Form #11.302. Below is a summary:

1. When you become a “citizen” by either being naturalized or by choosing a domicile within the jurisdiction of the government, you must profess allegiance.
  - 1.1. “Domicile” carries with it the concept of “allegiance”.

“Thus, the Court has frequently held that domicile or residence, more substantial than mere presence in transit or sojourn, is an adequate basis for taxation, including income, property, and death taxes. Since the Fourteenth Amendment makes one a citizen of the state wherein he resides, the fact of residence creates universally reciprocal duties of protection by the state and of allegiance and support by the citizen. The latter obviously includes a duty to pay taxes, and their nature and measure is largely a political matter. Of course, the situs of property may tax it regardless of the citizenship, domicile, or residence of the owner, the most obvious illustration being a tax on realty laid by the state in which the realty is located.”  
[Miller Brothers Co. v. Maryland, [347 U.S. 340](#) (1954) ]

“This right to protect persons having a domicile, though not native-born or naturalized citizens, rests on the firm foundation of justice, and the claim to be protected is earned by considerations which the protecting power is not at liberty to disregard. Such domiciled citizen pays the same price for his protection as native-born or naturalized citizens pay for theirs. He is under the bonds of allegiance to the country of his residence, and, if he breaks them, incurs the same penalties. He owes the same obedience to the civil laws. His property is, in the same way and to the same extent as theirs, liable to contribute to the support of the Government. In nearly all respects, his and their condition as to the duties and burdens of Government are undistinguishable.”  
[Fong Yu Ting v. United States, [149 U.S. 698](#) (1893)]

- 1.2. Naturalization requires an oath of “allegiance”. See 8 U.S.C. §1448.



- 1 2. You marry the state by promising it “allegiance”. Spouses who marry each other take a similar oath to “love, honor, and  
2 obey” each other, and thereby protect each other.  
3 3. Your passport is proof you are “married” to the state. See 22 U.S.C. §212:

4 “No passport shall be granted or issued to or verified for any other persons than those owing allegiance, whether  
5 citizens or not, to the United States.”  
6 [\[22 U.S.C. §212\]](#)

- 7 4. After you have “married” the state, you assume a citizenship status as a “national”, which is simply someone who has  
8 allegiance to the “state”:

9 [TITLE 8 > CHAPTER 12 > SUBCHAPTER I > § 1101](#)  
10 [§ 1101. Definitions](#)

11 (a) As used in this chapter—

12 (21) The term “national” means a person owing permanent allegiance to a state.

13 All forms of allegiance require the taking of oaths, and God says you can’t take oaths and that the reason is because you are  
14 married to Him and not some pagan ruler or government. Those who take oaths to anything other than God become “friends  
15 of the world” and enemies of God:

16 “Do not fear, for you will not be ashamed; neither be disgraced, for you will not be put to shame; for you will  
17 forget the shame of your youth, and will not remember the reproach of your widowhood anymore. **For your**  
18 **Maker is your husband, the Lord of hosts is His name; and your Redeemer is the Holy One of Israel; He is**  
19 **called the God of the whole earth**, for the Lord has called you like a woman forsaken and grieved in spirit, like  
20 a youthful wife when you were refused,” says your God. “For a mere moment I have forsaken you, but with great  
21 mercies I will gather you. With a little wrath I hid My face from you for a moment; but with everlasting kindness  
22 I will have mercy on you,” says the Lord, your Redeemer.”  
23 [\[Isaiah 54:4-8, Bible, NKJV\]](#)  
24

25 “Again you have heard that it was said to those of old, ‘You shall not swear falsely, but shall perform your oaths  
26 to the Lord.’

27 “But I say to you, **do not swear at all: neither by heaven, for it is God’s throne; 35 nor by the earth, for it is His**  
28 **footstool; nor by Jerusalem, for it is the city of the great King.**

29 “Nor shall you swear by your head, because you cannot make one hair white or black.

30 “But let your ‘Yes’ be ‘Yes,’ and your ‘No,’ ‘No.’ For whatever is more than these is from the evil one.  
31 [\[Matt. 5:33-37, Bible, NKJV\]](#)  
32

33 “**Adulterers and adulteresses! Do you not know that friendship [allegiance toward] with the world [or the**  
34 **governments of the world] is enmity with God?** Whoever therefore wants to be a friend [“citizen”, “resident”,  
35 “taxpayer”] of the world [or the governments of the world] makes himself an enemy of God.”  
36 [\[James 4:4, Bible, NKJV\]](#)

37 There is an article on the website below that actually describes in detail the terms of the citizenship marriage contract below:

<p><a href="#">The Citizenship Contract</a>, George Mercier <a href="http://famguardian.org/PublishedAuthors/Indiv/MercierGeorge/InvContrcts--TheCitizenshipContract.htm">http://famguardian.org/PublishedAuthors/Indiv/MercierGeorge/InvContrcts--TheCitizenshipContract.htm</a></p>
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38 Here is the way the U.S. Supreme Court describes this marriage contract:

39 “There cannot be a nation without a people. The very idea of a political community, such as a nation is, implies  
40 an [88 U.S. 162, 166] association of persons for the promotion of their general welfare. Each one of the persons  
41 associated becomes a member of the nation formed by the association. He owes it allegiance and is entitled to its  
42 protection. **Allegiance and protection are, in this connection, reciprocal obligations. The one is a compensation**  
43 **for the other; allegiance for protection and protection for allegiance.**”  
44 [\[Minor v. Happersett, 88 U.S. \(21 Wall.\) 162, 166-168 \(1874\)\]](#)

Like marriage licenses, consenting to the “citizenship contract” means you give up some of your rights, and as a matter of fact, the government wants you to believe that you give up the same rights by becoming a citizen as you do by getting a marriage license.

In a de facto government, the “social compact” is a franchise that obligates the citizens and residents and makes them servants of the rulers. In a de jure government, the social compact only obligates the public servants and leaves the citizens and residents completely free and sovereign.

When you marry the de facto U.S. government by becoming a statutory “U.S. citizen”, you in effect are assimilated into the federal corporation called the “United States” defined in 28 U.S.C. §3002(15)(A) and are classified by the franchise courts as an officer of that corporation in receipt of taxable privileges. You also then become completely subject to the jurisdiction of that corporation as the equivalent of a public officer.

This is NOT how de jure governments are supposed to work, but it is how de facto governments that are corporations work. All they want to do is recruit more cheap “employees” or officers and they do it through deceit, words of art and statutory franchises called “codes” that don’t acquire the “force of law” until you consent to them. In a de jure government, becoming a citizen is done through nationality and NOT statutory “U.S. citizen” status. Those who join retain all their rights and do not become a government officer or employee by joining. This is the de jure government we used to have but which was replaced in 1933 when real money disappeared and rights were replaced with franchises.

### **23.5.2 God forbids participation in the government “protection racket”/franchise**

If you are a child of God, at the point when you married the state as a citizen, you united God with an idolatrous, mammon state and sold yourself into legal slavery voluntarily, in direct violation of the Bible:

*“No one can serve two masters: for either he will hate the one, and love the other; or else he will hold to the one, and despise the other. Ye cannot serve God and mammon.”*  
[Matt. 6:24, Bible, NKJV]

*“Do not be unequally yoked together with unbelievers. For what fellowship has righteousness with lawlessness? And what communion has light with darkness?”*  
[2 Cor. 6:14, Bible, NKJV]

As expected, God’s law once again says that we should not become citizens of this world, and especially if it is dominated by unbelievers:

*“For our citizenship is in heaven, from which we also eagerly wait for the Savior, the Lord Jesus Christ”*  
[Philippians 3:20]

*“These all died in faith, not having received the promises, but having seen them afar off were assured of them, embraced them and confessed that they were strangers and pilgrims on the earth.”*  
[Hebrews 11:13]

*“Beloved, I beg you as sojourners and pilgrims, abstain from fleshly lusts which war against the soul...”*  
[1 Peter 2:1]

*“Do you not know that friendship with the world is enmity with God? Whoever therefore wants to be a friend of the world makes himself an enemy of God.”*  
[James 4:4, Bible, NKJV]

One of the reasons God doesn’t want us to become citizens of this world is because when we do, we have violated the first commandment and committed idolatry, by replacing God with an artificial god called government, who then provides protection for us that we for one reason or another can’t or won’t trust or have faith in God to provide. This lack of faith then becomes our downfall. The words of the Apostle Paul resolve why this is:

*“But he who doubts is condemned if he eats, because he does not eat from faith; for whatever is not from faith [in God] is sin.”*  
[Rom. 14:23, Bible, NKJV]

### 23.5.3 How corrupt governments abuse privileges and franchises to destroy rights that they were created to protect

Corrupt governments function as “protection rackets” and do so by abusing franchises. All privileges and franchises destroy and undermine rights and equal protection that are the foundation of the formation of all lawful governments. Is it moral or ethical for the government to try to manipulate our rights out of existence by replacing them with taxable and regulatable “privileges” by procuring our consent and agreement? Here is what the U.S. Supreme Court says on this subject:

*“It would be a palpable incongruity to strike down an act of state legislation which, by words of express divestment, seeks to strip the citizen of rights guaranteed by the federal Constitution, but to uphold an act by which the same result is accomplished under the guise of a surrender of a right in exchange for a valuable privilege which the state threatens otherwise to withhold. It is not necessary to challenge the proposition that, as a general rule, the state, having power to deny a privilege altogether, may grant it upon such conditions as it sees fit to impose. But the power of the state in that respect is not unlimited, and one of the limitations is that it may not impose conditions which require the relinquishment of Constitutional rights. If the state may compel the surrender of one constitutional right as a condition of its favor, it may, in like manner, compel a surrender of all. It is inconceivable that guaranties embedded in the Constitution of the United States may thus be manipulated out or existence.”*  
[Frost v. Railroad Commission, 271 U.S. 583, 46 S.Ct. 605 (1926)]

So the bottom line is that it is not permissible for a state to try to undermine your Constitutional rights by making privileges they offer contingent on surrendering Constitutional rights, but they do it anyway because we let them get away with it, and because they are very indirect about how they do it.

In a very real sense, the government has simply learned how to use propaganda to create fear and insecurity in the people, and then they invent vehicles to turn eliminating your fear into a profit center that requires you to become citizens and pay taxes to support. For instance, they use the Federal Reserve to create the Great Depression by contracting the money supply, and then they get these abused people worried and feeling insecure about retirement and security in the early 1930’s, and then invent a new program called Social(ist) Security to help eliminate their fear and restore your sense of security. But remember, in the process of procuring the “privilege” to be free of anxiety about old age, you have surrendered sovereignty over your person and labor to the government, and they then have the moral authority to tax your wages and make you into a serf and a peon to pay off the federal debt accumulated to run that program.

*“The righteousness[and contentment] of the upright will deliver them, but the unfaithful will be caught by their lust [for security or government benefits].”*  
[Prov. 11:6, Bible, NKJV]

Another favorite trick of governments is to make something illegal and then turn it into a “privilege” that is taxed. This is how governments maximize their revenues. They often call the tax a “license fee”, as if to imply that you never had the right to do that activity without a license. You will never hear a government official admit to it, but the government reasoning is that the tax amounts to a “bribe” or “tribute” to the government to get them to honor or respect the exercise of some right that is cleverly disguised as a taxable “privilege” and to enforce payment of the bribe to a corrupt officer in a court of law. Unless you know what your rights are, it will be very difficult to recognize this subtle form of usury. Here is what the courts have to say about this kind of despicable behavior by the government:

***“A right common in every citizen such as the right to own property or to engage in business of a character not requiring regulation CANNOT, however, be taxed as a special franchise by first prohibiting its exercise and then permitting its enjoyment upon the payment of a certain sum of money.”***  
[Stevens v. State, 2 Ark. 291; 35 Am. Dec. 72, Spring Val. Water Works v. Barber, 99 Cal. 36, 33 Pac. 735, 21 L.R.A. 416. Note 57 L.R.A. 416]

Clear thinking about our freedom and liberty demands that when faced with situations like this, we ask ourselves, where does the government derive its authority and “privileges”(?). The answer is:

**...from the PEOPLE!**

The Declaration of Independence says so!:

*“We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty and the pursuit of happiness. That to secure*

1                   these rights, governments are instituted among men, deriving their just powers from the consent of the  
2                   governed."  
3                   [Declaration of Independence]

4       Instead, we ought to charge government employees a tax for the "privilege" of having the authority and the "privilege" from  
5       the people to serve (not "govern", but SERVE) them, and the tax that government servants pay us for that privilege should  
6       be equal to whatever they charge us for the privileges they delegate back to us using the authority we gave them! We need  
7       to think clearly about this because it's very easy to get trapped in bad logic by deceitful lawyers and politicians who want to  
8       get into your bank account and enslave you with their unjust laws and extortion cleverly disguised as legitimate taxes. We  
9       should always remember who the public servants are and who the public is. We are the public and government employees  
10      are the servants! Start acting like the boss for once and tell the government what you expect out of them. The only reason  
11      the government continues to listen to us is because:

- 12      1. We vote our officials into office.
- 13      2. If we don't like the laws they pass, we can nullify them every time we sit down on a jury or a grand jury.
- 14      3. If the above two approaches don't keep their abuse of power in check, we can buy guns to protect ourselves from  
15      government abuse.

16      For instance, the government started issuing marriage licenses in about 1923 and charged people for the "privilege". But  
17      then we have to ask ourselves what a license is. A license is permission from the state to perform an act which, without a  
18      license, would be illegal. Is it illegal to get married without the blessing of the state? Did Adam and Eve have a marriage  
19      license from God? Absolutely NOT. Marriage licenses, driver's licenses, and professional licenses are a scam designed to  
20      increase control of the state over your life and turn you into a financial slave and serf to the government!

#### 21      **23.5.4   Example: IRS privilege induced slavery**

22      The IRS uses privilege-induced slavery to its advantage as well. For instance, it:

- 23      1. Sets the rate of withholding for a given income slightly higher than it needs to be so that Americans who paid tax will  
24      have to file to get their money back. In the process of filing, these unwitting citizens:
  - 25          1.1. Have to incriminate themselves on their tax returns.
  - 26          1.2. Forfeit most of the Constitutional rights, including the First (right to NOT communicate with your government),  
27          Fourth (seizure), and Fifth Amendment (self-incrimination) protections.
  - 28          1.3. Tell the IRS who their employer is, which later allows the IRS to serve the private employer illegally with a "Notice  
29          of Levy" and steal assets in violation of due process protections in the Constitution in the Fifth Amendment.
- 30      2. On the W-4 form, makes it a privilege just to hold onto your income. The regulations written by the Treasury illegally  
31      (and unconstitutionally) say that if a person does not submit a W-4 or submits an incorrect W-4, the employer (who really  
32      isn't an "employer" because it isn't a federal employer who has "employees" as defined in 26 C.F.R. § 31.3401(c)) must  
33      withhold at the single zero rate. Thus, it becomes a "privilege" to just receive the money you earned without tax deducted!  
34      The only way you can preserve the "privilege" is to incriminate yourself by filling out the W-4, in violation of the Fifth  
35      Amendment.
- 36      3. The federal judiciary and the IRS will wickedly tell you that because of the Anti-Injunction Act found at 26 U.S.C.  
37      §7421, if you dispute the amount of tax you owe or you assert non-liability, you must pay the tax FIRST before you are  
38      permitted to file a lawsuit and subject your case to judicial review. In effect, what Congress has done by legislation is  
39      forced you to bribe the government in order to have the privilege to sue them! If you assert that you are a "nontaxpayer"  
40      and a person not liable for tax, the IRS will try to get your case dismissed because corrupt judges will assert "sovereign  
41      immunity". See section 1.4.2 of the Sovereignty Forms and Instructions Manual, Form #10.005 for further details on  
42      this scam. For those of you who are Christians, this scam quite clearly violates the bible, which declares:

43                   *"And you shall take no bribe, for a bribe blinds the discerning and perverts the words of the righteous."*  
44                   [Exodus 23:8]

- 45      4. Your state government will tell you that you MUST give them a valid Social Security Number in order for you to get a  
46      state driver's license. They will do this in spite of the fact that traveling is a right and not a government privilege. In the  
47      words of the U.S. Supreme Court and lower courts:

48                   *"The right to travel is part of the 'liberty' that a citizen cannot be deprived without due process of law."*  
49                   [Kent v. Dulles, 357 U.S. 116 (1958); U.S. v. Laub, 385 U.S. 475 (1967)]

"The use of the highways for the purpose of travel and transportation is not a mere privilege, but a common and fundamental Right of which the public and the individual cannot be rightfully deprived."  
[Chicago Motor Coach v. Chicago, 169 N.E. 22; Ligare v. Chicago, 28 N.E. 934; Boon v. Clark, 214 S.S.W. 607; 25 American Jurisprudence (1st), Highways Sect.163]

### 23.5.5 Example: Privilege induced slavery using licenses to practice law

To give you just one more example of how privilege-induced slavery leads to government abuse, let's look at licenses to practice law. The only rational basis for having any kind of professional license is consumer protection, but the legal profession has totally distorted and twisted this concept to benefit them, which amounts to a massive conflict of interest. For instance:

1. Only licensed attorneys can defend others in court. This prevents family members or friends or paralegals from providing low-cost legal assistance in court, and creates a greater marketplace and monopoly for legal services by attorneys. This also means that a lot more people go without legal representation, because they can't afford to hire a lawyer to represent them. Is that justice, or is that simply the spread of oppression and injustice in the name of profit for the legal profession?
2. Even if the attorney is licensed to practice law from the socialist state, the court can revoke their right to defend anyone in a court of law. For instance:
  - 2.1. Look at what the court did to attorney Jeffrey Dickstein in *United States v. Collins*, 920 F.2d. 619 (10th Cir. 11/27/1990), which was described in section 6.12.4.5 of the Great IRS Hoax, Form #11.302. If you look at the ruling for this case, you will find that the court withdrew defendant Collins right to be represented by Attorney Dickstein, because they called attorney Dickstein a "vexatious litigant". He was therefore deprived of his choice of competent legal counsel, because the court viewed his counsel as "politically incorrect".
  - 2.2. Refer also to what the court did to attorney Oscar Stilley in section 6.11.1 of the Great IRS Hoax, Form #11.302, as he defended Dr. Phil Roberts on tax charges. The court said, and we quote:

*"The practice of law, sir, is a privilege, especially in Federal Court. You're close to losing that privilege in this court, Mr. Stilley."*

3. Clients with attorneys are given favoritism by the court in the award of attorney fees against the other side. This leads attorneys to inflate their fees if they expect sanctions, in order to coerce the opposing side to settle. In most courts, pro per or pro S.E. litigants are either not allowed or seldom are awarded attorney fees against the opposing side. Only litigants who have counsel can get attorney fee awards by the court. In effect, the courts treat the time and expense of pro per litigants in defending themselves as irrelevant and completely without value! That's right.. if you as a pro per litigant keep track of your time diligently and bill for it at a rate less than an attorney in your motion for sanctions against the other side, the judge (who incidentally used to be a lawyer and probably still has lawyer golf buddies he wants to bring business to) will laugh you out of the courtroom! This has the effect of incentivizing people to have expensive legal counsel and incentivizes the lawyers to prolong the litigation and maximize their hourly rate to maximize their income. If you then ask a judge why they don't award attorney fee sanctions to pro per litigants, he might get defensive and say: "*Pro per litigants are high maintenance, and make extra work for the court because they don't know what they are doing.*" And yet these same courts and judges are the ones who earlier, as attorneys practicing law, intimidated and perpetuated the very ignorance on the part of their clients that made these people ignorant litigants as pro pers! All this rhetoric is just a smokescreen for the real agenda, which is maximizing business for and profits of those who practice law, and restricting the supply of qualified talent in order to keep the prices and the income of attorneys artificially high.

If we avail ourselves of a "privilege" granted by the state through operation of any statute that does not involve the exercise of a fundamental right, then we cannot have a constitutional grounds for redress of grievances against the statute:

*"The Government urges that the Power Company is estopped to question the validity of the Act creating the Tennessee Valley Authority, and hence that the stockholders, suing in the right of the corporation, cannot [297 U.S. 323] maintain this suit. .... The principle is invoked that one who accepts the benefit of a statute cannot be heard to question its constitutionality. Great Falls Manufacturing Co. v. Attorney General, 124 U.S. 581; Wall v. Parrot Silver & Copper Co., 244 U.S. 407; St. Louis Casting Co. v. Prendergast Construction Co., 260 U.S. 469."*  
[Ashwander v. Tennessee Valley Auth., 297 U.S. 288 (1936)]

But if we are simply trying to exist, by working and receiving a paycheck, voting, serving on jury duty, and fulfilling our various civic and family duties, we cannot be taxed for the mere privilege of existing:



1           *"The individual, unlike the corporation, **cannot be taxed for the mere privilege of existing**. The corporation is*  
2 *an artificial entity which owes its existence and charter power to the State, but the individual's right to live and*  
3 *own property are natural rights for the enjoyment of which **an excise cannot be imposed**."*  
4 *[Redfield v. Fisher, 292 Oregon 814, 817]*

5           *"Legislature...**cannot name something to be a taxable privilege unless it is first a privilege**." [Taxation West*  
6 *Key 43]..."The Right to receive income or earnings is a right belonging to every person and realization and*  
7 *receipt of income is therefore not a 'privilege', that can be taxed."*  
8 *[Taxation West Key 933]-[Jack Cole Co. v. MacFarland, 337 S.E.2d. 453, Tenn.]*

## 9   **23.6 Inequities between government and private franchises which lead to abuse and oppression**

10   At its heart, a franchise can be thought of simply as a way to deliver a service demanded by the consumer and to collect the  
11   revenues needed to pay for that service and nothing more. There is nothing wrong with that approach in the private sector.  
12   Businesses do it all the time, in fact. An example is the McDonald's franchise, in which if you want to open one of their  
13   stores you sign the franchise contract and they get you on your feet, design the store, train you, and even supply you.

14   The trouble with the way that governments implement franchises are the following things they do that private businesses  
15   aren't allowed by law to do, and which inevitably lead to inequality, abuse, privilege, oppression, crime, and injustice:

- 16   1. Governments either don't have competition or don't allow competition in delivering the protection sought. This leads  
17   to a monopoly that causes the price to artificially inflate. For instance:
  - 18   1.1. The federal government insists on a monopoly in the postal service and have repeatedly put private competitors  
19   out of business. Lysander Spooner, the founder of the modern libertarian movement, tried to compete with the  
20   post office and was forced out of business.
  - 21   1.2. The government won't allow people to fund and create their own retirement and divert social security taxes to  
22   fund their own savings. Then the governments squander all the money so that it isn't available when it is needed.  
23   Social Security will be bankrupt when it is needed most.
- 24   2. Governments prosecute those who refuse to consent to the franchise. For instance:
  - 25   2.1. They arrest people for driving without a license.
  - 26   2.2. They confiscate vehicles that are unregistered.
  - 27   2.3. They prosecute nonresident aliens for tax crimes who don't consent to the "trade or business" franchise and earn  
28   no "income".

29   In other words, they make it a crime NOT to be a "customer" for their service. No business can do that or would be  
30   allowed to do that. Yet, that is what a government is: A corporation and a business that delivers a service called  
31   "protection" and which EVERYONE should have the right to hire anyone they want for. What is wrong with having  
32   private police or private fire departments that rather than funding them using property taxes that are unavoidable?
- 33   3. Governments refuse to recognize what they are doing as essentially PRIVATE businesses activity that places them on  
34   the same level as every other business. Instead, corrupt governments protect and expand the franchise illegally by  
35   abusing sovereign immunity when they are sued in court to dismiss or limit the effect of the civil suit against them.  
36   This gives them unfair advantage over private companies doing similar business.
- 37   4. Governments give those who sign up for the franchise a name such as statutory "citizen", statutory "resident",  
38   "taxpayer", "spouse", etc. which implies that they are a public officer subject to the franchise, and they then unjustly  
39   insist on treating the participant with the status of "public officer" for EVERYTHING! Franchises are supposed to  
40   focus only on a specific activity and the status one has under the franchise is supposed to be limited ONLY to that  
41   activity, but the government wants you to:
  - 42   4.1. Have that inferior relation of a public officer for EVERYTHING YOU DO.
  - 43   4.2. Be subject to EVERY ACT of legislation they pass as a public officer, because you are part of the government.
  - 44   4.3. Bend over for them, instead of them bending over for you. They want to replace a "citizen" with an "employee"  
45   or "public officer" so they can be in charge instead of you.
- 46   5. When you sign up for one of their franchises, the franchise agreement usually hooks you up indirectly to all the other  
47   franchises without your express consent and sometimes without even your knowledge. For instance:
  - 48   5.1. When you get a driver's license, they presume you are a "resident" and a "domiciliary" even if you don't want to  
49   be, and then the vehicle code allows the state department of motor vehicles to:
    - 50   5.1.1. Share the information with the department of revenue and thus connect you with implicit consent to  
51   participate in the income tax "trade or business" franchise.
    - 52   5.1.2. Share the information with the courts and place you on the jury summons list, which is also a franchise  
53   arising from domicile within the vicinage.

5.2. When you register a vehicle, they put in the registration franchise agreement that the owner essentially consents to have the vehicle confiscated if it is driven by an unlicensed driver.

6. Private businesses make the revenues from the individual franchise support ALL the costs of the franchise and NOTHING more. This is the only way they can be competitive in the marketplace and stay in business. Governments, on the other hand:

6.1. Charge you whatever they want for the service because they have a monopoly with no competition. Would you hire a private company that insisted on you handing them a blank check and then putting you in jail because you don't want to be a customer called a "taxpayer"? As a bare minimum there needs to be a constitutional limit of no more than 15% on the total amount of taxes that a person pays, STATE AND FEDERAL, in order to prevent this problem.

6.2. Do not limit the revenues collected to payment for ONLY that specific franchise, but rather subsidize other completely unrelated activities with it. This allows them to charge virtually anything they want and do anything they want with the money.

7. They implement the franchise with civil law rather than private contract law, so that in order to participate, you must agree to be subject to ALL civil law enacted by the government, rather than only the terms of the separate franchise contract ONLY. Signing up for a government franchise therefore acts as a blank check to be subject to ALL the laws passed by the grantor of the franchise.

8. When you don't pay your fees, they administratively levy your assets. No private business can do that. They have to take you to court instead unless you consent to some other arrangement IN WRITING.

9. Private businesses respect your right to NOT contract with them. Governments, on the other hand, HIDE all the methods to withdraw consent by omitting the following two options in the "Status" block describing yourself:

9.1. None of the above.

9.2. Not subject but not statutorily "exempt".

The combined effect of all the above abusive tactics by corrupted governments is that they are illegally and unconstitutionally employing franchises to completely eliminate all private rights, private property, and equality and convert a de jure government into a totalitarian de facto government. All of the above abuses must be eliminated before there can ever be any realistic hope of returning to a de jure constitutional and lawful government. Governments should be required in the constitution to compete on an equal playing field with private businesses and be subject to competition in virtually EVERYTHING they do as a way to prevent all of the above types of abuses.

The inequities indicated above are clearly unjust and oppressive. When you want to sue a government in court, they will make you produce an express waiver of sovereign immunity for the specific issue being litigated and if you can't, the case is dismissed and you have no standing. In other words, the government must EXPRESSLY CONSENT to every separate civil liability you claim against them. That consent can only be expressed in writing in the form of a statute.

Under the constitution, all "persons", including government "persons" are equal. Therefore, all de jure governments must both allow and protect your equal right of freedom to choose ONLY the specific things you expressly consent in writing to receive and pay for, rather than simply EVERYTHING or NOTHING the government offers. For instance, you should be able to be a "resident" for the purposes of the vehicle code but a NONRESIDENT for every other code if you want to be. When you sign up to be a "citizen" or "resident", they should hand you a list of specific services you want and are willing to pay for, and they should deliver and charge for ONLY those services, just like any business. If you don't want public schools, you should be able to deduct the cost from your property tax bill. If fire protection costs too much, you should be able to cancel your coverage and hire a more competitive private service. If you don't pay for the service, they ought to have to take you to court just like any business does, rather than administratively levying your assets without a court order. No business can do that.

De facto governments also stealthily pretend like you are a "customer" and that you are in charge in order to perpetuate the smoke screen that hides the THEFT and LIES they are engaging in. In fact, you cannot BE a "customer" as long as.

1. They can charge whatever they want for their services.
2. They can decide what services you will receive.
3. They can put you in jail for not being a "customer" called a "taxpayer".
4. They play by different or better rules than you do.
5. They don't protect your absolute right to NOT consent, pay for, or subsidize things you either don't want or think are harmful.

## 23.7 Biblical Explanation of How Judges and Prosecutors and Government Use Franchises to Plunder and Enslave You

We're sure you have heard the old saying:

*"A fool and his money are soon parted."*

This section will describe how government granted franchises such as Social Security, the income tax, Medicare, federal employment or office, etc. are the main method of choice used and abused by clever judges and government prosecutors in THEIR privileged "franchise courts" for parting a fool of ALL of his or her money and rights. More particularly, franchises are the main method:

1. That God uses to punish a wicked and rebellious people. See Nehemiah 8-9.
2. That rulers and governments use to plunder and enslave those they are supposed to be serving and protecting.
3. By which the wicked are uprooted from the land and kidnapped legally from the protections of God to occupy a foreign land. Prov. 2:21-22.

The Bible says that the Heavens and the Earth belong to the Lord and NOT Caesar.

*"The heavens are Yours [God's], the earth also is Yours;  
The world and all its fullness, You have founded them.  
The north and the south, You have created them;  
Tabor and Hermon rejoice in Your name.  
You have a mighty arm;  
Strong is Your hand, and high is Your right hand."  
[Psalm 89:11-13, Bible, NKJV]*

*"I have made the earth,  
And created man on it.  
I—My hands—stretched out the heavens,  
And all their host I have commanded."  
[Isaiah 45:12, Bible, NKJV]*

*"Indeed heaven and the highest heavens belong to the Lord your God, also the earth with all that is in it."  
[Deuteronomy 10:14, Bible, NKJV]*

**Since God owns everything and Caesar owns nothing, then what we are to render to Caesar is NOTHING according to Romans 13. Caesar is therefore God's temporary trustee and steward over what ultimately belongs exclusively and permanently and ONLY to God.** The delegation of authority from God to Caesar is the Bible itself, which is a trust indenture that describes itself as a covenant or promise, and which makes God the beneficiary of all of Caesar's and our choices as God's steward. The terms of that delegation of authority order and trust indenture are exhaustively described below:

[Delegation of Authority Order from God to Christians](http://sedm.org/Forms/FormIndex.htm), Form #13.007  
<http://sedm.org/Forms/FormIndex.htm>

The Bible says that God is the source of all authority.

*"...there is no authority except from God."  
[Romans 13:1, Bible, NKJV]*

*"...you are complete in Him [Christ], **who is the head of all principality and power.**"  
[Colossians 2:10, Bible, NKJV]*

Consequently, the term "governing authorities" as used in Romans 13 can only mean God and not Caesar. When Caesar is acting consistent with the Bible trust indenture and delegation of authority to Caesar, then and only then can he therefore be called a "governing authority". These facts are the basis for why 1 Peter 2 says the following, and note the phrase "for the Lord's sake":

1           *"Therefore submit yourselves to every ordinance of man **for the Lord's sake**, whether to the king as supreme, or*  
2 *to governors, as to those who are sent by him for the punishment of evildoers and for the praise of those who do*  
3 *good. For this is the will of God, that by doing good you may put to silence the ignorance of foolish men— as*  
4 *free, yet not using liberty as a cloak for vice, but as bondservants of God. Honor all people. Love the brotherhood.*  
5 *Fear God. Honor the king."*  
6 *[1 Peter 2:13-17, Bible, NKJV]*

7 That government which is NOT "for the Lord's sake" and instead is for Satan's sake we are not only NOT to submit to as  
8 Christians, but are required to rebel against and literally "hate" its bad deeds but not the people who affect them. The hate is  
9 directed at evil behavior, not evil people. It is a fact that most kings and governors are NOT sent by God, but by Satan, and  
10 most of them rebel against rather than obey God or His moral laws. These rulers, in fact, are the ones who ultimately will  
11 engage in the final conflict against God:

12           *"And I saw **the beast, the kings of the earth, and their armies, gathered together to make war against Him***  
13 ***[Jesus] who sat on the horse and against His army.**"*  
14 *[Rev. 19:19, Bible, NKJV]*

15 God would never and has never commanded us to do evil nor to obey rulers who are evil. In fact, most of the evil in our  
16 society originates from abuses by rulers who refuse to either recognize or obey God's moral laws in the Bible. The essence  
17 of loving the Lord, for instance, is to "fear God".

18           ***You shall fear the LORD your God and serve [ONLY] Him**, and shall take oaths in His name. You shall not go*  
19 *after other gods, the gods of the peoples who are all around you (for the LORD your God is a jealous God among*  
20 *you), lest the anger of the LORD your God be aroused against you and destroy you from the face of the earth.*

21           [. . .]

22           *And the LORD commanded us to observe all these statutes, to fear the LORD our God, for our good always, that*  
23 *He might preserve us alive, as it is this day.*  
24 *[Deut. 6:13, 24, Bible, NKJV]*

25  
26           ***"You shall fear the LORD your God; you shall serve [ONLY] Him**, and to Him you shall hold fast, and take*  
27 *oaths in His name."*  
28 *[Deut. 10:20, Bible, NKJV]*

29 The Bible then defines "fearing the Lord" as "hating evil". You can't "hate evil" by effecting it or by obeying or subsidizing  
30 rulers who effect it in our name as our representatives. No one who wars against God's commandments or obeys rulers who  
31 war against God's commandments can claim to be "fearing the Lord". We argue that one cannot simultaneously love God,  
32 and not hate His opposite, which is evil.

33           ***"The fear of the LORD is to hate evil:***  
34 *Pride and arrogance and the evil way*  
35 *And the perverse mouth I hate."*  
36 *[Prov. 8:13, Bible, NKJV]*

37 Therefore, so long as we as Christians continually recognize God's exclusive ownership and control over the Earth and the  
38 fact that Caesar doesn't own any part of it, the only type of allegiance we can have that attaches to any geographical territory  
39 is allegiance to God and not Caesar. That allegiance manifests itself in choosing a legal domicile that is not within the  
40 jurisdiction of any man-made government and instead is within God's Kingdom on Earth exclusively. This exclusive  
41 allegiance we have to God then determines who we nominate as our protector and where the civil laws are derived which  
42 protect us.

43           *"**domicile.** A person's legal home. That place where a man has his true, fixed, and **permanent home** and*  
44 *principal establishment, and to which whenever he is absent he has **the intention of** returning. Smith v. Smith,*  
45 *206 Pa.Super. 310, 213 A.2d. 94. Generally, physical presence within a state and **the intention** to make it one's*  
46 *home are the requisites of establishing a "domicile" therein. The permanent residence of a person or the place*  
47 *to which he **intends to** return even though he may actually reside elsewhere. A person may have more than one*  
48 *residence but only one domicile. **The legal domicile of a person is important since it, rather than the actual***  
49 ***residence, often controls the jurisdiction of the taxing authorities and determines where a person may exercise***  
50 ***the privilege of voting and other legal rights and privileges."***  
51 *[Black's Law Dictionary, Sixth Edition, p. 485]*

1 ***"The citizen cannot complain [about the laws or the tax system], because he has voluntarily submitted himself***  
2 ***to such a form of government.*** He owes allegiance to the two departments, so to speak, and within their respective  
3 spheres must pay the penalties which each exacts for disobedience to its laws. In return, he can demand protection  
4 from each within its own jurisdiction."  
5 [United States v. Cruikshank, [92 U.S. 542](#) (1875) [emphasis added]]

6 ***"Allegiance and protection [by the government from harm] are, in this connection, reciprocal obligations. The***  
7 ***one is a compensation for the other; allegiance for protection and protection for allegiance."***  
8 [Minor v. Happersett, [88 U.S. \(21 Wall.\) 162](#), 166-168 (1874)]

9 We can't have allegiance to Caesar because the Bible says we can't serve two masters or, by implication, have two masters:

10 *"No one can serve two masters [two employers, for instance]; for either he will hate the one and love the other,*  
11 *or else he will be loyal to the one and despise the other. You cannot serve God and mammon [government]."*  
12 [Luke 16:13, NKJV. Written by a tax collector]

13 God is our ONLY Lawgiver, Judge, and Protector:

14 ***"For God is the King of all the*** earth; Sing praises with understanding."  
15 [[Psalm 47:7](#), Bible, NKJV]

16 *"For the LORD is our Judge, the LORD is our Lawgiver, the LORD is our King; He will save [and protect] us."*  
17 [[Isaiah 33:22](#), Bible, NKJV]

18 Those who do not have a domicile within Caesar's jurisdiction are called by any of the following names in Caesar's courts:

19 1. "transient foreigners"

20 ***"Transient foreigner.*** One who visits the country, without the intention of remaining."  
21 [Black's Law Dictionary, Sixth Edition, p. 1498]

22 2. "stateless persons"

23 ***Social Security Program Operations Manual System (P.O.M.S.)***  
24 ***RS 02640.040 Stateless Persons***

25 ***A. DEFINITIONS***

26 [. . .]

27 ***DE FACTO***—Persons who have left the country of which they were nationals and no longer enjoy its protection  
28 and assistance. They are usually political refugees. They are legally citizens of a country because its laws do not  
29 permit denaturalization or only permit it with the country's approval.

30 [. . .]

31 ***2. De Facto Status***

32 Assume an individual is de facto stateless if he/she:

33 a. says he/she is stateless but cannot establish he/she is de jure stateless; and

34 b. establishes that:

- 35 • he/she has taken up residence [chosen a **legal domicile**] outside the country of his/her nationality;
- 36 • there has been an event which is hostile to him/her, such as a sudden or radical change in the
- 37 government, in the country of nationality; and

38 ***NOTE: In determining whether an event was hostile to the individual, it is sufficient to show the***  
39 ***individual had reason to believe it would be hostile to him/her.***



- he/she renounces, in a sworn statement, the protection and assistance of the government of the country of which he/she is a national and declares he/she is stateless. The statement must be sworn to before an individual legally authorized to administer oaths and the original statement must be submitted to SSA.

*De facto [stateless] status stays in effect only as long as the conditions in b. continue to exist. If, for example, the individual returns [changes their **domicile** back] to his/her country of nationality, de facto statelessness ends.*  
[SOURCE: Social Security Program Operations Manual System (P.O.M.S.), Section RS 02640.040 entitled "Stateless Persons"  
<https://s044a90.ssa.gov/apps10/poms.nsf/lnx/0302640040/>]

### 3. "nonresidents"

Man's law says that if we exercise our right of political association or DISASSOCIATION protected by the First Amendment by choosing a domicile in God's kingdom rather than Caesar's kingdom, that the law which then applies is the law from our domicile, which means God's Holy laws.

IV. PARTIES > Rule 17.  
Rule 17. Parties Plaintiff and Defendant; Capacity

*(b) Capacity to Sue or be Sued.*

**Capacity to sue or be sued is determined as follows:**

- (1) for an individual who is not acting in a representative capacity, by the law of the individual's domicile;**  
**(2) for a corporation, by the law under which it was organized; and**  
**(3) for all other parties, by the law of the state where the court is located, except that:**  
    (A) a partnership or other unincorporated association with no such capacity under that state's law may sue or be sued in its common name to enforce a substantive right existing under the United States Constitution or laws; and  
    (B) 28 U.S.C. §§754 and 959(a) govern the capacity of a receiver appointed by a United States court to sue or be sued in a United States court.  
[SOURCE: <http://www.law.cornell.edu/rules/frcp/Rule17.htm>]

Notice that in addition to "domicile" above, three other sources or "choice of law" are provided, which is:

1. Acting in a representative capacity on behalf of another. This can only happen by holding an "office", such as a "public office" in the government.
2. Operating as a corporation, which is a franchise.
3. The state court where suit is brought. This court ordinarily has civil jurisdiction only if the party bringing suit or the respondent has a domicile in that forum.

Therefore, there are only two methods to switch the civil choice of law away from the protections of a person's domicile, which are:

1. Acting in a representative capacity on behalf of another as an officer or public officer or trustee.
2. Operating as a corporation, which is a franchise.

Note that both of the above conditions of a person result from the voluntary exercise of your right to contract, because contracting is the only way you can enter into such relationships. Note also that both conditions are franchises of one kind or another. You can't become a "public officer" of the government, for instance, without signing an employment agreement, which is a franchise. That franchise, by the way, implies a surrender of your constitutional rights, according to the U.S. Supreme Court:

*"The restrictions that the Constitution places upon the government in its capacity as lawmaker, i.e., as the regulator of private conduct, are not the same as the restrictions that it places upon the government in its capacity as employer. We have recognized this in many contexts, with respect to many different constitutional guarantees. Private citizens perhaps cannot be prevented from wearing long hair, but policemen can. Kelley v. Johnson, 425 U.S. 238, 247 (1976). Private citizens cannot have their property searched without probable cause, but in many circumstances government employees can. O'Connor v. Ortega, 480 U.S. 709, 723 (1987) (plurality opinion); id., at 732 (SCALIA, J., concurring in judgment). Private citizens cannot be punished for refusing to provide the government information that may incriminate them, but government employees can be dismissed when the incriminating information that they refuse to provide relates to the performance of their job. Gardner v.*

Broderick, [497 U.S. 62, 95] 392 U.S. 273, 277 -278 (1968) . With regard to freedom of speech in particular: Private citizens cannot be punished for speech of merely private concern, but government employees can be fired for that reason. Connick v. Myers, 461 U.S. 138, 147 (1983). Private citizens cannot be punished for partisan political activity, but federal and state employees can be dismissed and otherwise punished for that reason. Public Workers v. Mitchell, 330 U.S. 75, 101 (1947) ; Civil Service Comm'n v. Letter Carriers, 413 U.S. 548, 556 (1973); Broadrick v. Oklahoma, 413 U.S. 601, 616 -617 (1973)."  
[Rutan v. Republican Party of Illinois, 497 U.S. 62 (1990) ]

God's laws say that a wicked or unfaithful people will be "cut off from the earth" meaning divorced from the protections of God's laws and of their legal domicile. By "wicked", we believe He means "ignorant, lazy, presumptuous, or covetous". The above two mechanisms are the means for doing this:

*"For the upright will dwell in the land,  
And the blameless will remain in it;  
**But the wicked will be cut off from the earth,**  
**And the unfaithful will be uprooted from it."**  
[Prov. 2:21-22, Bible, NKJV]*

How do the upright "dwell in the land"? By having a legal domicile there! How are they "uprooted from it"? By engaging in franchises or acting in a representative capacity. We hope that by now, you understand that:

1. Those who engage in government franchises act as "public officers" or agents of the government.
2. Engaging in a franchise and operating in a representative capacity are therefore synonymous.

Consequently, God's laws recognize that franchises are the main method to uproot a wicked people from His protection, the protection of His laws, and their legal domicile in order that they may be legally kidnapped and moved to another jurisdiction. The mechanisms for effecting that kidnapping are recognized by Federal Rule of Civil Procedure 17(b) above.

The U.S. Supreme Court described how this kidnapping occurs against those who accept privileges when it held the following. The phrase "exempted from the rigor of the common law" is synonymous with exempted from the protections of the bill of rights and equity jurisdiction in relation to the grantor of the franchise:

*The words "privileges" and "immunities," like the greater part of the legal phraseology of this country, have been carried over from the law of Great Britain, and recur constantly either as such or in equivalent expressions from the time of Magna Charta. **For all practical purposes they are synonymous in meaning, and originally signified a peculiar right or private law conceded to particular persons or places whereby a certain individual or class of individuals was exempted from the rigor of the common law.** Privilege or immunity is conferred upon any person when he is invested with a legal claim to the exercise of special or peculiar rights, authorizing him to enjoy some particular advantage or exemption. See Magill v. Browne, Fed.Cas. No. 8952, 16 Fed.Cas. 408; 6 Words and Phrases, 5583, 5584; A J. Lien, "Privileges and Immunities of Citizens of the United States," in Columbia University Studies in History, Economics, and Public Law, vol. 54, p. 31.  
[Paul v. Virginia, 8 Wall. 168, 19 L.Ed. 357]*

Whenever a judge or ruler wants to tempt a wicked person and use their weaknesses to bring them into servitude and "voluntary compliance", they will try to bribe them with franchises, such as Social Security, Medicare, Unemployment compensation. They do this to entice the ignorant, the lazy, covetous, and those who want "something for nothing" to give up their rights.

*"The hand of the diligent will rule, but the lazy man will be put to **forced labor** [slavery!]."  
[Prov. 12:24, Bible, NKJV]*

**"My son, if sinners [socialists, in this case] entice you,**  
**Do not consent**  
**If they say, "Come with us,**  
**Let us lie in wait to shed blood;**  
**Let us lurk secretly for the innocent without cause;**  
**Let us swallow them alive like Sheol,**  
**And whole, like those who go down to the Pit:**  
**We shall fill our houses with spoil [plunder];**  
**Cast in your lot among us,**  
**Let us all have one purse"--**  
**My son, do not walk in the way with them,**  
**Keep your foot from their path;**  
**For their feet run to evil,**

1 And they make haste to shed blood.  
2 Surely, in vain the net is spread  
3 In the sight of any bird;  
4 But they lie in wait for their own blood.  
5 They lurk secretly for their own lives.  
6 So are the ways of everyone who is greedy for gain;  
7 It takes away the life of its owners."  
8 [Proverbs 1:10-19, Bible, NKJV]

9 The "one purse" they are referring to above is the government's purse! They want to hire you on as a recipient of stolen  
10 goods, which are goods stolen from others who are compelled to participate in their franchises and would not participate if  
11 offered a fully informed, un-coerced choice not to participate. Once your tyrant rulers and public servants get you eating out  
12 of their hand, then you are roped into ALL their other franchises and become their servant and slave, literally. Every one of  
13 their franchises inevitably ropes you into other franchises. For instance, the drivers licensing franchise forces you to have a  
14 domicile on federal territory and to participate in the federal and state income tax system.

15 "The more you want, the more the world can hurt you."  
16 [Confucius]

17 "But those who desire to be rich fall into temptation and a snare, and into many foolish and harmful lusts [for  
18 "free" government "benefits"] which drown men in destruction and perdition. For the love of money [or  
19 unearned "benefits"] is a root of all kinds of evil, for which some have strayed from the faith in their greediness,  
20 and pierced themselves through with many sorrows."  
21 [1 Tim. 6:9-10, Bible, NKJV]

22 "For the turning away of the simple will slay them. And the complacency of fools will destroy them; but  
23 whoever listens to me [God and the wisdom that comes ONLY from God] will dwell safely, and will be secure  
24 [within the protections of God's laws and their place of domicile], without fear of evil."  
25 [Prov. 1:20-33, Bible, NKJV]

26 When we abuse our power of choice to consent to government franchises we therefore are FIRING God as our Lawgiver,  
27 Judge, and Protector and replacing Him and His Laws with a vain man or ruler. For that, God says ultimately, we are severely  
28 punished, plundered, and enslaved:

29 "The Lord is well pleased for His righteousness' sake; He will exalt the law [HIS law, not man's law] and make  
30 it honorable. But this is a people robbed and plundered! [by tyrants in government] All of them are snared in  
31 [legal] holes [by the sophistry of greedy lawyers], and they are hidden in prison houses; they are for prey, and  
32 no one delivers; for plunder, and no one says, "Restore!""

33 Who among you will give ear to this? Who will listen and hear for the time to come? Who gave Jacob for  
34 plunder, and Israel to the robbers? [IRS] Was it not the Lord, He against whom we have sinned? For they  
35 would not walk in His ways, nor were they obedient to His law [they divorced themselves from their domicile  
36 using their right to contract], therefore He has poured on him the fury of His anger and the strength of battle; it  
37 has set him on fire all around, yet he did not know; and it burned him, yet he did not take it to heart. [he became  
38 an unwitting victim of his own IGNORANCE OF THE LAW]"  
39 [Isaiah 42:21-25, Bible, NKJV]

41 "Woe to the rebellious children," says the Lord, "Who take counsel, but not of Me, and who devise plans [e.g.  
42 "social insurance"], but not of My Spirit, that they may add sin to sin; who walk to go down to Egypt [Babylon  
43 or the District of Criminals, Washington, D.C.], and have not asked My advice, to strengthen themselves in the  
44 strength of Pharaoh, and to trust in the shadow of Egypt! Therefore the strength of Pharaoh shall be your  
45 shame, and trust in the shadow of Egypt shall be your humiliation..."

46 Now go, write it before them on a tablet, and note it on a scroll, that it may be for time to come, forever and ever:  
47 that this is a rebellious people, lying children, children who will not hear the law of the Lord; who say to the  
48 seers, "Do not see," and to the prophets [economic prognosticators], "Do not prophesy to us right things' Speak  
49 to us smooth [politically correct] things, prophesy deceits. Get out of the way, turn aside from the path, cause  
50 the Holy One of Israel to cease from before us [take the ten commandments out of the Supreme Court Building]."

51 Therefore thus says the Holy One of Israel:

52 "Because you despise this word [God's word/law], and trust in [government] oppression and perversity, and  
53 rely on them, therefore this iniquity shall be to you like a breach ready to fall, a bulge in a high wall, whose  
54 breaking comes suddenly, in an instant. And He shall break it like the breaking of the potter's vessel, which

1 *is broken in pieces; He shall not spare. So there shall not be found among its fragments a shard to take fire*  
2 *from the hearth, or to take water from the cistern."*  
3 *[Isaiah 30:1-3, 8-14, Bible, NKJV]*

4 Thus, franchises act as an insidious snare that destroys freedom, people, lives, and families. Both the Bible and our Founding  
5 Fathers forcefully say we must wisely exercise our discretion and our power of choice to systematically avoid such snares  
6 and the franchises and contracts which implement them:

7 *Take heed to yourself, lest you make a covenant [contract or franchise] with the inhabitants of the land where*  
8 *you are going, lest it be a snare in your midst. But you shall destroy their altars, break their sacred pillars, and*  
9 *cut down their wooden images (for you shall worship no other god, for the LORD, whose name is Jealous, is*  
10 *a jealous God), lest you make a covenant [engage in a franchise, contract, or agreement] with the inhabitants*  
11 *of the land, and they play the harlot with their gods [pagan government judges and rulers] and make sacrifice*  
12 *[YOU and your RIGHTS!] to their gods, and one of them invites you and you eat of his sacrifice, and you take*  
13 *of his daughters for your sons, and his daughters play the harlot with their gods and make your sons play the*  
14 *harlot with their gods.*  
15 *[Exodus 34:10-16, Bible, NKJV]*

16 *"My ardent desire is, and my aim has been...to comply strictly with all our engagements foreign and domestic;*  
17 *but to keep the United States free from political connections with every other Country. To see that they may be*  
18 *independent of all, and under the influence of none. In a word, I want an American character, that the powers*  
19 *of Europe may be convinced we act for ourselves and not for others* *[as contractors, franchisees, or "public*  
20 *officers"]*; *this, in my judgment, is the only way to be respected abroad and happy at home."*  
21 *[George Washington, (letter to Patrick Henry, 9 October 1775);*  
22 *Reference: The Writings of George Washington, Fitzpatrick, ed., vol. 34 (335)]*

23 *"About to enter, fellow citizens, on the exercise of duties which comprehend everything dear and valuable to you,*  
24 *it is proper that you should understand what I deem the essential principles of our government, and consequently*  
25 *those which ought to shape its administration. I will compress them within the narrowest compass they will bear,*  
26 *stating the general principle, but not all its limitations. Equal and exact justice to all men, of whatever state or*  
27 *persuasion, religious or political; peace, commerce, and honest friendship with all nations – entangling*  
28 *alliances [contracts, treaties, franchises] with none;*  
29 *[Thomas Jefferson, First Inaugural Address, March 4, 1801]*

30 The Bible forbids Christians to allow anyone but the true and living God to be their king or ruler. Franchises replace God as  
31 our ruler, replace him with a man or a government, and destroy equal protection of the law. Your right to contract is the most  
32 dangerous right you have, folks! The abuse of that right to sign up for government franchises leaves you entirely without  
33 remedy and entirely without any protection for any of your God given rights. Governments are created to protect the exercise  
34 of your right to contract and if you abuse that right, you are TOAST folks, because they can't undo the damage for you and  
35 you lose your right to even go into court to invoke the government's protection!

36 *"These general rules are well settled: (1) That the United States, when it creates [STATUTORY FRANCHISE]*  
37 *rights in individuals against itself [a "public right", which is a euphemism for a "franchise" to help the court*  
38 *disguise the nature of the transaction], is under no obligation to provide a remedy through the courts. United*  
39 *States ex rel. Dunlap v. Black, 128 U.S. 40, 9 Sup.Ct. 12, 32 L.Ed. 354; Ex parte Atocha, 17 Wall. 439, 21 L.Ed.*  
40 *696; Gordon v. United States, 7 Wall. 188, 195, 19 L.Ed. 35; De Groot v. United States, 5 Wall. 419, 431, 433,*  
41 *18 L.Ed. 700; Comegys v. Vasse, 1 Pet. 193, 212, 7 L.Ed. 108. (2) That where a statute creates a right and*  
42 *provides a special remedy, that remedy is exclusive. Wilder Manufacturing Co. v. Corn Products Co., 236 U.S.*  
43 *165, 174, 175, 35 Sup.Ct. 398, 59 L.Ed. 520, Ann.Cas. 1916A, 118; Arson v. Murphy, 109 U.S. 238, 3 Sup.Ct.*  
44 *184, 27 L.Ed. 920; Barnet v. National Bank, 98 U.S. 555, 558, 25 L.Ed. 212; Farmers' & Mechanics' National*  
45 *Bank v. Dearing, 91 U.S. 29, 35, 23 L.Ed. 196. Still the fact that the right and the remedy are thus intertwined*  
46 *might not, if the provision stood alone, require us to hold that the remedy expressly given excludes a right of*  
47 *review by the Court of Claims, where the decision of the special tribunal involved no disputed question of fact*  
48 *and the denial of compensation was rested wholly upon the construction of the act. See Medbury v. United States,*  
49 *173 U.S. 492, 198, 19 Sup.Ct. 503, 43 L.Ed. 779; Parish v. MacVeagh, 214 U.S. 124, 29 Sup.Ct. 556, 53 L.Ed.*  
50 *936; McLean v. United States, 226 U.S. 374, 33 Sup.Ct. 122, 57 L.Ed. 260; United States v. Laughlin (No. 200),*  
51 *249 U.S. 440, 39 Sup.Ct. 340, 63 L.Ed. 696, decided April 14, 1919.*  
52 *[U.S. v. Babcock, 250 U.S. 328, 39 S.Ct. 464 (1919) ]*

53 Under God's law, all persons are equal and any attempt to make them unequal is an attempt at idolatry. In God's eyes, when  
54 we show partiality in judgment of others based on the "privileges" or "franchises" they are in receipt of or other forms of  
55 "social status", then we are condemned as Christians:

56 *"You shall not show partiality in judgment; you shall hear the small as well as the great; you shall not be afraid*  
57 *in any man's presence, for the judgment is God's. The case that is too hard for you, bring to me, and I will hear*  
58 *it."*

[Deut. 1:17, Bible, NKJV]

**"You shall not pervert justice; you shall not show partiality, nor take a bribe [a franchise or "benefit" payment], for a bribe blinds the eyes of the wise and twists the words of the righteous."**  
[Deut. 16:19, Bible, NKJV]

**"For the LORD your God is God of gods and Lord of lords, the great God, mighty and awesome, who shows no partiality nor takes a bribe [a franchise is a type of government bribe]."**  
[Deut. 10:17, Bible, NKJV]

**"He [God] will surely rebuke you If you secretly show partiality [against a accused who refuses to participate in franchises as taxpayer and therefore refuses to subsidize your lifestyle as a "benefit" recipient]."**  
[Job 13:10, Bible, NKJV]

**"The rich and the poor have this in common, the LORD is the maker of them all."**  
[Prov. 22:2, Bible, NKJV]

**"But you, do not be called 'Rabbi'; for One is your Teacher, the Christ, and you are all brethren. Do not call anyone on earth your father; for One is your Father, He who is in heaven. And do not be called teachers; for One is your Teacher, the Christ. But he who is greatest among you shall be your servant. And whoever exalts himself will be humbled, and he who humbles himself will be exalted."**  
[Jesus in Matt. 23:8-12, Bible, NKJV]

But Jesus called them to Himself and said to them, "You know that those who are considered rulers over the Gentiles lord it over them, and their great ones exercise authority over them. Yet it shall not be so among you; but **whoever desires to become great among you shall be your servant. And whoever of you desires to be first shall be slave of all.** For even the Son of Man did not come to be served, but to serve, and to give His life a ransom for many."  
[Mark 10:42-45, Bible, NKJV. See also Matt. 20:25-28]

**"There is neither Jew nor Greek, there is neither slave nor free, there is neither male nor female; for you are all one in Christ Jesus."**  
[Gal. 3:28, Bible, NKJV]

Is it fitting to say to a king, "You are worthless,"  
And to nobles, "You are wicked"?  
**Yet He [God] is not partial to princes [or FRANCHISEES].**  
**Nor does He regard the rich more than the poor;**  
For they are all the work of His hands.  
[Job. 34:18-19, Bible, NKJV]

**"The poor man is hated even by his own neighbor,**  
**But the rich has many friends.**  
**He who despises his neighbor sins;**  
**But he who has mercy on the poor, happy is he."**  
[Prov. 14:20-21]

**"You shall not show partiality to a poor man in his dispute."**  
[Exodus 23:3, Bible, NKJV]

**"The rich shall not give more and the poor shall not give less than half a shekel, when you give an offering to the LORD, to make atonement for yourselves."**  
[Exodus 30:15, Bible, NKJV]

**"Better is the poor who walks in his integrity Than one perverse in his ways, though he be rich."**  
[Prov. 28:6, Bible, NKJV]

**"And again I say to you, it is easier for a camel to go through the eye of a needle than for a rich man to enter the kingdom of God."**  
[Matt. 19:24, Bible, NKJV]

**"For there is no distinction between Jew and Greek, for the same Lord over all is rich to all who call upon Him."**  
[Rom. 10:12, Bible, NKJV]

**"Command those who are rich in this present age not to be haughty, nor to trust in uncertain riches but in the living God, who gives us richly all things to enjoy."**



Therefore, accepting any kind of government “privilege” or franchise for a Christian encourages unlawful partiality and constitutes idolatry. The “privilege” described by God in the passage below is the “privilege” of having a King (man) to protect, care for, and “govern” the people as a substitute for God’s protection. It is a “protection franchise”. The price exchanged for receipt of the “protection franchise” privilege is becoming “subjects” and paying usurious “tribute” in many forms to the king using their labor, property, and life.

*Then all the elders of Israel gathered together and came to Samuel at Ramah, and said to him, "Look, you are old, and your sons do not walk in your ways. Now make us a king to judge us like all the nations [and be OVER them]".*

*But the thing displeased Samuel when they said, "Give us a king to judge us." So Samuel prayed to the Lord. And the Lord said to Samuel, "Heed the voice of the people in all that they say to you; for they have rejected Me [God], that I should not reign over them. According to all the works which they have done since the day that I brought them up out of Egypt, even to this day—with which they have forsaken Me and served other gods [Kings, in this case]—so they are doing to you also [government becoming idolatry]. Now therefore, heed their voice. However, you shall solemnly forewarn them, and show them the behavior of the king who will reign over them."*

*So Samuel told all the words of the LORD to the people who asked him for a king. And he said, "This will be the behavior of the king who will reign over you: He will take [STEAL] your sons and appoint them for his own chariots and to be his horsemen, and some will run before his chariots. He will appoint captains over his thousands and captains over his fifties, will set some to plow his ground and reap his harvest, and some to make his weapons of war and equipment for his chariots. He will take [STEAL] your daughters to be perfumers, cooks, and bakers. And he will take [STEAL] the best of your fields, your vineyards, and your olive groves, and give them to his servants. He will take [STEAL] a tenth of your grain and your vintage, and give it to his officers and servants. And he will take [STEAL] your male servants, your female servants, your finest young men, and your donkeys, and put them to his work [as SLAVES]. He will take [STEAL] a tenth of your sheep. And you will be his servants. And you will cry out in that day because of your king whom you have chosen for yourselves, and the LORD will not hear you in that day."*

*Nevertheless the people refused to obey the voice of Samuel; and they said, "No, but we will have a king over us, that we also may be like all the nations, and that our king may judge us and go out before us and fight our battles." [1 Sam. 8:4-20, Bible, NKJV]*

The right to be protected by the King above is earned by giving him exclusive allegiance, and thereby withdrawing allegiance from God as your personal sovereign:

*"And the men of Israel were distressed that day, for Saul [their new king] had placed the people under oath [of allegiance and thereby FIRED God as their protector]" [1 Sam. 14:24, Bible, NKJV]*

The method described above of taking an oath of allegiance is voluntarily choosing your domicile and nominating a king or ruler to protect you, who you then owe allegiance, support, and tribute to, which today we call “taxes”:

***“TRIBUTE.** Tribute in the sense of an impost paid by one state to another, as a mark of subjugation, is a common feature of international relationships in the biblical world. The tributary could be either a hostile state or an ally. Like deportation, its purpose was to weaken a hostile state. Deportation aimed at depleting the man-power. The aim of tribute was probably twofold: to impoverish the subjugated state and at the same time to increase the conqueror’s own revenues and to acquire commodities in short supply in his own country. As an instrument of administration it was one of the simplest ever devised: the subjugated country could be made responsible for the payment of a yearly tribute. Its non-arrival would be taken as a sign of rebellion, and an expedition would then be sent to deal with the recalcitrant. This was probably the reason for the attack recorded in Gn. 14. [New Bible Dictionary. Third Edition. Wood, D. R. W., Wood, D. R. W., & Marshall, I. H. 1996, c1982, c1962; InterVarsity Press: Downers Grove]*

The abuse of “benefits” to tempt, debase, and destroy people is the heart of traitor Franklin Delano Roosevelt’s “New Deal”, which we call the “Raw Deal”. It’s a raw deal because:

1. What they tempt you with has no economic value because the government’s half of the bargain is unenforceable. Note the word “scheme” in the second ruling. Quite telling:

*“... railroad benefits, like social security benefits, are not contractual and may be altered or even eliminated at any time.”*

[United States Railroad Retirement Board v. Fritz, [449 U.S. 166](#) (1980)]

“We must conclude that **a person covered by the Act has not such a right in benefit payments**... This is not to say, however, that Congress may exercise its power to modify the statutory scheme free of all constitutional restraint.”

[Flemming v. Nestor, [363 U.S. 603](#) (1960)]

2. The money used to pay you the “benefit” is counterfeited or stolen or both and isn’t lawful money anyway. See:

*The Money Scam*, Form #05.041

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

The above may explain why the Bible says:

For thus says the LORD: “ You have sold yourselves for nothing, And you shall be redeemed without money.”

[Isaiah 52:3, Bible, NKJV]

If you would like to learn more about the FRAUD of government “benefits” and all the mechanisms by which they are abused to destroy, entrap, and enslave people in a criminal tax prosecution, see:

*The Government “Benefits” Scam*, Form #05.040

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

## **23.8 Franchises implemented as trusts are the vehicle used to compel you to become the “straw man”**

Every straw man we have identified:

1. Is a “public officer” within the government.
2. Is in receipt, custody, or control of public property.
3. Has a fiduciary duty to the government as a “trustee” over public property.
4. Consented at some point to act as a “trustee” by filling out a government form such as a license or application for “benefits”. See:

*The Government “Benefits” Scam*, Form #05.040

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

Why did the government use the mechanism of trusts to implement the straw man? Because once you sign up to become the trustee, you can’t resign without the express permission of the beneficiary under the terms of the trust indenture or contract itself. You know the government isn’t EVER gonna give you permission to quit your job as trustee and their free WHORE.

### **VIII. Devestment of Office.**

*A trustee is discharged:*

- (1) by extinction of the trust,
- (2) by completion of his duties,
- (3) by such means as the instrument contemplates,
- (4) by consent of the beneficiaries,
- (5) by judgment of a competent court.<sup>263</sup>

[...]

*The trustee cannot abandon his trust, and even if he conveys away the property he will still remain liable as trustee;<sup>264</sup> but he may resign.<sup>265</sup>*

<sup>263</sup> Rev. Civ. Code So. Dak. (1903), §1651; Rev. Code N. Dak (1895), 4298; Civ. Code Cal. (1903), §2282.

<sup>264</sup> Webster v. Vandeventer, 6 Gray. 428.

<sup>265</sup> Mass. Rev. Laws (1902). ch. 147, 12.

1                   *Resignation. The resignation in most jurisdictions may be at pleasure,<sup>266</sup> and in any jurisdiction for good reason.*  
2                   <sup>267</sup>

3                   *To be effective, the resignation must be made either according to an express provision of the trust instrument,<sup>268</sup>*  
4                   *or with the assent of all the beneficiaries or the court.<sup>269</sup>*

5                   *The assent of the beneficiaries must be unanimous; hence, if some are under age, unascertained, unborn, or*  
6                   *incompetent, a valid assent cannot be given by the beneficiaries, and resort must be had to the court.*

7                   *The mere resignation and acceptance thereof will not convey the title to the property, but the trustee should then*  
8                   *divest himself of the property by suitable conveyances, and complete his duties, and until he does so he will*  
9                   *remain liable as trustee.<sup>270</sup>*

10                  *Even where all persons in interest assent, it has been suggested that the resignation is not complete without the*  
11                  *action of the court,<sup>271</sup> but it is, to say the least, doubtful ; and especially as all persons who are likely to raise the*  
12                  *question are concluded by their assent.*

13                  *The resignation need not be in writing, and where a trustee has conveyed the trust property to a successor*  
14                  *appointed by the court, there being no evidence of any direct resignation, one would be presumed.<sup>272</sup>*

15                  *Ordinarily courts of probate have jurisdiction in these matters; but where it is not specially given to them, a court*  
16                  *of equity will have the power to accept a resignation among its ordinary powers, and generally has concurrent*  
17                  *jurisdiction where the Probate Court has the power.<sup>273</sup>*

18                  *The court will not accept a resignation until the retiring trustee has settled his account,<sup>274</sup> and returned any*  
19                  *benefit connected with the office,<sup>275</sup> and in some jurisdictions they will require a successor to be provided for.<sup>276</sup>*

20                  *Where there is more than one trust in the same instrument, the rule for resignation is the same as for acceptance;*  
21                  *namely, unless the trusts are divisible, all or neither must be resigned.<sup>277</sup>*  
22                  *[A Trustees Handbook, Third Edition, August Peabody Loring, 1907, Little, Brown, and Company, pp. 19-22;*  
23                  *SOURCE: <http://www.archive.org/details/trusteeshandbook00loriala>]*

24       Because you can't quit as trustee without their permission, government franchises and "benefits" behave as "adhesion  
25       contracts":

26                  ***"Adhesion contract.*** *Standardized contract form offered to consumers of [government] goods and services on*  
27                  *essentially "take it or leave it" basis without affording consumer realistic opportunity to bargain and under such*  
28                  *conditions that consumer cannot obtain desired product or services except by acquiescing in form contract.*  
29                  *Distinctive features of adhesion contract is that weaker party has no realistic choice as to its terms. Cubic Corp.*  
30                  *v. Marty, 4 Dist., 185 C.A.3d. 438, 229 Cal.Rptr. 828, 833; Standard Oil Co. of Calif. v. Perkins, C.A.Or., 347*  
31                  *F.2d. 379, 383. Recognizing that these contracts are not the result of traditionally "bargained" contracts, the*  
32                  *trend is to relieve parties from onerous conditions imposed by such contracts. However, not every such contract*  
33                  *is unconscionable. Lechmere Tire and Sales Co. v. Burwick, 360 Mass. 718, 720, 721, 277 N.E.2d. 503."*  
34                  *[Black's Law Dictionary, Sixth Edition, p. 40]*

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<sup>266</sup> Bogle v. Bogle, 3 Allen, 158; Ellis v. Boston, H. & E. Railroad, 107 Mass. 1 ; statutes passim.

<sup>267</sup> Craig v. Craig, 3 Barb. Ch. 76 ; Dean v. Lanford, 9 Rich. Eq. (S. C.) 423.

<sup>268</sup> Stearns v. Fraleigh, 39 Fla. 603.

<sup>269</sup> Cruger v. Halliday, 11 Paige, 314.

<sup>270</sup> Ibid.

<sup>271</sup> Matter of Miller, 15 Abb. Pr. 277.

<sup>272</sup> Thomas v. Higham, 1 Bail.Eq. 222.

<sup>273</sup> Bowditch v. Banuelos, 1 Gray, 220.

<sup>274</sup> Statutes passim. In re Olmstead, 24 App.Div. (N. Y.) 190.

<sup>275</sup> Statutes passim. In re Olmstead, 24 App.Div. (N. Y.) 190.

<sup>276</sup> Civ. Code Cal. (1903), 2260; Rev. Civ. Code So. Dak. (1903), §1638.

<sup>277</sup> Carruth v. Carruth, 118 Mass. 431.

1 We allege that the nature of Social Security as a trust and your role as a “trustee” explains why:

- 2 1. They can tell you that you aren’t allowed to quit. The trust indenture doesn’t permit the trustees to quit.
- 3 2. They will fraudulently call you the “beneficiary” even though technically you AREN’T the beneficiary, but the “trustee”.
- 4 They want to fool you into believing that you are “benefitted” by being their cheap whore so you won’t rattle your legal
- 5 chains and try to resign as trustee or complain about the burdens of your uncompensated position. The BIG secret they
- 6 can’t clue you into is that you didn’t get any “consideration” in exchange for your duties so the contract is not legally
- 7 enforceable. The Courts have ruled that you have no legally enforceable right to collect anything.

8 “... railroad benefits, like social security benefits, are not contractual and may be altered or even eliminated at

9 any time.”

10 [United States Railroad Retirement Board v. Fritz, [449 U.S. 166](#) (1980)]

11 “We must conclude that **a person covered by the Act has not such a right in benefit payments**... This is not to

12 say, however, that Congress may exercise its power to modify the statutory scheme free of all constitutional

13 restraint.”

14 [Flemming v. Nestor, [363 U.S. 603](#) (1960)]

- 15 3. They will accept anyone as an applicant, and especially those who do not meet the legal requirements. All it takes to
- 16 become a trustee is your consent, and they don’t care where you live, including outside of federal territory. Technically,
- 17 20 C.F.R. §422.104 says that only statutory “citizens” and “permanent residents”, both of whom are statutory “U.S.
- 18 persons” (per 26 U.S.C. §7701(a)(30)) with a domicile on federal territory, can lawfully participate. However, in
- 19 practice, if you go to the Department of Motor Vehicles to obtain a license and tell them you don’t qualify for Social
- 20 Security, they will demand a rejection letter from the Social Security Administration (S.S.A.) indicating that you don’t
- 21 qualify. Social Security then will say that you do qualify even if you aren’t a “U.S. citizen” or “permanent resident”
- 22 because their main job is to recruit more “taxpayers”, not to follow the law.

23 The above may explain why the Bible says the following on the subject of government franchises, licenses, and “benefits”:

24 “My son, if sinners [socialists, in this case] entice you,

25 **Do not consent [do not abuse your power of choice]**

26 If they say, “Come with us,

27 Let us lie in wait to shed blood [of innocent "nontaxpayers"];

28 Let us lurk secretly for the innocent without cause;

29 Let us swallow them alive like Sheol,

30 And whole, like those who go down to the Pit:

31 We shall fill our houses with spoil [plunder];

32 Cast in your lot among us,

33 Let us all have one purse [share the stolen LOOT]"--

34 **My son, do not walk in the way with them [do not ASSOCIATE with them and don't let the government**

35 **FORCE you to associate with them either by forcing you to become a "taxpayer"/government whore or a**

36 **"U.S. citizen"]**

37 Keep your foot from their path;

38 For their feet run to evil,

39 And they make haste to shed blood.

40 Surely, in vain the net is spread

41 In the sight of any bird;

42 **But they lie in wait for their own blood.**

43 **They lurk secretly for their own lives.**

44 **So are the ways of everyone who is greedy for gain [or unearned government benefits];**

45 **It takes away the life of its owners."**

46 [[Proverbs 1:10-19](#), Bible, NKJV]

47

48 For thus says the LORD: “ You have sold yourselves for nothing, And you shall be redeemed without money.”

49 [Isaiah 52:3, Bible, NKJV]

50 The Social Security scam above is further documented later in section 30.2. This whole mess started in 1939, and it happened

51 during Traitor Franklin Delano Roosevelt’s presidency. In that year:

- 52 1. The Trust Indenture Act of 1939 was enacted that codified the above rules. See:

Trust Indenture Act of 1939, 15 U.S.C., Chapter 2A  
[http://straylight.law.cornell.edu/uscode/html/uscode15/usc\\_sup\\_01\\_15\\_10\\_2A.html](http://straylight.law.cornell.edu/uscode/html/uscode15/usc_sup_01_15_10_2A.html)

2. The Public Salary Tax Act of 1939 was passed, authorizing taxes on the salaries of “public officers”. This tax is STILL the basis for the modern Internal Revenue Code. See:

Public Salary Tax Act of 1939  
<http://famguardian.org/PublishedAuthors/Govt/HistoricalActs/HistFedIncTaxActs.htm>

3. The Internal Revenue Code was enacted into law for the first time. See:

Internal Revenue Code of 1939  
<http://famguardian.org/PublishedAuthors/Govt/HistoricalActs/HistFedIncTaxActs.htm>

Only one year after all the above happened, the Buck Act of 1940 was enacted authorizing states to impose income taxes upon “public officers” of the United States government, thus completing the transformation of our tax system into a franchise based tax upon public offices that was common between both the states of the Union and the Federal government. The Buck Act can be found at 4 U.S.C. §105-113.

Most government franchises are implemented as trusts. When you complete and sign an application for a franchise such as Social Security, the following mechanisms occur:

1. A “public office” is created.
2. You become surety for the public office and thereby enter into a partnership with the office your consent created. That partnership, in fact, is the one referenced in the definition of “person” found in 26 U.S.C. §6671(b) . You are in partnership with Uncle Sam, in fact, because the office is owned by Uncle:

*TITLE 26 > Subtitle F > CHAPTER 68 > Subchapter B > PART I > § 6671*  
*§ 6671. Rules for application of assessable penalties*

*(b) Person defined*

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

3. You become a trustee and fiduciary in relation to the beneficiary, which is the government and not you.
4. You forfeit all rights affected by the franchise itself.

*“The Government urges that the Power Company is estopped to question the validity of the Act creating the Tennessee Valley Authority, and hence that the stockholders, suing in the right of the corporation, cannot [297 U.S. 323] maintain this suit. .... The principle is invoked that one who accepts the benefit of a statute cannot be heard to question its constitutionality. Great Falls Manufacturing Co. v. Attorney General, 124 U.S. 581; Wall v. Parrot Silver & Copper Co., 244 U.S. 407; St. Louis Casting Co. v. Prendergast Construction Co., 260 U.S. 469.”*  
*[Ashwander v. Tennessee Valley Auth., 297 U.S. 288 (1936)]*

*“...when a State willingly accepts a substantial benefit from the Federal Government, it waives its immunity under the Eleventh Amendment and consents to suit by the intended beneficiaries of that federal assistance.”*  
*[Papasan v. Allain, 478 U.S. 265 (1986)]*

The reason the courts keep the subject of the “trade or business” franchise and the public offices that attach to it secret, is because they don’t want to inform the public of how they are TRAPPED into becoming uncompensated “employees” and “officers” of the government. It’s a legalized peonage and slavery scheme that no one would consent to if they were given all the facts about the effects of it BEFORE they signed that government application for a license or a benefit. Your consent instead is procured through constructive fraud and out of your own legal ignorance. They dumb you down about law in the public fool academy and then harvest your property using the stupidity they manufactured. Welcome to “The Matrix”, Neo.

*“SUB SILENTIO. Under silence; without any notice being taken. Passing a thing sub silentio may be evidence of consent”*  
*[Black’s Law Dictionary, Fourth Edition, p. 1593]*

*Qui tacet consentire videtur.*  
*He who is silent appears to consent. Jenk. Cent. 32.*



The weak point of the abuse of franchises and trusts to enslave you are the following:

1. There is no legally enforceable "consideration" so the franchise contract is unenforceable.
2. Your consent was procured before you became an adult. Contracts as a minor are unenforceable.
3. Your consent was not fully informed.
4. The contract was not signed by BOTH parties to it. There is no government signature, so it can't be binding.
5. The concept of equal protection and equal treatment that is the foundation of the Constitution allows you employ the same techniques to protect yourself using franchises that they use to enslave you. In other words, you can make your own "anti-franchise franchise". See:

Requirement for Equal Protection and Equal Treatment, Form #05.033  
<http://sedm.org/Forms/FormIndex.htm>

If you would like to know more about all the devious and harmful effects that both trusts and franchises have upon your rights, see:

1. Government Instituted Slavery Using Franchises, Form #05.030  
<http://sedm.org/Forms/FormIndex.htm>
2. Trusts: Invisible Snares (ASNM, Vol. 12, No. 1)  
<http://famguardian.org/PublishedAuthors/Media/Antishyster/V12N1-Trusts.pdf>
3. A Trustees Handbook, Third Edition, August Peabody Loring, 1907, Little, Brown, and Company, pp. 19-22  
<http://www.archive.org/details/trusteeshandbook00loriala>
4. The Truth About Trusts (ASNM, Vol. 7, No. 1)  
<http://famguardian.org/PublishedAuthors/Media/Antishyster/V07N1-TheTruthAboutTrusts.pdf>
5. Trust Fever (ASNM, Vol. 7, No. 1)  
<http://famguardian.org/Subjects/Taxes/Articles/trust%20fever.pdf>
6. Trust Fever II: Divide and Conquer (ASNM, Vol. 7, No. 4)  
<http://famguardian.org/PublishedAuthors/Media/Antishyster/V07N4-DivideAndConquer.pdf>

## 23.9 Compelled participation in franchises and licensed activities

This section will prove why your consent to participate in franchises is mandatory, all of the effects upon the status of your property associated with compelled participation, and how the government abuses the voluntary system we have to compel your participation.

The most important things we want you to remember about compelled participation in franchises is that:

1. All franchises are contracts.

*As a rule, franchises spring from contracts between the sovereign power and private citizens, made upon valuable considerations, for purposes of individual advantage as well as public benefit,<sup>278</sup> and thus a franchise partakes of a double nature and character. So far as it affects or concerns the public, it is publici juris and is subject to governmental control. The legislature may prescribe the manner of granting it, to whom it may be granted, the conditions and terms upon which it may be held, and the duty of the grantee to the public in exercising it, and may also provide for its forfeiture upon the failure of the grantee to perform that duty. But when granted, it becomes the property of the grantee, and is a private right, subject only to the governmental control growing out of its other nature as publici juris.<sup>279</sup>*  
[American Jurisprudence 2d, Franchises, §4: Generally (1999)]

2. One of the main purposes of establishing government is to protect your right to both contract and NOT contract with anyone, including the government.

<sup>278</sup> Georgia R. & Power Co. v. Atlanta, 154 Ga. 731, 115 S.E. 263; Lippencott v. Allander, 27 Iowa 460; State ex rel. Hutton v. Baton Rouge, 217 La. 857, 47 So.2d. 665; Tower v. Tower & S. Street R. Co. 68 Minn 500, 71 N.W. 691.

<sup>279</sup> Georgia R. & Power Co. v. Atlanta, 154 Ga. 731, 115 S.E. 263; Lippencott v. Allander, 27 Iowa 460; State ex rel. Hutton v. Baton Rouge, 217 La. 857, 47 So.2d. 665; Tower v. Tower & S. Street R. Co. 68 Minn 500, 71 N.W. 691.

3. A so-called government that not only doesn't protect your right to NOT contract with anyone including them, but forces you to contract with them is not a government, but a usurper and an organized crime ring. In law, all rights are property and contracts convey rights. Anyone who compels you to contract with them is taking your property and is a THIEF and an extortioner, not a protector.
4. Anyone who compels you to participate in franchises offered by the government is violating the Constitution by:
- 4.1. Compelling you to contract with the government.
  - 4.2. Interfering with and impairing the exercise of your right to NOT contract with the government protected by Article 1, Section 10.
  - 4.3. Engaging in involuntary servitude in violation of the Thirteenth Amendment if you do not consent to participate or do not want to participate.
5. No franchise offered by government can be called "voluntary" that:
- 5.1. Does not recognize the existence of those who have a right to not participate. For instance, the IRS refuses to recognize the existence of, file the paperwork of, or help those who are "nontaxpayers" not subject to the Internal Revenue Code even though even the U.S. Supreme Court recognized their existence in *South Carolina v. Regan*, 465 U.S. 367 (1984). See:  

"Taxpayer" v. "Nontaxpayer": Which One are You?, Family Guardian Fellowship  
<http://famguardian.org/Subjects/Taxes/Remedies/TaxpayerVNontaxpayer.htm>
  - 5.2. Penalizes those who choose not to participate. For instance, the IRS penalizes some people who claim to be "nontaxpayers".
  - 5.3. Does not provide or make publicly and conspicuously available all legal provisions, forms, and procedures needed to quit and surrender the right to receive the "benefits" of the franchise.
  - 5.4. Does not routinely criminally prosecute those who compel participation.
  - 5.5. Hides the forms, procedures, statutes, or regulations that allow participation. The Social Security Administration (S.S.A.) hides the SSA Form 521 and the procedures to quit on their website and only describes them in their Social Security Program Operations Manual System (P.O.M.S.) (POMS) that is only for internal use.
  - 5.6. Tells people they cannot quit the franchise. The Social Security Administration (S.S.A.) FALSELY tells Americans all the time that they cannot quit the program.
  - 5.7. Signs people up as infants before they even have the legal capacity or standing to provide fully informed consent. This is what happens with the enumeration of infants.

### 23.9.1 Consent to participate is mandatory

There is an unspoken presumption within law that those who consent to a thing do so for their own benefit and that they cannot and will not be harmed by anything they consent to:

*Volunt non fit injuria.*

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

*Consensus tollit errorem.*

*Consent removes or obviates a mistake. Co. Litt. 126.*

*Invito beneficium non datur.*

*No one is obliged to accept a benefit against his consent. Dig. 50, 17, 69. But if he does not dissent he will be considered as assenting. Vide Assent.*

*Melius est omnia mala pati quam malo consentire.*

*It is better to suffer every wrong or ill, than to consent to it. 3 Co. Inst. 23.*

*Nemo videtur fraudare eos qui sciunt, et consentiunt.*

*One cannot complain of having been deceived when he knew the fact and gave his consent. Dig. 50, 17, 145.*

*Non videtur consensum retinuisse si quis ex praescripto minantis aliquid immutavit.*

*He does not appear to have retained his consent, if he have changed anything through the means of a party threatening. Bacon's Max. Reg. 33.*

*[Bouvier's Maxims of Law, 1856;*

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

All franchises are contracts between the grantor and the grantee that result in a voluntary surrender of rights by both parties. This surrender of rights constitutes the mutual consideration exchanged between the parties.

As a rule, franchises spring from contracts between the sovereign power and private citizens, made upon valuable considerations, for purposes of individual advantage as well as public benefit,<sup>280</sup> and thus a franchise partakes of a double nature and character. So far as it affects or concerns the public, it is publici juris and is subject to governmental control. The legislature may prescribe the manner of granting it, to whom it may be granted, the conditions and terms upon which it may be held, and the duty of the grantee to the public in exercising it, and may also provide for its forfeiture upon the failure of the grantee to perform that duty. But when granted, it becomes the property of the grantee, and is a private right, subject only to the governmental control growing out of its other nature as publici juris.<sup>281</sup>  
[American Jurisprudence 2d, Franchises, §4: Generally (1999)]

An example of one type of franchise that is a contract between the government grantor and the private grantees is corporations. The U.S. Supreme Court has repeatedly held that an act of incorporation constitutes a contract between the government and the stock holders. That's right: If you own stock in a corporation, then you are a government contractor and you probably didn't even know it!

*The court held that the first company's charter was a contract between it and the state, within the protection of the constitution of the United States, and that the charter to the last company was therefore null and void., Mr. Justice DAVIS, delivering the opinion of the court, said that, if anything was settled by an unbroken chain of decisions in the federal courts, it was that an act of incorporation was a contract between the state and the stockholders, 'a departure from which now would involve dangers to society that cannot be foreseen, would shock the sense of justice of the country, unhinge its business interests, and weaken, if not destroy, that respect which has always been felt for the judicial department of the government.'*  
[New Orleans Gas Co. v. Louisiana Light Co., 115 U.S. 650 (1885) ]

The above case is the reason why the U.S. Supreme Court held in the famous case of Brushaber v. Union Pacific Railroad Co., 240 U.S. 1 (1916), that those who own stock in federal corporations cannot complain about the corporation voluntarily paying federal income tax. The Union Pacific Railroad was a federal corporation and Frank Brushaber, a nonresident alien, was a stock holder who argued that the corporation was stealing from him by volunteering to participate in the fraudulent federal income tax and thereby reducing the corporate dividends he received. The court held that it could not force the corporation to not participate in the income tax excise taxable franchise.

The main purpose for the establishment of all governments is the protection and preservation of these rights by preventing and punishing their INVOLUNTARY surrender. All contracts and agreements, including franchise agreements, require voluntary consent completely absent any kind of duress. Furthermore, the Constitution forbids interference by a state government with your right to contract.

U.S. Constitution  
Article 1, Section 10.

No State shall enter into any Treaty, Alliance, or Confederation; grant Letters of Marque and Reprisal; coin Money; emit Bills of Credit; make any Thing but gold and silver Coin a Tender in Payment of Debts; pass any Bill of Attainder, ex post facto Law, Law impairing the Obligation of Contracts, or grant any Title of Nobility.

The U.S. Supreme Court has also held that the federal government was established to protect your right to either contract or NOT contract and that no government, including either the state or federal governments, may lawfully interfere with your right to contract.

"Independent of these views, there are many considerations which lead to the conclusion that the power to impair contracts [either the Constitution or the Holy Bible], by direct action to that end, does not exist with the general [federal] government. In the first place, one of the objects of the Constitution, expressed in its preamble, was the establishment of justice, and what that meant in its relations to contracts is not left, as was justly said by the late Chief Justice, in Hepburn v. Griswold, to inference or conjecture. As he observes, at the time the Constitution was undergoing discussion in the convention, the Congress of the Confederation was engaged in framing the ordinance for the government of the Northwestern Territory, in which certain articles of compact were established between the people of the original States and the people of the Territory, for the purpose, as expressed in the instrument, of extending the fundamental principles of civil and religious liberty, upon which the States, their laws and constitutions, were erected. By that ordinance it was declared, that, in the just preservation of rights and property, 'no law ought ever to be made, or have force in the said Territory, that shall, in any manner, interfere with or affect private contracts or engagements bona fide and without fraud

<sup>280</sup> Georgia R. & Power Co. v. Atlanta, 154 Ga. 731, 115 S.E. 263; Lippencott v. Allander, 27 Iowa 460; State ex rel. Hutton v. Baton Rouge, 217 La. 857, 47 So.2d. 665; Tower v. Tower & S. Street R. Co. 68 Minn 500, 71 N.W. 691.

<sup>281</sup> Georgia R. & Power Co. v. Atlanta, 154 Ga. 731, 115 S.E. 263; Lippencott v. Allander, 27 Iowa 460; State ex rel. Hutton v. Baton Rouge, 217 La. 857, 47 So.2d. 665; Tower v. Tower & S. Street R. Co. 68 Minn 500, 71 N.W. 691.

1 previously formed. The same provision, adds the Chief Justice, found more condensed expression in the  
2 prohibition upon the States [in Article 1, Section 10 of the Constitution] against impairing the obligation of  
3 contracts, which has ever been recognized as an efficient safeguard against injustice; and though the prohibition  
4 is not applied in terms to the government of the United States, he expressed the opinion, speaking for himself and  
5 the majority of the court at the time, that it was clear 'that those who framed and those who adopted the  
6 Constitution intended that the spirit of this prohibition should pervade the entire body of legislation, and that  
7 the justice which the Constitution was ordained to establish was not thought by them to be compatible with  
8 legislation [or judicial precedent] of an opposite tendency.' 8 Wall. 623. [99 U.S. 700, 765] Similar views are  
9 found expressed in the opinions of other judges of this court."  
10 [[Sinking Fund Cases, 99 U.S. 700 \(1878\)](#) ]

11 It is therefore self-evident that no government may lawfully either compel you to contract, to not contract, or to prescribe the  
12 terms and conditions under which you must contract. Since all franchises are contracts, the implication is that no government  
13 may lawfully compel you to:

- 14 1. Sign or consent to a franchise agreement.
- 15 2. Consent without being fully informed of all the rights that are surrendered:

16 *Non videntur qui errant consentire.*  
17 *He who errs is not considered as consenting. Dig. 50, 17, 116.*  
18 [*Bouvier's Maxims of Law*, 1856;  
19 SOURCE: <http://famguardian.org/Publications/BouvierMaximsOfLaw/BouviersMaxims.htm>]

20 "*Waivers of Constitutional rights not only must be voluntary, but must be knowing, intelligent acts done with*  
21 *sufficient awareness of the relevant circumstances and likely consequences.*"  
22 [*Brady v. U.S.*, 397 U.S. 742 (1970)]

- 23 3. Apply for a license of any kind, which is the equivalent of consenting to a franchise.

24 "*A state cannot impose restrictions on the acceptance of a license that will deprive the licensee of his*  
25 *constitutional rights*".  
26 [*Ruckelshaus v. Mullan, 102 Utah 548, 133 P.2d. 325, 144 A.L.R. 839*]

- 27 4. Lie on the franchise agreement or application for benefits by penalizing or threatening to penalize you for truthfully  
28 disclosing that you were under duress in signing it.

29 *Non videtur consensus retinuisse si quis ex praescripto minantis aliquid immutavit.*  
30 *He does not appear to have retained his consent, if he have changed anything through the means of a party*  
31 *threatening. Bacon's Max. Reg. 33.*  
32 [*Bouvier's Maxims of Law*, 1856;  
33 SOURCE: <http://famguardian.org/Publications/BouvierMaximsOfLaw/BouviersMaxims.htm>]

- 34 5. Accept any benefit or obligation arising out of a franchise against your will. This would constitute involuntary servitude  
35 in violation of the Thirteenth Amendment, [42 U.S.C. §1994](#), and [18 U.S.C. §1589](#).

36 *Quod meum est sine me auferri non potest.*  
37 *What is mine [constitutional rights] cannot be taken away without my consent. Jenk. Cent. 251. Sed vide Eminent*  
38 *Domain.*  
39 [*Bouvier's Maxims of Law*, 1856;  
40 SOURCE: <http://famguardian.org/Publications/BouvierMaximsOfLaw/BouviersMaxims.htm>]

41 *Invito beneficium non datur.*  
42 *No one is obliged to accept a benefit against his consent. Dig. 50, 17, 69. But if he does not dissent he will be*  
43 *considered as assenting. Vide Assent.*  
44 [*Bouvier's Maxims of Law*, 1856;  
45 SOURCE: <http://famguardian.org/Publications/BouvierMaximsOfLaw/BouviersMaxims.htm>]

- 46 6. Deprive you of the right to require that your consent MUST be procured ONLY in writing and that all rights surrendered  
47 must appear on the contract itself. If the U.S. Government can be delegated authority to pass a law requiring that all  
48 contracts with the government MUST be reduced to writing, then the people must ALSO have that authority, because all  
49 the government's authority is delegated from we the people.

50 "*Every man is supposed to know the law. A party who makes a contract with an officer without having it reduced*  
51 *to writing is knowingly accessory to a violation of duty on his part. Such a party aids in the violation of the law.*"



7. Interfere with your right to reserve all your rights pursuant to U.C.C. §1-308 when signing said franchise agreements. The method for doing that is to write the following below to your signature.

"All rights reserved without prejudice, U.C.C. §1-308 and its predecessor, U.C.C. §1-207."

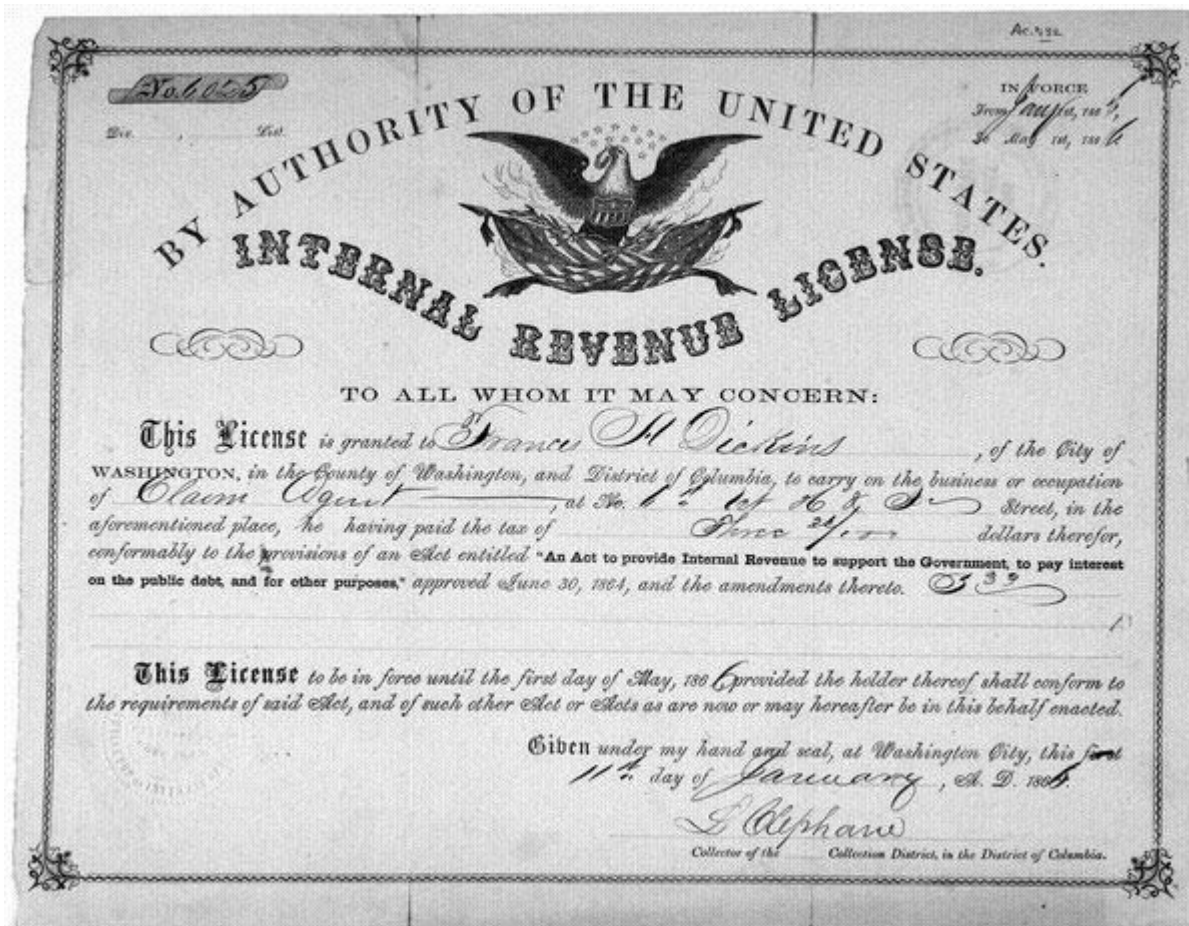
8. Prescribe the terms under which your signature or penalty of perjury statement on the signature are provided, and especially if the standard perjury statement would cause perjury because it places the person on federal territory. This is true of all IRS Forms, which invoke [28 U.S.C. §1746](#)(2) and therefore mandate PERJURY under penalty of perjury if not modified. For details, see:

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

In earlier times, the national government was honest and required that all those who participated in franchises that could impair their rights had to voluntarily consent in writing to the franchise by applying for a license. Licenses were a good way to do this, because the license served as notice to those affected of the rights they were surrendering and informed them of the statutes they were then subject to which regulated the franchise.

The first income tax was passed during the Civil War in 1862, and this act also created the Bureau of Internal Revenue (B.I.R.). After the Revenue Act of 1862, the new Bureau of Internal Revenue (B.I.R.) began issuing licenses to "taxpayers" under that revenue act. Below is an example of such a license:

**Figure 3: Internal Revenue License**





1 However, many were compelled illegally to procure these licenses and to pay the associated internal revenue tax, culminating  
2 in the License Tax Cases being heard by the U.S. Supreme Court in 1872. In that case, the U.S. Supreme Court held that the  
3 federal government could not license anything within a state in order to tax it.

4 *"Thus, Congress having power to regulate commerce with foreign nations, and among the several States, and*  
5 *with the Indian tribes, may, without doubt, provide for **granting** coasting **licenses**, licenses to pilots, licenses to*  
6 *trade with the Indians, and any other **licenses** necessary or proper for the exercise of that great and extensive*  
7 *power; and the same observation is applicable to every other power of Congress, to the exercise of which the*  
8 *granting of licenses may be incident. All such licenses confer authority, and give rights to the licensee.*

9 **But very different considerations apply to the internal commerce or domestic trade of the States. Over this**  
10 **commerce and trade Congress has no power of regulation nor any direct control. This power belongs**  
11 **exclusively to the States. No interference by Congress with the business of citizens transacted within a State is**  
12 **warranted by the Constitution, except such as is strictly incidental to the exercise of powers clearly granted to**  
13 **the legislature.** The power to authorize a business within a State is plainly repugnant to the exclusive power of  
14 the State over the same subject. It is true that the power of Congress to tax is a very extensive power. It is given  
15 in the Constitution, with only one exception and only two qualifications. Congress cannot tax exports, and it must  
16 impose direct taxes by the rule of apportionment, and indirect taxes by the rule of uniformity. Thus limited, and  
17 thus only, it reaches every subject, and may be exercised at discretion. But, it reaches only existing subjects.  
18 **Congress cannot authorize a trade or business within a State in order to tax it."**

19 [License Tax Cases, 72 U.S. 462, 18 L.Ed. 497, 5 Wall. 462, 2 A.F.T.R. 2224 (1866)]

20 Following the above holding, the Bureau of Internal Revenue (B.I.R.) suspended issuing the license indicated above.  
21 Furthermore, the first income tax in 1862 was repealed by Congress in 1871, so the need for the licenses was suspended. See  
22 17 Stat. 401 and Great IRS Hoax, Form #11.302, Section 6.8.20.

23 During World War II, the need for federal revenues to fund war returned. At that point, The Social Security Number became  
24 a "de facto license". This is evident in instructions published by the IRS for its various forms, which indicate that an SSN or  
25 TIN are only required for those engaged in a "trade or business", which means a "public office" in the U.S. government.

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

27 "The term 'trade or business' includes the performance of the functions of a public office."

---

28  
29 **Box 14, Recipient's U.S. Taxpayer Identification Number (TIN)**

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

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

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

34 Remember: A "license" constitutes permission from the state to do that which is otherwise illegal.

- 35 1. 18 U.S.C. §912 makes it illegal to impersonate a "public officer" in the government. The SSN constitutes the de facto  
36 "license" to engage in this otherwise illegal activity.
- 37 2. 18 U.S.C. §654 makes it a crime for an employee of the government to convert private property to a public use without  
38 compensation. However, use of the SSN functions as a de facto "license" to allow this otherwise illegal activity.

39 Therefore, if the IRS receives information about you that is attached to a government identifying number, they assume that:

- 40 1. You consented to participate in the franchise. It is otherwise illegal to compel use or disclosure of Social Security  
41 Numbers. 42 U.S.C. §408.
- 42 2. The Social Security Number is a de facto license number for those participating in the "trade or business"/"public office"  
43 franchise.
- 44 3. You are a "public officer" engaged in a "trade or business" in the context of the transaction reported. 20 C.F.R.  
45 §422.103(d) and the Social Security Card itself both say the Social Security Number and card are the property of the  
46 Social Security Administration (S.S.A.) and must be returned upon request. It is ILLEGAL to use such public property

for a private use. That is called embezzlement. The IRS therefore gives you the benefit of the doubt by ASSUMING that you are not a criminal and that whatever transaction is associated with the de facto license number is private property donated to a public use to procure the benefits of a franchise.

4. You consented to donate all private property associated with the number to a “public use”, a “public purpose”, and a “public office” in order to procure the compensation associated with a federal franchise that you were lawfully eligible for. You waive your right to claim that criminal conversion of your assets occurred under 18 U.S.C. §654 in this process, because you consented to it.
5. You are “federal personnel” pursuant to 5 U.S.C. §552a(a)(13) because eligible for Social Security.

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

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

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

### **23.9.2 Effect of compelled participation in franchises**

As we said in section 5 earlier:

1. All government franchises make those who engage in them into “public officers”, trustees, and fiduciaries of the government and the “public trust”.
2. Property and rights managed by the franchisee within the confines of his/her official duties become private property donated to a public use to procure the “benefits” of the franchise.

All such offices and employments must be consensual and voluntary because if they are not:

1. The Thirteenth Amendment prohibition against involuntary servitude is violated.
2. The crime of peonage has been attempted in violation of 42 U.S.C. §1994 and 18 U.S.C. §1583. Peonage is a crime both on federal territory and within states of the Union.

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

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

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

*[Clyatt v. U.S., 197 U.S. 207 (1905)]*

3. If the source of the duress is an officer or agent of the government, then that actor is interfering with your right to contract by compelling you to contract with the government. Since all franchises are contracts, then compelled participation is

equivalent to compelled contracting. The foundation of the Constitution is equal protection and the absolute duty of the government to protect your right to contract. Protecting your right to contract implies:

3.1. Enforcing the contract upon those who are parties and who violate it using the authority of the courts.

3.2. Protecting your right to NOT contract with those you do not wish to contract with, including anyone in the government.

Another very important effect and implication of participating in franchises is that all property connected with the franchise transitions its status from private property to public property subject to government regulation. The process of converting private property into a public use against the wishes of the property owner is called “eminent domain”:

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

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

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

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

The U.S. Supreme Court has held that the national government possesses NO RIGHT of eminent domain within a state of the Union:

***“The United States have no constitutional capacity to exercise municipal jurisdiction, sovereignty, or eminent domain, within the limits of a State or elsewhere, except in cases where it is delegated, and the court denies the faculty of the Federal Government to add to its powers by treaty or compact.”***  
*[Dred Scott v. Sandford, 60 U.S. 393, 508-509 (1856)]*

The U.S. Supreme Court has also summarized the circumstances under which private property may be taken and converted into a public use when it said:

*“Men are endowed by their Creator with certain unalienable rights, -life, liberty, and the pursuit of happiness; and to 'secure,' not grant or create, these rights, governments are instituted. **That property [or income] which a man has honestly acquired he retains full control of, subject to these limitations: First, that he shall not use it to his neighbor's injury, and that does not mean that he must use it for his neighbor's benefit [e.g. SOCIAL SECURITY, Medicare, and every other public “benefit”]; second, that if he devotes it to a public use, he gives to the public a right to control that use; and third, that whenever the public needs require, the public may take it upon payment of due compensation.**”*  
*[Budd v. People of State of New York, 143 U.S. 517 (1892)]*

1 The rules for converting private property to a public use indicated above are then summarized below:

2 **Table 20: Rules for converting private property to a public use or a public office**

#	Description	Requires consent of owner to be taken from owner?
1	The owner of property justly acquired enjoys full and exclusive use and control over the property. This right includes <u>the right to exclude government uses</u> or ownership of said property.	Yes
2	He may not use the property to injure the equal rights of his neighbor. For instance, when you murder someone, the government can take your liberty and labor from you by putting you in jail or your life from you by instituting the death penalty against you. Both your life and your labor are “property”. Therefore, the basis for the “taking” was violation of the equal rights of a fellow sovereign “neighbor”.	No
3	He cannot be compelled or required to use it to “benefit” his neighbor. That means he cannot be compelled to donate the property to any franchise that would “benefit” his neighbor such as Social Security, Medicare, etc.	Yes
4	If he donates it to a public use, he gives the public the right to control that use.	Yes
5	Whenever the public needs require, the public may take it without his consent upon payment of due compensation. E.g. “eminent domain”.	No

3 If you look at all the above criteria, there is one and only one circumstance in which the private property can become public  
4 property or become associated with a “public office” or “public use” without the just compensation, and without hurting  
5 someone with it. That would be Case Number 4 in which the owner voluntarily donates it to a public use to procure the  
6 benefits of a franchise. That case, incidentally, is the ONLY basis for the federal income tax and it requires his or her consent  
7 and may or may not be accompanied by “consideration”. When it is not accompanied by consideration, then the government  
8 similarly cannot acquire any reciprocal consideration, right, or benefit. To deny this would be to deny equal protection to  
9 both parties. Once private property has been connected to the “public office” or “public use”, those who donated it also  
10 implicitly agree to give the public the right to control said use as public property:

11 *“ . . . if he devotes it to a public use, he gives to the public a right to control that use. . . ”*  
12 *[Budd v. People of State of New York, [143 U.S. 517](#) (1892)]*

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

15 18 U.S.C. §654 further makes it a crime for officers or employees of the national government, including the IRS, to convert  
16 private property into a “public use” without the consent of the owner and especially without consideration:

17 [TITLE 18 > PART I > CHAPTER 31 > § 654](#)  
18 [§ 654. Officer or employee of United States converting property of another](#)

19 *Whoever, being an officer or employee of the United States or of any department or agency thereof, embezzles or*  
20 *wrongfully converts to his own use the money or property of another which comes into his possession or under*  
21 *his control in the execution of such office or employment, or under color or claim of authority as such officer or*  
22 *employee, shall be fined under this title or not more than the value of the money and property thus embezzled or*  
23 *converted, whichever is greater, or imprisoned not more than ten years, or both; but if the sum embezzled is*  
24 *\$1,000 or less, he shall be fined under this title or imprisoned not more than one year, or both.*

25 The above statute explains why:

26 1. IRS cannot do an assessment or Substitute For Return (SFR) without your consent. See:

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

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

Title 26: Internal Revenue  
PART 31—EMPLOYMENT TAXES AND COLLECTION OF INCOME TAX AT SOURCE  
Subpart E—Collection of Income Tax at Source  
Sec. 31.3402(p)-1 Voluntary withholding agreements.

(a) In general.

An employee and his employer may enter into an agreement under section 3402(b) to provide for the withholding of income tax upon payments of amounts described in paragraph (b)(1) of §31.3401(a)-3, made after December 31, 1970. **An agreement may be entered into under this section only with respect to amounts which are includible in the gross income of the employee under section 61, and must be applicable to all such amounts paid by the employer to the employee.** The amount to be withheld pursuant to an agreement under section 3402(p) shall be determined under the rules contained in section 3402 and the regulations thereunder. See §31.3405(c)-1, Q&A-3 concerning agreements to have more than 20-percent Federal income tax withheld from eligible rollover distributions within the meaning of section 402.

(b) Form and duration of agreement

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

26 C.F.R. §31.3401(a)-3 Amounts deemed wages under voluntary withholding agreements

(a) In general.

**Notwithstanding the exceptions to the definition of wages specified in section 3401(a) and the regulations thereunder, the term "wages" includes the amounts described in paragraph (b)(1) of this section with respect to which there is a voluntary withholding agreement in effect under section 3402(p).** References in this chapter to the definition of wages contained in section 3401(a) shall be deemed to refer also to this section (§31.3401(a)-3).

(b) Remuneration for services.

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

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

Specifically, Rowen seeks a declaratory judgment against the United States of America with respect to "whether or not the plaintiff is a taxpayer pursuant to, and/or under 26 U.S.C. §7701(a)(14)." (See Compl. at 2.) **This Court lacks jurisdiction to issue a declaratory judgment "with respect to Federal taxes other than actions brought under section 7428 of the Internal Revenue Code of 1986," a code section that is not at issue in the instant action. See 28 U.S.C. § 2201; see also Hughes v. United States, 953 F.2d 531, 536-537 (9th Cir. 1991) (affirming dismissal of claim for declaratory relief under § 2201 where claim concerned question of tax liability). Accordingly, defendant's motion to dismiss is hereby GRANTED, and the instant action is hereby DISMISSED. [Rowen v. U.S., 05-3766MMC. (N.D.Cal. 11/02/2005)]**

4. The revenue laws may not be cited or enforced against a person who is not a "taxpayer":

**"The revenue laws are a code or system in regulation of tax assessment and collection. They relate to taxpayers, and not to nontaxpayers. The latter are without their scope. No procedure is prescribed for nontaxpayers, and no attempt is made to annul any of their rights and remedies in due course of law. With them Congress does not assume to deal, and they are neither of the subject nor of the object of the revenue laws..."**



[Long v. Rasmussen, 281 F. 236 (1922) ]

"Revenue Laws relate to taxpayers [officers, employees, instrumentalities, and elected officials of the Federal Government] and not to non-taxpayers [American Citizens/American Nationals not subject to the exclusive jurisdiction of the Federal Government and who did not volunteer to participate in the federal "trade or business" franchise]. The latter are without their scope. No procedures are prescribed for non-taxpayers and no attempt is made to annul any of their Rights or Remedies in due course of law. "

[Economy Plumbing & Heating v. U.S., 470 F.2d. 585 (1972)]

"And by statutory definition, 'taxpayer' includes any person, trust or estate subject to a tax imposed by the revenue act. ...Since the statutory definition of 'taxpayer' is exclusive, the federal courts do not have the power to create nonstatutory taxpayers for the purpose of applying the provisions of the Revenue Acts..."

[C.I.R. v. Trustees of L. Inv. Ass'n, 100 F.2d. 18 (1939)]

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

"To lay, with one hand, the power of the government on the property of the citizen, and with the other to bestow it upon favored individuals to aid private enterprises and build up private fortunes, is none the less a robbery because it is done under the forms of law and is called taxation. This is not legislation. It is a decree under legislative forms.

Nor is it taxation. 'A tax,' says Webster's Dictionary, 'is a rate or sum of money assessed on the person or property of a citizen by government for the use of the nation or State.' 'Taxes are burdens or charges imposed by the Legislature upon persons or property to raise money for public purposes.' Cooley, Const. Lim., 479.

Coulter, J., in Northern Liberties v. St. John's Church, 13 Pa.St. 104 says, very forcibly, 'I think the common mind has everywhere taken in the understanding that taxes are a public imposition, levied by authority of the government for the purposes of carrying on the government in all its machinery and operations—that they are imposed for a public purpose.' See, also Pray v. Northern Liberties, 31 Pa.St., 69; Matter of Mayor of N.Y., 11 Johns., 77; Camden v. Allen, 2 Dutch., 398; Sharpless v. Mayor, supra; Hanson v. Vernon, 27 Ia., 47; Whiting v. Fond du Lac, supra."

[Loan Association v. Topeka, 20 Wall. 655 (1874)]

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

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

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

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

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

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

"In Calder v. Bull, which was here in 1798, Mr. Justice Chase said, that there were acts which the Federal and State legislatures could not do without exceeding their authority, and among them he mentioned a law which punished a citizen for an innocent act; a law that destroyed or impaired the lawful private [labor] contracts [and labor compensation, e.g. earnings from employment through compelled W-4 withholding] of citizens; a law that made a man judge in his own case; and a law that took the property from A [the worker], and gave it to B [the government or another citizen, such as through social welfare programs]. 'It is against all reason and justice,' he added, 'for a people to intrust a legislature with such powers, and therefore it cannot be presumed that they have done it. They may command what is right and prohibit what is wrong; but they cannot change innocence into guilt, or punish innocence as a crime, or violate the right of an antecedent lawful private [employment] contract [by compelling W-4 withholding, for instance], or the right of private property. To maintain that a

*Federal or State legislature possesses such powers [of THEFT!] if they had not been expressly restrained, would, in my opinion, be a political heresy altogether inadmissible in all free republican governments.' 3 Dall. 388.*  
*[Sinking Fund Cases, 99 U.S. 700 (1878) ]*

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

### 23.9.3 How government hides the requirement for consent

What governments do to circumvent the above limitations upon their authority is to try to avoid or hide the requirement for explicit or implicit consent by devious and deceptive means:

1. Refusing to acknowledge that the thing being enforced is a franchise. Remember, all franchises are contracts and therefore they don't need a liability statute. The Internal Revenue Code, Subtitle A has NO liability statute because it is a franchise, and yet when this fact is pointed out in court and the government's jurisdiction is challenged by demanding, pursuant to a quo warranto action, that they produce either evidence of liability or evidence of consent, they refuse to satisfy either requirement. This amounts to treason, because they cannot compel you into indentured economic servitude by making presumptions about your consent or your liability.

*"In another, not unrelated context, Chief Justice Marshall's exposition in Cohens v. Virginia, 6 Wheat. 264 (1821), could well have been the explanation of the Rule of Necessity; he wrote that a court "must take jurisdiction if it should. The judiciary cannot, as the legislature may, avoid a measure because it approaches the confines of the constitution. We cannot pass it by, because it is doubtful. With whatever doubts, with whatever difficulties, a case may be attended, we must decide it, if it be brought before us. We have no more right to decline the exercise of jurisdiction which is given, than to usurp that which is not given. The one or the other would be treason to the constitution. Questions may occur which we would gladly avoid; but we cannot avoid them." Id., at 404 (emphasis added)*  
*[U.S. v. Will, 449 U.S. 200 (1980)]*

2. Judges refusing to require that evidence of consent must appear on the record of the litigation when the government's jurisdiction to enforce the terms of the franchise is challenged in a court of law. This approach violates the presumption of innocence until proven guilty that is the foundation of American jurisprudence. If a person is presumed innocent until proven guilty, then he must also be presumed to be EXEMPT from all government franchises and OTHER than a "franchisee" until the government produces admissible evidence of consent to the franchise on the record of the judicial proceeding.
3. They write the franchise agreement so that that explicit written consent is not required and within the franchise agreement, create unconstitutional and prejudicial "statutory presumptions" which imply consent based on partaking of the benefits of the franchise. One's conduct in partaking of the benefits of the franchise then provides evidence of "implied consent".

CALIFORNIA CIVIL CODE  
DIVISION 3. OBLIGATIONS  
PART 2. CONTRACTS  
CHAPTER 3. CONSENT  
Section 1589

*1589. A voluntary acceptance of the benefit of a [government benefit] transaction is equivalent to a consent to all the obligations [and legal liabilities] arising from it, so far as the facts are known, or ought to be known, to the person accepting.*

4. They unlawfully apply penalties authorized under the franchise agreement against those who clearly are not party to the franchise agreement. For instance, they penalize "nontaxpayers" for refusing to act like "taxpayers". This is one of the main methods by which they recruit more "taxpayers" and franchisees, in fact, and it is highly illegal because it constitutes an unlawful "bill of attainder", which is a penalty against other than a franchisee without a court trial.

***Bill of attainder.** Legislative acts, no matter what their form, that apply either to named individuals or to easily ascertainable members of a group in such a way as to inflict punishment on them without a judicial trial. United*

1 *States v. Brown*, 381 U.S. 437, 448-49, 85 S.Ct. 1707, 1715, 14 L.Ed. 484, 492; *United States v. Lovett*, 328 U.S.  
2 303, 315, 66 S.Ct. 1073, 1079, 90 L.Ed. 1252. An act is a "bill of attainder" when the punishment is death and  
3 a "bill of pains and penalties" when the punishment is less severe; both kinds of punishment fall within the  
4 scope of the constitutional prohibition. U.S.Const. Art. I, Sect 9, Cl. 3 (as to Congress); Art. I, Sec. 10 (as to  
5 state legislatures).  
6 [Black's Law Dictionary, Sixth Edition, p. 165]

- 7 5. They make those who administer the franchise exempt from liability for false or fraudulent statements or acts, which  
8 constitutes a license to LIE to the public. This license to lie to the public is then used to:

9 5.1. Deceive the public into believing that EVERYONE is a party to the franchise by calling EVERYONE a "taxpayer".  
10 The term "taxpayer" is defined in [26 U.S.C. §7701\(a\)\(14\)](#) as a person subject to the IRC. Only those who consent  
11 to represent the public office called "taxpayer" can be subject, and so by calling everyone a "taxpayer", they are  
12 making a presumption that EVERYONE consents to be a party to the franchise agreement. These tactics are  
13 exhaustively exposed in the following free pamphlet:

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

14 5.2. Falsely describe the franchise agreement as "public law" that applies equally to everyone, rather than "private law"  
15 which applies only to those who explicitly or implicitly consent.

16 5.3. Falsely state that EVERYONE has an affirmative legal duty to regularly submit evidence to the government which  
17 connects their neighbors, employees, and friends to participation in the franchise. For instance, the IRS encourages  
18 EVERYONE to file information returns for all payments to anyone, including those that are NOT connected to the  
19 "trade or business" franchise. This FRAUD is exhaustively described in the following pamphlet on our website:

*Correcting Erroneous Information Returns*, Form #04.001  
<http://sedm.org/Forms/FormIndex.htm>

20 For further details on how they license public servants to LIE, see the following amazing article:

*Federal Courts and the IRS' Own IRM Say the IRS is NOT RESPONSIBLE for Its Actions or Its Words or for*  
*Following Its Own Written Procedures!*, Family Guardian Fellowship  
<http://famguardian.org/Subjects/Taxes/Articles/IRSNotResponsible.htm>

21 6. By refusing to provide remedies to the public to correct evidence submitted by third parties which might connect them  
22 to the franchise. For instance, refusing to provide a form or procedure to the public which would correct erroneous IRS  
23 Form W-2's submitted by ignorant private employers WITHOUT submitting a tax return to the government that  
24 FURTHER violates the right to privacy. [26 U.S.C. §6041\(a\)](#) says that the IRS Form W-2 is the method for connecting  
25 workers to the "trade or business" franchise, which is defined in [26 U.S.C. §7701\(a\)\(26\)](#) as "the functions of a public  
26 office". The only form provided by the IRS for remedying false W-2's that the falsely accused worker can submit is IRS  
27 Form 4852, and this form can ONLY be submitted attached to a fully completed tax return. There is no method provided  
28 to correct these false W-2 reports WITHOUT submitting a tax return.

29 7. They silently "presume" that you consented. This makes the process of consent effectively "invisible" and then becomes  
30 a vehicle to falsely claim to the public that "participation is mandatory". All such presumptions which might injure a  
31 constitutionally guaranteed right are unconstitutional and a violation of due process of law. See:

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

32 8. They issue an identifying number in association with signing up for the franchise which is public property and then  
33 silently presume that use of this public property constitutes constructive consent to the terms of the franchise agreement.  
34 This is how Social Security and the federal and state income taxes work. See:

*About SSNs and TINs On Government Forms and Correspondence*, Form #05.012  
<http://sedm.org/Forms/FormIndex.htm>

35 If you would like to know more about the above kinds of games in fraudulently procuring your consent, we refer you to the  
36 following detailed treatment on our website:

*Requirement for Consent*, Form #05.003  
<http://sedm.org/Forms/FormIndex.htm>

37 Those who value their freedom should be on the lookout for all of the above types of usurpations and take extraordinary steps  
38 to ensure that they are not victimized by them. You can find forms and tools for doing this both in the next section and later  
39 in section 30

## 23.10 The Government “Benefits” Scam

The foundation of the Franklin Delano Roosevelt “New Deal” is to abuse the government’s taxing and spending power to offer insurance or welfare “benefits” to the people, such as Social Security, Medicare, unemployment insurance, etc. This “scheme” is based on LIES and FRAUD, which include the following:

1. All “benefits” are paid under the authority of a franchise agreement of some kind which requires the consent of those who participate in order to be enforceable.
2. The franchise agreements do not provide full or unambiguous disclosure of the obligations of both parties to the franchise.
3. The franchise agreements typically either:
  - 3.1. Lack a provision to quit...or
  - 3.2. The government refuses to execute the provisions to quit so that those who join become lifelong prisoners.
4. The franchises are both offered and enforced unlawfully outside of the federal territory they are limited to.
5. Nonresident participants who don’t qualify and who it is illegal to offer benefits to are allowed to join by rigging the forms and words on the forms to deceive those who don’t qualify that they are eligible. This is done in order to manufacture more franchisees and “taxpayers”.
6. The franchise creates an UNEQUAL relationship between the parties that destroys the very foundation of the government, which is equal protection and equal rights.
  - 6.1. Those who participate must surrender nearly all of the rights and sovereignty and ultimately become government serfs, officers, and employees.
  - 6.2. The grantor, which is the government, is the only party to the franchise who can unilaterally rewrite the franchise agreement without consent or notice of the participants, causing all participants to be shafted.
  - 6.3. Courts refuse to hold the government grantor of the franchise accountable to deliver on the “benefits” that are promised. This ultimately means that the government once again gets something for nothing because they don’t have to deliver anything in exchange for the right to enforce the agreement against you.
7. The “benefits” are paid for with money that is:
  - 7.1. Counterfeited (printed) by the Federal Reserve, which is yet another franchise. It is a “counterfeiting franchise”, to be precise. See:

The Money Scam, Form #05.041  
<http://sedm.org/Forms/FormIndex.htm>
  - 7.2. STOLEN from people who don’t consent to participate in the franchise and who therefore are compelled under threat of not being hired or being fired if they don’t.
8. Disputes arising under the franchise agreement are enforced in particularized administrative courts in the Executive Branch of the government where there is no jury and no justice. The non-judge commissioners who sit on these pseudo-courts, which are in fact the equivalent of “binding arbitration boards” sanctioned by the franchise itself, have a conflict of interest and are in the government’s pocket. For instance, their “benefits” or salary are paid by revenues from the franchise, and therefore, they have a direct, pecuniary conflict of interest in criminal violation of 18 U.S.C. §208. The citizen always loses in these courts and is unjustly stripped of rights and property. See:

What Happened to Justice?, Form #06.012  
<http://sedm.org/Forms/FormIndex.htm>

The government “benefits” scam is the heart of socialism and ultimately destroys a republic. Below is how Baron Charles de Montesquieu, in his seminal treatise entitled Spirit of Laws, described how our republic would be corrupted. This document was used by the Founders in writing the Constitution and was quoted more often than any other document in the constitution itself. The whole model of division of powers came from this document:

***“The principle of democracy is corrupted not only when the spirit of equality is extinct [BECAUSE OF FRANCHISES!], but likewise when they fall into a spirit of extreme equality, and when each citizen would fain be upon a level with those whom he has chosen to command him. Then the people, incapable of bearing the very power they have delegated, want to manage everything themselves, to debate for the senate, to execute for the magistrate, and to decide for the judges.***

***When this is the case, virtue can no longer subsist in the republic. The people are desirous of exercising the functions of the magistrates, who cease to be revered. The deliberations of the senate are slighted; all respect is then laid aside for the senators, and consequently for old age. If there is no more respect for old age, there will be none presently for parents; deference to husbands will be likewise thrown off, and submission to masters. This license will soon become general, and the trouble of command be as fatiguing as that of obedience. Wives, children, slaves will shake off all subjection. No longer will there be any such thing as manners, order, or virtue.***

We find in Xenophon's Banquet a very lively description of a republic in which the people abused their equality. Each guest gives in his turn the reason why he is satisfied. "Content I am," says Chamides, "because of my poverty. When I was rich, I was obliged to pay my court to informers, knowing I was more liable to be hurt by them than capable of doing them harm. The republic constantly demanded some new tax of me; and I could not decline paying. Since I have grown poor, I have acquired authority; nobody threatens me; I rather threaten others. I can go or stay where I please. The rich already rise from their seats and give me the way. I am a king, I was before a slave: I paid taxes to the republic, now it maintains [PAYS "BENEFITS" TO] me: I am no longer afraid of losing; but I hope to acquire."

The people fall into this misfortune when those in whom they confide, desirous of concealing their own corruption, endeavour to corrupt them. To disguise their own ambition, they speak to them only of the grandeur of the state; to conceal their own avarice, they incessantly flatter theirs.

The corruption will increase among the corruptors, and likewise among those who are already corrupted. The people will divide the public money among themselves [to pay "BENEFITS"], and, having added the administration of affairs to their indolence, will be for blending their poverty with the amusements of luxury. But with their indolence and luxury, nothing but the public treasure ["BENEFITS"] will be able to satisfy their demands.

We must not be surprised to see their suffrages [VOTES at the ballot box] given for money [GOVERNMENT "BENEFITS"]. It is impossible to make great largesses to the people without great extortion: and to compass this, the state must be subverted. The greater the advantages they seem to derive from their liberty, the nearer they approach towards the critical moment of losing it. Petty tyrants arise who have all the vices of a single tyrant. The small remains of liberty soon become insupportable; a single tyrant starts up, and the people are stripped of everything, even of the profits of their corruption.'

[The Spirit of Laws, Charles de Montesquieu, 1758,

SOURCE: [http://famguardian.org/Publications/SpiritOfLaws/sol\\_08.htm#002](http://famguardian.org/Publications/SpiritOfLaws/sol_08.htm#002)]

Ayn Rand, who came hundreds of years after Montesquieu, and who fled Soviet communism and its attendant corruption to come to this country, stated the same thing as Montesquieu slightly differently, but much more passionately:

"But money demands of you the highest virtues, if you wish to make it or to keep it. Men who have no courage, pride, or self-esteem, men who have no moral sense of their right to their money and are not willing to defend it as they defend their life, men who apologize for being rich--will not remain rich for long. They are the natural bait for the swarms of looters [who gravitate like magnets to places of power in a corrupted government] that stay under rocks for centuries, but come crawling out at the first smell of a man who begs to be forgiven for the guilt of owning wealth. They will hasten to relieve him of the guilt--and of his life, as he deserves.

"Then you will see the rise of the double standard--the men who live by force [the de facto government and corrupted legal profession], yet count on those who live by trade to create the value of their looted money--the men who are the hitchhikers of virtue. In a moral society, these are the criminals, and the statutes are written to protect you against them. But when a society establishes criminals-by-right and looters-by-law--men who use force to seize the wealth of DISARMED victims--then money becomes its creators' avenger. Such looters [de facto government thieves] believe it safe to rob defenseless [made ignorant of the law by sneaky lawyers and politicians who run the public education system, in this case] men, once they've passed a law to disarm them. But their loot becomes the magnet for other looters, who get it from them as they got it. Then the race goes, not to the ablest at production, but to those most ruthless at brutality. When force is the standard, the murderer wins over the pickpocket. And then that society vanishes, in a spread of ruins and slaughter.

[Atlas Shrugged, Ayn Rand;

SOURCE: <http://famguardian.org/Subjects/MoneyBanking/Money/AynRandOnMoney.htm>]

The memorandum of law below explains the "benefits" scam in detail. It is intended to be used in your defense in a criminal tax trial. The following subsections were extracted from that document to summarize how the scam operates:

The Government "Benefits" Scam, Form #05.040

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

### **23.10.1 It is unlawful to use the government's taxing power to transfer wealth or subsidize "benefits" to private persons**

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



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

9 To lay, with one hand, the power of the government on the property of the citizen, and with the other to bestow  
10 it upon favored individuals to aid private enterprises and build up private fortunes, is none the less a robbery  
11 because it is done under the forms of law and is called taxation. This is not legislation. It is a decree under  
12 legislative forms.

13 Nor is it taxation. ‘A tax,’ says Webster’s Dictionary, ‘is a rate or sum of money assessed on the person or  
14 property of a citizen by government for the use of the nation or State.’ ‘Taxes are burdens or charges imposed  
15 by the Legislature upon persons or property to raise money for public purposes.’ Cooley, Const. Lim., 479.

16 Coulter, J., in Northern Liberties v. St. John’s Church, 13 Pa.St. 104 says, very forcibly, ‘I think the common  
17 mind has everywhere taken in the understanding that taxes are a public imposition, levied by authority of the  
18 government for the purposes of carrying on the government in all its machinery and operations—that they are  
19 imposed for a public purpose.’ See, also Pray v. Northern Liberties, 31 Pa.St., 69; Matter of Mayor of N.Y., 11  
20 Johns., 77; Camden v. Allen, 2 Dutch., 398; Sharpless v. Mayor, supra; Hanson v. Vernon, 27 Ia., 47; Whiting v.  
21 Fond du Lac, supra.”  
22 [Loan Association v. Topeka, 20 Wall. 655 (1874)]  
23

24 “A tax, in the general understanding of the term and as used in the constitution, signifies an exaction for the  
25 support of the government. The word has never thought to connote the expropriation of money from one group  
26 for the benefit of another.”  
27 [U.S. v. Butler, 297 U.S. 1 (1936)]

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

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

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

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

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

52 Public use, in constitutional provisions restricting the exercise of the right to take property in virtue of eminent  
53 domain, means a use concerning the whole community distinguished from particular individuals. But each and  
54 every member of society need not be equally interested in such use, or be personally and directly affected by it;  
55 if the object is to satisfy a great public want or exigency, that is sufficient. Ringe Co. v. Los Angeles County, 262  
56 U.S. 700, 43 S.Ct. 689, 692, 67 L.Ed. 1186. The term may be said to mean public usefulness, utility, or advantage,  
57 or what is productive of general benefit. It may be limited to the inhabitants of a small or restricted locality, but  
58 must be in common, and not for a particular individual. The use must be a needful one for the public, which

cannot be surrendered without obvious general loss and inconvenience. A "public use" for which land may be taken defies absolute definition for it changes with varying conditions of society, new appliances in the sciences, changing conceptions of scope and functions of government, and other differing circumstances brought about by an increase in population and new modes of communication and transportation. *Katz v. Brandon*, 156 Conn. 521, 245 A.2d. 579, 586.

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

Black's Law Dictionary also defines the word "tax" as follows:

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

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

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

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

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

1. Theft and robbery by the government in the guise of "taxation"
2. Government by decree rather than by law
3. Extortion under the color of law in violation [18 U.S.C. §872](#).
4. Tyranny
5. Socialism
6. Mob rule and a tyranny by the "have-nots" against the "haves"
7. [18 U.S.C. §241](#): Conspiracy against rights. The IRS shares tax return information with states of the union, so that both of them can conspire to deprive you of your property.
8. [18 U.S.C. §242](#): Deprivation of rights under the color of law. The Fifth Amendment says that people in states of the Union cannot be deprived of their property without due process of law or a court hearing. Yet, the IRS tries to make it appear like they have the authority to just STEAL these people's property for a fabricated tax debt that they aren't even legally liable for.
9. [18 U.S.C. §247](#): Damage to religious property; obstruction of persons in the free exercise of religious beliefs
10. [18 U.S.C. §872](#): Extortion by officers or employees of the United States.
11. [18 U.S.C. §876](#): Mailing threatening communications. This includes all the threatening notices regarding levies, liens, and idiotic IRS letters that refuse to justify why government thinks we are "liable".
12. [18 U.S.C. §880](#): Receiving the proceeds of extortion. Any money collected from Americans through illegal enforcement actions and for which the contributors are not "liable" under the law is extorted money, and the IRS is in receipt of the proceeds of illegal extortion.

- 1 13. [18 U.S.C. §1581](#): Peonage, obstructing enforcement. IRS is obstructing the proper administration of the Internal  
2 Revenue Code and the Constitution, which require that they respect those who choose NOT to volunteer to participate  
3 in the federal donation program identified under subtitle A of the I.R.C.  
4 14. [18 U.S.C. §1583](#): Enticement into slavery. IRS tries to enlist “nontaxpayers” to rejoin the ranks of other peons who pay  
5 taxes they aren't demonstrably liable for, which amount to slavery.  
6 15. [18 U.S.C. §1589](#): Forced labor. Being forced to expend one's personal time responding to frivolous IRS notices and  
7 pay taxes on my labor that I am not liable for.

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

12 *“The Legislature may enjoin, permit, forbid, and punish; they may declare new crimes; and establish rules of*  
13 *conduct for all its citizens in future cases; they may command what is right, and prohibit what is wrong; but they*  
14 *[the government] cannot change innocence [a “nontaxpayer”] into guilt [a “taxpayer”]; or punish innocence*  
15 *as a crime [criminally prosecute a “nontaxpayer” for violation of the tax laws]; or violate the right of an*  
16 *antecedent lawful private contract; or the right of private property. To maintain that our Federal, or State,*  
17 *Legislature possesses such powers [of THEFT and FRAUD], if they had not been expressly restrained; would,*  
18 *\*389 in my opinion, be a political heresy, altogether inadmissible in our free republican governments.”*  
19 *[Calder v. Bull, 3 U.S. 386 (1798)]*

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

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

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

**Table 21: Two methods for taxation**

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

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

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

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

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

### **23.10.2 Why the only persons who can legitimately participate in government “benefits” are government officers and employees**

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

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

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

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

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

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

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

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

The “citizen of the United States” they are talking about above is based on the STATUTORY rather than CONSTITUTIONAL definition of the “United States”, which means it refers to “national and citizen of the United States\*\* at birth” under 8 U.S.C. §1401 rather than a CONSTITUTIONAL or Fourteenth Amendment “Citizen” or “citizen of the United States respectively born in and domiciled in states of the Union. We cover this in:

[Why You are a “national”, “state national”, and Constitutional but not Statutory Citizen](http://sedm.org/Forms/FormIndex.htm), Form #05.006  
<http://sedm.org/Forms/FormIndex.htm>

Also, note that both of the two preceding definitions are found within Title 5 of the U.S. Code, which is entitled “Government Organization and Employees”. Therefore, it refers ONLY to government “employees” and excludes private employees. There is no definition of the term “individual” anywhere in Title 26 (I.R.C.) of the U.S. Code or any other title that refers to private natural humans, because Congress cannot legislate for them. Notice the use of the phrase “private business” in the U.S. Supreme Court ruling below:

*“The individual may stand upon his constitutional rights as a citizen. He is entitled to carry on his private business in his own way [unregulated by the government]. His power to contract is unlimited. He owes no duty to the State or to his neighbor to divulge his business, or to open his doors to an investigation, so far as it may tend to criminate him. He owes no such duty to the State, since he receives nothing therefrom, beyond the protection of his life and property. His rights are such as existed by the law of the land long antecedent to the organization of the State, and can only be taken from him by due process of law, and in accordance with the Constitution. Among his rights are a refusal to incriminate himself, and the immunity of himself and his property from arrest or seizure except under a warrant of the law. He owes nothing to the public [including so-called “taxes” under Subtitle A of the I.R.C.] so long as he does not trespass upon their rights.”*  
[Hale v. Henkel, [201 U.S. 43](#), 74 (1906)]

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



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

7 [Olmstead v. United States, 277 U.S. 438, 478 (1928) (Brandeis, J., dissenting); see also Washington v. Harper,  
8 494 U.S. 210 (1990)]

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

<https://law.justia.com/cfr/title20.html>

Below is the definition of "employee" for the purposes of the above:

26 C.F.R. §31.3401(c)-1 Employee:

"...the term [employee] includes officers and employees, whether elected or appointed, **of the United States, a [[federal] State, Territory, Puerto Rico or any political subdivision, thereof, or the District of Columbia, or any agency or instrumentality of any one or more of the foregoing.** The term 'employee' also includes an officer of a corporation."

26 U.S.C. §3401(c) Employee

For purposes of this chapter, the term "employee" includes [is limited to] an officer, employee, or elected official of the United States, a State, or any political subdivision thereof, or the District of Columbia, or any agency or instrumentality of any one or more of the foregoing. The term "employee" also includes an officer of a corporation.

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TITLE 5 > PART III > Subpart A > CHAPTER 21 > § 2105  
§2105. Employee

(a) For the purpose of this title, "employee", except as otherwise provided by this section or when specifically modified, means an officer and an individual who is—

(1) appointed in the civil service by one of the following acting in an official capacity—

- (A) the President;
- (B) a Member or Members of Congress, or the Congress;
- (C) a member of a uniformed service;
- (D) an individual who is an employee under this section;
- (E) the head of a Government controlled corporation; or
- (F) an adjutant general designated by the Secretary concerned under section 709 (c) of title 32;

(2) engaged in the performance of a Federal function under authority of law or an Executive act; and  
(3) subject to the supervision of an individual named by paragraph (1) of this subsection while engaged in the performance of the duties of his position.

Keeping in mind the following rules of statutory construction and interpretation, please show us SOMEWHERE in the statutes defining "employee" that EXPRESSLY includes PRIVATE human beings working as PRIVATE workers protected by the constitution and not subject to federal law:

"Expressio unius est exclusio alterius. A maxim of statutory interpretation meaning that the expression of one thing is the exclusion of another. *Burgin v. Forbes*, 293 Ky. 456, 169 S.W.2d. 321, 325; *Newblock v. Bowles*, 170 Okl. 487, 40 P.2d. 1097, 1100. Mention of one thing implies exclusion of another. When certain persons or things are specified in a law, contract, or will, an intention to exclude all others from its operation may be inferred. Under this maxim, if statute specifies one exception to a general rule or assumes to specify the effects of a certain provision, other exceptions or effects are excluded." [Black's Law Dictionary, Sixth Edition, p. 581]

**"When a statute includes an explicit definition, we must follow that definition, even if it varies from that term's ordinary meaning."** *Meese v. Keene*, 481 U.S. 465, 484-485 (1987) ("It is axiomatic that the statutory definition of the term excludes unstated meanings of that term"); *Colautti v. Franklin*, 439 U.S. at 392-393, n. 10 ("As a rule, 'a definition which declares what a term 'means' . . . excludes any meaning that is not stated'"); *Western Union Telegraph Co. v. Lenroot*, 323 U.S. 490, 502 (1945); *Fox v. Standard Oil Co. of N.J.*, 294 U.S. 87, 95-96 (1935) (Cardozo, J.); see also 2A N. Singer, *Sutherland on Statutes and Statutory Construction* § 47.07, p. 152, and n. 10 (5th ed. 1992) (collecting cases). That is to say, the statute, read "as a whole," post at 998 [530 U.S. 943] (THOMAS, J., dissenting), leads the reader to a definition. That definition does not include the Attorney General's restriction -- "the child up to the head." Its words, "substantial portion," indicate the contrary."  
[*Stenberg v. Carhart*, 530 U.S. 914 (2000)]

Another very important point to make here is that the purpose of nearly all federal law is to regulate "public conduct" rather than "private conduct". Congress must write laws to regulate and control every aspect of the behavior of its employees so that they do not adversely affect the rights of private individuals like you, who they exist exclusively to serve and protect. Most federal statutes, in fact, are exclusively for use by those working in government and simply do not apply to private citizens in the conduct of their private lives. This fact is exhaustively proven with evidence in:

*Why Statutory Civil Law is Law for Government and Not Private Persons*, Form #05.037  
<http://sedm.org/Forms/FormIndex.htm>

Franchises of the National (not federal but national) government cannot apply to the private public at large because the Thirteenth Amendment says that involuntary servitude has been abolished. If involuntary servitude is abolished, then they can't use, or in this case "abuse" the authority of law to impose ANY kind of duty against anyone in the private public except possibly the responsibility to avoid hurting their neighbor and thereby depriving him of the equal rights he enjoys.

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

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

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

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

*"With all [our] blessings, what more is necessary to make us a happy and a prosperous people? Still one thing more, fellow citizens--**a wise and frugal Government, which shall restrain men from injuring one another, shall leave them otherwise free** to regulate their own pursuits of industry and improvement, and shall not take from the mouth of labor the bread it has earned. This is the sum of good government, and this is necessary to close the circle of our felicities."*  
[Thomas Jefferson: 1st Inaugural, 1801. ME 3:320]

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

*"The power to 'legislate generally upon' life, liberty, and property, as opposed to the 'power to provide modes of redress' against offensive state action, was 'repugnant' to the Constitution. Id., at 15. See also United States v. Reese, 92 U.S. 214, 218 (1876); United States v. Harris, 106 U.S. 629, 639 (1883); James v. Bowman, 190 U.S. 127, 139 (1903). Although the specific holdings of these early cases might have been superseded or modified, see, e.g., Heart of Atlanta Motel, Inc. v. United States, 379 U.S. 241 (1964); United States v. Guest, 383 U.S. 745 (1966), their treatment of Congress' §5 power as corrective or preventive, not definitional, has not been questioned."*  
[*City of Boerne v. Flores, Archbishop of San Antonio*, 521 U.S. 507 (1997)]

What the U.S. Supreme Court is saying above is that the government has no authority to tell you how to run your private life. This is contrary to the whole idea of the Internal Revenue Code, whose main purpose is to monitor and control every aspect

of those who are subject to it. In fact, it has become the chief means for Congress to implement what we call “social engineering”. Just by the deductions they offer, people are incentivized into all kinds of crazy behaviors in pursuit of reductions in a liability that they in fact do not even have. Therefore, the only reasonable thing to conclude is that Internal Revenue Code, Subtitle A which would “appear” to regulate the private conduct of all human beings in states of the Union, in fact:

1. Only applies to “public employees”, “public offices”, and federal instrumentalities in the official conduct of their duties on behalf of the municipal corporation located in the District of Columbia, which [4 U.S.C. §72](#) makes the “seat of government”.
2. Does not CREATE any new public offices or instrumentalities within the national government, but only regulates the exercise of EXISTING public offices lawfully created through Title 5 of the U.S. Code. The IRS abuses its forms to unlawfully CREATE public offices within the federal government. In payroll terminology, this is called “creating fictitious employees”, and it is not only quite common, but highly illegal and can get private workers FIRED on the spot if discovered.
3. Regulates PUBLIC and not PRIVATE conduct and therefore does not pertain to private human beings.
4. Constitutes a franchise and a “benefit” within the meaning of 5 U.S.C. §552a. Tax “refunds” and “deductions”, in fact, are the “benefit”, and 26 U.S.C. §162 says that all those who take deductions MUST, in fact, be engaged in a public office within the government, which is called a “trade or business”:

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

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

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

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

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

Salary Tax Upon Clerks to Postmasters, Letter from the Secretary of the Treasury, Ex. Doc 99, 39<sup>th</sup> Congress, 2<sup>nd</sup> Session  
<http://famguardian.org/Subjects/Taxes/Evidence/PublicOrPrivate-Tax-Return.pdf>

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

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

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

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

"The term 'trade or business' includes the performance of the functions of a public office."

Below is the definition of "public office":

Public office

"Essential characteristics of a 'public office' are:

- (1) Authority conferred by law,
- (2) Fixed tenure of office, and
- (3) Power to exercise some of the sovereign functions of government.
- (4) Key element of such test is that "officer is carrying out a sovereign function".
- (5) Essential elements to establish public position as 'public office' are:
  - (a) Position must be created by Constitution, legislature, or through authority conferred by legislature.
  - (b) Portion of sovereign power of government must be delegated to position,
  - (c) Duties and powers must be defined, directly or implied, by legislature or through legislative authority.
  - (d) Duties must be performed independently without control of superior power other than law, and
  - (e) Position must have some permanency."

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

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

"As expressed otherwise, the powers delegated to a public officer are held in trust for the people and are to be exercised in behalf of the government or of all citizens who may need the intervention of the officer.<sup>282</sup>

Furthermore, the view has been expressed that all public officers, within whatever branch and whatever level of government, and whatever be their private vocations, are trustees of the people, and accordingly labor under every disability and prohibition imposed by law upon trustees relative to the making of personal financial gain from a discharge of their trusts.<sup>283</sup> That is, a public officer occupies a fiduciary relationship to the political entity on whose behalf he or she serves.<sup>284</sup> and owes a fiduciary duty to the public.<sup>285</sup> It has been said that the fiduciary responsibilities of a public officer cannot be less than those of a private individual.<sup>286</sup>

Furthermore, it has been stated that any enterprise undertaken by the public official which tends to weaken public confidence and undermine the sense of security for individual rights is against public policy.<sup>287</sup> "[63C American Jurisprudence 2d, Public Officers and Employees, §247 (1999)]

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

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

<sup>282</sup> State ex rel. Nagle v. Sullivan, 98 Mont. 425, 40 P.2d. 995, 99 A.L.R. 321; Jersey City v. Hague, 18 N.J. 584, 115 A.2d. 8.

<sup>283</sup> Georgia Dep't of Human Resources v. Sistrunk, 249 Ga. 543, 291 S.E.2d. 524. A public official is held in public trust. Madlener v. Finley (1st Dist) 161 Ill.App.3d. 796, 113 Ill.Dec. 712, 515 N.E.2d. 697, app gr 117 Ill.Dec. 226, 520 N.E.2d. 387 and revd on other grounds 128 Ill.2d. 147, 131 Ill.Dec. 145, 538 N.E.2d. 520.

<sup>284</sup> Chicago Park Dist. v. Kenroy, Inc., 78 Ill.2d. 555, 37 Ill.Dec. 291, 402 N.E.2d. 181, appeal after remand (1st Dist) 107 Ill.App.3d. 222, 63 Ill.Dec. 134, 437 N.E.2d. 783.

<sup>285</sup> United States v. Holzer (CA7 Ill), 816 F.2d. 304 and vacated, remanded on other grounds 484 U.S. 807, 98 L.Ed. 2d 18, 108 S.Ct. 53, on remand (CA7 Ill) 840 F.2d. 1343, cert den 486 U.S. 1035, 100 L.Ed. 2d 608, 108 S.Ct. 2022 and (criticized on other grounds by United States v. Osser (CA3 Pa) 864 F.2d. 1056) and (superseded by statute on other grounds as stated in United States v. Little (CA5 Miss) 889 F.2d. 1367) and (among conflicting authorities on other grounds noted in United States v. Boylan (CA1 Mass), 898 F.2d. 230, 29 Fed.Rules.Evid.Serv. 1223).

<sup>286</sup> Chicago ex rel. Cohen v. Keane, 64 Ill.2d. 559, 2 Ill.Dec. 285, 357 N.E.2d. 452, later proceeding (1st Dist) 105 Ill.App.3d. 298, 61 Ill.Dec. 172, 434 N.E.2d. 325.

<sup>287</sup> Indiana State Ethics Comm'n v. Nelson (Ind App), 656 N.E.2d. 1172, reh gr (Ind App) 659 N.E.2d. 260, reh den (Jan 24, 1996) and transfer den (May 28, 1996).

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

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

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

*“My son, if sinners [socialists, in this case] entice you,  
**Do not consent [do not abuse your power of choice]**  
If they say, “Come with us,  
Let us lie in wait to shed blood [of innocent “nontaxpayers”];  
Let us lurk secretly for the innocent without cause;  
Let us swallow them alive like Sheol,  
And whole, like those who go down to the Pit:  
We shall fill our houses with spoil [plunder];  
Cast in your lot among us,  
Let us all have one purse [share the stolen LOOT]”--*

*My son, do not walk in the way with them [do not ASSOCIATE with them and don't let the government FORCE you to associate with them either by forcing you to become a “taxpayer”/government whore or a “U.S. citizen”].*  
*Keep your foot from their path;  
For their feet run to evil,  
And they make haste to shed blood.  
Surely, in vain the net is spread  
In the sight of any bird;  
But they lie in wait for their own blood.  
They lurk secretly for their own lives.  
So are the ways of everyone who is greedy for gain [or unearned government benefits];  
It takes away the life of its owners.”*  
*[Proverbs 1:10-19, Bible, NKJV]*

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

*“Men are endowed by their Creator with certain unalienable rights, -life, liberty, and the pursuit of happiness;’ and to ‘secure,’ not grant or create, these rights, governments are instituted. That property [or income] which a man has honestly acquired he retains full control of, subject to these limitations: First, that he shall not use it to his neighbor's injury, and that does not mean that he must use it for his neighbor's benefit; second, that if he devotes it to a public use, he gives to the public a right to control that use; and third, that whenever the public needs require, the public may take it upon payment of due compensation.*  
*[Budd v. People of State of New York, [143 U.S. 517](#) (1892)]*

The reason governments are created, according to the Declaration of Independence, is exclusively to protect PRIVATE rights. The only thing MENTIONED in the Declaration, in fact, as the object of protection is HUMANS, not GOVERNMENTS. Government did not CREATE these PRIVATE, UNALIENABLE rights and therefore, they do not OWN them. They can only tax or regulate that which the CREATE, and the place they do the creating is in the definition section of franchise agreements. See:



*Hierarchy of Sovereignty: The Power to Create is the Power to Tax*, Family Guardian Fellowship  
<http://famguardian.org/Subjects/Taxes/Remedies/PowerToCreate.htm>

The VERY first step in protecting PRIVATE rights held exclusively by HUMANS is to prevent them from being converted to PUBLIC rights or franchises without the EXPRESS written VOLUNTARY consent of those who have the legal capacity to consent. Governments should not be using word games, equivocation, or other forms of legal treachery to compel the conversion from PRIVATE to PUBLIC. If you would like to know the legal boundaries for this separation between PRIVATE and PUBLIC and how it is illegally circumvented by covetous public servants, see:

*Separation Between Public and Private Course*, Form #12.025  
<http://sedm.org/Forms/FormIndex.htm>

Now some rules for how PUBLIC and PRIVATE must be kept separated or else the government has violated its fiduciary duty to protect PRIVATE property. These rules derive from the above document:

1. The PRIVATE constitutional rights of human beings are UNALIENABLE according to the Declaration of Independence.
  - 1.1. Hence, you aren't even allowed to give them away, even WITH your consent.
  - 1.2. The only place that consent can lawfully be given is on federal territory where private or constitutional or unalienable rights DO NOT exist in the first place.
  - 1.3. The rights created by the consent can be enforced on federal territory not within a state of the Union. All law is prima facie territorial. That is why all public offices are REQUIRED by 4 U.S.C. §72 to be exercised IN the "District of Columbia" and "NOT elsewhere".
2. Statutory "persons" are PUBLIC fictions of law, agents, and/or offices created in civil statutes by government as a civil franchise. All civil franchises are contracts between the government grantor and the participant. Hence PRIVATE human beings whose rights are unalienable are UNABLE to consent to a franchise contract if standing on land protected by the Constitution and must do so on federal territory AT THE TIME consent is given.
3. A civil or statutory or legal "person", whether it be a natural person, a corporation, or a trust, may ADD to its duties or join specific franchises through consent. HOWEVER:
  - 3.1. Licensing and franchises may not be used to CREATE new public offices.
  - 3.2. If licensing or franchises are abused to create NEW public offices, then those who engage in said offices outside the place "expressly authorized" to do so by Congress are criminally impersonating a public officer in violation of 18 U.S.C. §912.
  - 3.3. A subset of those engaging in a "public office" are federal "employees", but the term "public office" or "trade or business" encompass more than just government "employees". Corporations, for instance, are public offices and instrumentalities of the government grantor.
4. In law, when a human being volunteers to accept the legal duties of a "public office", it therefore becomes a "trustee", an agent, and fiduciary (as defined in 26 U.S.C. §6903) acting on behalf of the federal government by the operation of private contract/franchise law. It becomes essentially a "franchisee" of the federal government carrying out the provisions of the franchise agreement, which is found in:
  - 4.1. Internal Revenue Code, Subtitle A, in the case of the federal income tax.
  - 4.2. The Social Security Act, which is found in Title 42 of the U.S. Code.

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

*The "Trade or Business" Scam*, Form #05.001  
<http://sedm.org/Forms/FormIndex.htm>

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

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

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

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

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

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

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

Engaging in a “trade or business” therefore implies a “public office”. All those who USE “Taxpayer Identification Numbers” are therefore treated, USUALLY ILLEGALLY IF THEY ARE OTHERWISE PRIVATE, as public officers in the national government. All property associated with the number then is treated effectively as “private property donated to a public use to procure the benefits of a government franchise”. At that point, the person in control of said property is treated as a de facto manager and trustee over public property created by that donation process. That public property includes his/her formerly private time and services. The “employment agreement” for managing this newly, and in most cases ILLEGALLY created public property is the Internal Revenue Code, Subtitle A and the Social Security Act found in Title 42 of the U.S. Code.

The Social Security Number is therefore the equivalent of a “de facto license number” to act as a “public officer” for the federal government, who is a fiduciary or trustee subject to the plenary legislative jurisdiction of the federal government pursuant to 26 U.S.C. §7701(a)(39), 26 U.S.C. §7408(c), and Federal Rule of Civil Procedure Rule 17(b), regardless of where he might be found geographically, including within a state of the Union. The franchise agreement governs “choice of law” and where it’s terms may be litigated, which is the District of Columbia, based on the agreement itself.

The invisible process of essentially consenting to become a public officer of the national and not state government is a FRAUD because:

1. They don’t protect your right to NOT volunteer.
2. They refuse to prosecute the fraud once discovered and respond with silence to criminal complaints directed at stopping it. Remember: It is a maximum of law that such gross negligence is in essence and substance, FRAUD itself.
3. They don’t recognize even the EXISTENCE of a “non-resident non-person”, who is someone who DID NOT volunteer. To do so would mean a surrender of their “plausible deniability” in front of a legally ignorant jury.
4. They call those who insist that the withholdings and/or reportings associated with the fraudulently created public office “frivolous”, and yet refuse to address the content of this section or to address specifically how your property was LAWFULLY converted from PRIVATE to PUBLIC WITHOUT your consent. Even the taxation process requires, as a bare minimum, CONSENT to become a public officer.

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

*“No one can serve two masters [god and government, or two employers, for instance]; for either he will hate the one and love the other, or else he will be loyal to the one and despise the other. You cannot serve God and mammon [government].”*  
*[Luke 16:13, Bible, NKJV. Written by a tax collector]*

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

*“THE” + “IRS” = “THEIRS”*

A federal “public officer” has no rights in relation to their master, the federal government:

*“The restrictions that the Constitution places upon the government in its capacity as lawmaker, i.e., as the regulator of private conduct, are not the same as the restrictions that it places upon the government in its capacity as employer. We have recognized this in many contexts, with respect to many different constitutional guarantees. Private citizens perhaps cannot be prevented from wearing long hair, but policemen can. Kelley v. Johnson, 425 U.S. 238, 247 (1976). Private citizens cannot have their property searched without probable cause, but in many circumstances government employees can. O’Connor v. Ortega, 480 U.S. 709, 723 (1987) (plurality opinion);*

1 *id.*, at 732 (SCALIA, J., concurring in judgment). Private citizens cannot be punished for refusing to provide the  
2 government information that may incriminate them, but government employees can be dismissed when the  
3 incriminating information that they refuse to provide relates to the performance of their job. *Gardner v.*  
4 *Broderick*, [497 U.S. 62, 95] [392 U.S. 273, 277](#) -278 (1968). With regard to freedom of speech in particular:  
5 Private citizens cannot be punished for speech of merely private concern, but government employees can be fired  
6 for that reason. *Connick v. Myers*, [461 U.S. 138, 147](#) (1983). Private citizens cannot be punished for partisan  
7 political activity, but federal and state employees can be dismissed and otherwise punished for that reason. *Public*  
8 *Workers v. Mitchell*, [330 U.S. 75, 101](#) (1947); *Civil Service Comm'n v. Letter Carriers*, [413 U.S. 548, 556](#) (1973)  
9 ; *Broadrick v. Oklahoma*, [413 U.S. 601, 616](#) -617 (1973).”  
10 [*Rutan v. Republican Party of Illinois*, [497 U.S. 62](#) (1990) ]

11 Your existence and your earnings as a federal “public officer” and “trustee” and “fiduciary” are entirely subject to the whim  
12 and pleasure of corrupted lawyers and politicians, and you must beg and grovel if you expect to retain anything:

13 “In the general course of human nature, A POWER OVER A MAN’S SUBSISTENCE AMOUNTS TO A POWER  
14 OVER HIS WILL.”  
15 [Alexander Hamilton, *Federalist Paper No. 79*]

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

22 The W-4 therefore essentially is being deceptively and illegally MISUSED as a federal employment application. It is your  
23 badge of dishonor and a tacit admission that you can’t or won’t trust God and yourself to provide for yourself. Instead, you  
24 need a corrupted “protector” to steal money from your neighbor or counterfeit (print) it to help you pay your bills and run  
25 your life. Furthermore, if your private employer forced you to fill out the W-4 against your will or instituted any duress to  
26 get you to fill it out, such as threatening to fire or not hire you unless you fill it out, then he/she is:

27 1. Engaging in criminal identity theft. See:

[Government Identity Theft](#), Form #05.046  
<http://sedm.org/Forms/FormIndex.htm>

- 28 2. Acting as an employment recruiter for the federal government.  
29 3. Recruiting you into federal slavery in violation of the [Thirteenth Amendment](#), and [42 U.S.C. §1994](#).  
30 4. Involved in a conspiracy to commit grand theft by stealing money from you to pay for services and protection you don’t  
31 want and don’t need.  
32 5. Involved in racketeering and extortion in violation of [18 U.S.C. §1951](#).  
33 6. Involved in money laundering for the federal government, by sending in money stolen from you to them, in violation of  
34 [18 U.S.C. §1956](#).

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

42 “As religion towards God is a branch of universal righteousness (he is not an honest man that is not devout), so  
43 righteousness towards men is a branch of true religion, for he is not a godly man that is not honest, nor can he  
44 expect that his devotion should be accepted; for, 1. Nothing is more offensive to God than deceit in commerce.  
45 A false balance is here put for all manner of unjust and fraudulent practices [of our public dis-servants] in  
46 dealing with any person [within the public], which are all an abomination to the Lord, and render those  
47 abominable [hated] to him that allow themselves in the use of such accursed arts of thriving. It is an affront  
48 to justice, which God is the patron of, as well as a wrong to our neighbour, whom God is the protector of. Men  
49 [in the IRS and the Congress] make light of such frauds, and think there is no sin in that which there is money  
50 to be got by, and, while it passes undiscovered, they cannot blame themselves for it; a blot is no blot till it is hit,  
51 Hos. 12:7, 8. But they are not the less an abomination to God, who will be the avenger of those that are  
52 defrauded by their brethren. 2. Nothing is more pleasing to God than fair and honest dealing, nor more  
53 necessary to make us and our devotions acceptable to him: A just weight is his delight. He himself goes by a

1 just weight, and holds the scale of judgment with an even hand, and therefore is pleased with those that are herein  
2 followers of him. A balance cheats, under pretence of doing right most exactly, and therefore is the greater  
3 abomination to God.”  
4 [Matthew Henry’s Commentary on the Whole Bible; Henry, M., 1996, c1991, under Prov. 11:1]

5 The Bible also says that those who participate in this kind of “commerce” with the government are practicing harlotry and  
6 idolatry. The Bible book of Revelation describes a woman called “Babylon the Great Harlot”.

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

11 MYSTERY, BABYLON THE GREAT, THE MOTHER OF HARLOTS AND OF THE ABOMINATIONS OF THE  
12 EARTH.

13 I saw the woman, drunk with the blood of the saints and with the blood of the martyrs of Jesus. And when I saw  
14 her, I marveled with great amazement.”  
15 [Rev. 17:3-6, Bible, NKJV]

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

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

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

23 “The waters which you saw, where the harlot sits, are peoples, multitudes, nations, and tongues.”  
24 [Rev. 17:15, Bible, NKJV]

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

26 “And I saw the beast, the kings of the earth, and their armies, gathered together to make war against Him who  
27 sat on the horse and against His army.”  
28 [Rev. 19:19, Bible, NKJV]

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

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

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

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

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

**23.10.3 All government "benefits" amount to private business activity that is beyond the core purposes of government**

Based on the content of the preceding sections, all government programs which implement "benefits" of any kind amount to private law or special law:

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

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

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

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

Government benefits are private law and special law because they activate with your consent to a contract or agreement. That consent can take many forms, such as:

1. Signing a federal job application.
2. Completing and submitting an SSA Form SS-5 to participate in Social Security as a government employee. It is ILLEGAL for the government to offer social security to private persons and those who sign up implicitly become "federal personnel":

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

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

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

3. Applying for a professional license.
4. Applying for a driver's license.
5. Applying for a marriage license.

Because they are an exercise in private law and special law, all government "benefits" amount to private business activity between the government as a business and the private individuals who decide to work for it as "officers" or "employees". The statutes that implement these so-called "benefits" essentially form the body of what most private companies would describe as an "employment agreement". The government, like any other private employer, has always had the right to regulate the conduct of their employees in the context of their official duties

*"The restrictions that the Constitution places upon the government in its capacity as lawmaker, i.e., as the regulator of private conduct, are not the same as the restrictions that it places upon the government in its capacity as employer. We have recognized this in many contexts, with respect to many different constitutional guarantees. Private citizens perhaps cannot be prevented from wearing long hair, but policemen can. Kelley v. Johnson, 425 U.S. 238, 247 (1976). Private citizens cannot have their property searched without probable cause, but in many circumstances government employees can. O'Connor v. Ortega, 480 U.S. 709, 723 (1987) (plurality opinion);*



id., at 732 (SCALIA, J., concurring in judgment). Private citizens cannot be punished for refusing to provide the government information that may incriminate them, but government employees can be dismissed when the incriminating information that they refuse to provide relates to the performance of their job. *Gardner v. Broderick*, [497 U.S. 62, 95] 392 U.S. 273, 277 -278 (1968). With regard to freedom of speech in particular: Private citizens cannot be punished for speech of merely private concern, but government employees can be fired for that reason. *Connick v. Myers*, 461 U.S. 138, 147 (1983). Private citizens cannot be punished for partisan political activity, but federal and state employees can be dismissed and otherwise punished for that reason. *Public Workers v. Mitchell*, 330 U.S. 75, 101 (1947); *Civil Service Comm'n v. Letter Carriers*, 413 U.S. 548, 556 (1973); *Broadrick v. Oklahoma*, 413 U.S. 601, 616 -617 (1973).”  
[*Rutan v. Republican Party of Illinois*, 497 U.S. 62 (1990) ]

When the government is acting as an “employer” rather than a government, and paying workplace “benefits” to its “public employees”, it is engaging essentially in private business concerns and in that capacity, it:

1. Implicitly surrenders sovereign immunity and agrees to be subject to the same laws and regulations as everyone else. This is the foundation of the notion of “equal protection”, whereby all men, and all creations of men called “government”, are entitled to equal protection and equal treatment.

“No language is more worthy of frequent and thoughtful consideration than these words of Mr. Justice Matthews, speaking for this court, in *Yick Wo v. Hopkins*, 118 U.S. 356, 369, 6 S.Sup.Ct. 1064, 1071: ‘When we consider the nature and the theory of our institutions of government, the principles upon which they are supposed to rest, and review the history of their development, we are constrained to conclude that they do not mean to leave room for the play and action of purely personal and arbitrary power.’ The first official action of this nation declared the foundation of government in these words: ‘We hold these truths to be self-evident, [165 U.S. 150, 160] that all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness.’ While such declaration of principles may not have the force of organic law, or be made the basis of judicial decision as to the limits of right and duty, and while in all cases referenced must be had to the organic law of the nation for such limits, yet the latter is but the body and the letter of which the former is the thought and the spirit, and it is always safe to read the letter of the constitution in the spirit of the Declaration of Independence. No duty rests more imperatively upon the courts than the enforcement of those constitutional provisions intended to secure that equality of rights which is the foundation of free government.”  
[*Gulf, C. & S.F.R. Co. v. Ellis*, 165 U.S. 150 (1897)]

2. Comes down to the status of any other private business and not a government:

Moreover, if the dissent were correct that the sovereign acts doctrine permits the Government to abrogate its contractual commitments in “regulatory” cases even where it simply sought to avoid contracts it had come to regret, then the Government’s sovereign contracting power would be of very little use in this broad sphere of public activity. We rejected a virtually identical argument in *Perry v. United States*, 294 U.S. 330 (1935), in which Congress had passed a resolution regulating the payment of obligations in gold. We held that the law could not be applied to the Government’s own obligations, noting that “the right to make binding obligations is a competence attaching to sovereignty.” *Id.* at 353.

See also *Clearfield Trust Co. v. United States*, 318 U.S. 363, 369 (1943) (“The United States does business on business terms”) (quoting *United States v. National Exchange Bank of Baltimore*, 270 U.S. 527, 534 (1926)); *Perry v. United States*, *supra* at 352 (1935) (“When the United States, with constitutional authority, makes contracts, it has rights and incurs responsibilities similar to those of individuals who are parties to such instruments. There is no difference . . . except that the United States cannot be sued without its consent”) (citation omitted); *United States v. Bostwick*, 94 U.S. 53, 66 (1877) (“The United States, when they contract with their citizens, are controlled by the same laws that govern the citizen in that behalf”); *Cooke v. United States*, 91 U.S. 389, 398 (1875) (explaining that when the United States “comes down from its position of sovereignty, and enters the domain of commerce, it submits itself to the same laws that govern individuals there”).

See *Jones*, 1 Cl.Ct. at 85 (“Wherever the public and private acts of the government seem to commingle, a citizen or corporate body must by supposition be substituted in its place, and then the question be determined whether the action will lie against the supposed defendant”); *O’Neill v. United States*, 231 Ct.Cl. 823, 826 (1982) (sovereign acts doctrine applies where, “[w]here [the] contracts exclusively between private parties, the party hurt by such governing action could not claim compensation from the other party for the governing action”). The dissent ignores these statements (including the statement from *Jones*, from which case *Horowitz* drew its reasoning literally verbatim), when it says, post at 931, that the sovereign acts cases do not emphasize the need to treat the government-as-contractor the same as a private party.

Our Contract Clause cases have demonstrated a similar concern with governmental self-interest by recognizing that “complete deference to a legislative assessment of reasonableness and necessity is not appropriate because the State’s self-interest is at stake.” *United States Trust Co. of N.Y. v. New Jersey*, 431 U.S. 1, 26 (1977); see also *Energy Reserves Group, Inc. v. Kansas Power & Light Co.*, 459 U.S. 400, 412-413, and n. 14 (1983) (noting that a stricter level of scrutiny applies under the Contract Clause when a State alters its own contractual obligations);

cf. Perry, *supra* at 350-351 (drawing a "clear distinction" between Congress' power over private contracts and "the power of the Congress to alter or repudiate the substance of its own engagements").

The generality requirement will almost always be met where, as in *Deming*, the governmental action "bears upon [the government's contract] as it bears upon all similar contracts between citizens." *Deming v. United States*, 1 Ct.Cl. 190, 191 (1865). *Deming* is less helpful, however, in cases where, as here, the public contracts at issue have no obvious private analogs. [*United States v. Winstar Corp.*, 518 U.S. 839 (1996)]

### 3. When it borrows money, does so on the same terms as any other private business:

"What, then, is meant by the doctrine that contracts are made with reference to the taxing power resident in the State, and in subordination to it? Is it meant that when a person lends money to a State, or to a municipal division of the State having the power of taxation, there is in the contract a tacit reservation of a right in the debtor to raise contributions out of the money promised to be paid before payment? ***That cannot be, because if it could, the contract (in the language of Alexander Hamilton) would 'involve two contradictory things: an obligation to do, and a right not to do; an obligation to pay a certain sum, and a right to retain it in the shape of a tax. It is against the rules, both of law and of reason, to admit by implication in the construction of a contract a principle which goes in destruction of it.' The truth is, States and cities, when they borrow money and contract to repay it with interest, are not acting as sovereignties. They come down to the level of ordinary individuals. Their contracts have the same meaning as that of similar contracts between private persons. Hence, instead of there being in the undertaking of a State or city to pay, a reservation of a sovereign right to withhold payment, the contract should be regarded as an assurance that such a right will not be exercised. A promise to pay, with a reserved right to deny or change the effect of the promise, is an absurdity.***" [*Murray v. City of Charleston*, 96 U.S. 432 (1877)]

Because all government "benefits" are a product of private law and your right to contract, then they are subject to the same limitations as every other private individual. Namely:

1. Government may not compel persons to do business with it or to participate in government benefits or franchises. Thus, it may not compel participation in any of the following franchises:
  - 1.1. Domicile.
  - 1.2. Residence.
  - 1.3. Social Security.
  - 1.4. Medicare.
  - 1.5. Unemployment insurance.
  - 1.6. Federal income tax.
  - 1.7. State income tax.
2. Government may not call funds collected to support the program a "tax" if the benefits are paid to private individuals. Rather, they must call it "insurance" or "social insurance" and must emphasize that participation is voluntary and can be terminated at any time. This is the same requirement that private employers must abide by in offering employment benefits to their employees.
3. Government may not criminalize non-payment for the service or benefit. Like every other kind of commercial offering, payment can only lawfully be enforced in a civil and not criminal proceeding.
4. Government, like any other business, may not have a monopoly on any of the "benefits" it offers or outlaw competition from private industry in offering such a benefit. Monopolies, including government monopolies, are illegal under the Sherman Anti-Trust Act codified in [15 U.S.C. Chapter 1](#).

#### 23.10.4 "Benefits" defined

The term "benefit" is defined in the following statute.

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

Definitions.— For purposes of this section—

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

The two criteria to receive a "benefit" are:

1. The recipient must be an “Individual”, who is defined in 5 U.S.C. §552a(a)(2) as a “citizen of the United States or an alien lawfully admitted for permanent residence” who is domiciled on federal territory and not within any state of the Union.
2. The recipient must receive cash or in-kind assistance in the form of payments, grants, loans, or loan guarantees.

The above definition excludes Federal Reserve Notes as “cash, grants. Loans, or loan guarantees”, which are not lawful money, as we prove below:

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

Below is yet another definition from Black’s Law Dictionary:

**Benefit.** Advantage; profit; fruit; privilege; gain; interest. **The receiving** as the exchange for promise some performance or forbearance which promisor was not previously entitled to receive. *Graphic Arts Finishers, Inc. v. Boston Redevelopment Authority*, 357 Mass. 49, 255 N.E.2d. 793, 795. Benefits are something to advantage of, or profit to, recipient. *Cheltenham Tp. v. Cheltenham Tp. Police Dept.*, 11 Pa.Cmwlth. 348, 312 A.2d. 835, 838.

Financial assistance received in time of sickness, disability, unemployment, etc. either from insurance or public programs such as social security.

**Contracts.** When it is said that a valuable consideration for a promise may consist of a benefit to the promisor, “benefit” means that the promisor has, in return for his promise, acquired some legal right to which he would not otherwise have been entitled. *Woolum v. Sizemore*, 267 Ky. 384, 102 S.W.2d. 323, 324. “Benefits” of contract are advantages which result to either party from performance by other. *DeCarlo v. Geryco, Inc.*, 46 N.C.App. 15, 264 S.E.2d. 370, 375.

**Eminent domain.** It is a rule that, in assessing damages for private property taken or injured for public use, “special benefits” may be set off against the amount of damage found, but not “general benefits,” Within the meaning of this rule, general benefits are such as accrue to the community at large, to the vicinage, or to all property similarly situated with reference to the work or improvement in question; while special benefits are such as accrue directly and solely to the owner of the land in question and not to others.

As respects eminent domain law, “general benefits” are those which arise from the fulfillment of the public object which justified the taking, while “special benefits” are those which arise from the particular relation of the land in question to the public improvement. *Morehead v. State Dept. of Roads*, 195 Neb. 31, 236 N.W.2d. 623, 627. [Black’s Law Dictionary, Sixth Edition, p. 158]

The above meaning of the word “benefit” is vague and depends on which of the two parties to a franchise or prospective franchise is permitted to define it. There are many reasons why legislators might purposefully leave words undefined. Some of these reasons include the fact that they might want:

1. The definition to be subjective so as to replace a “society of law” with a “society of men”.
2. The jury and the judge, who are usually “benefit” recipients, to be subjectively in charge of defining it and to have the ability to COMPEL others to PRESUME that what is offered is in fact a “benefit”. This, however, causes a criminal violation of:
  - 2.1. 18 U.S.C. §208 on the part of the judge.
  - 2.2. 18 U.S.C. §201 in the case of the jurists, who are public officials.
3. To delegate to federal judges the authority to reach beyond the government’s constitutionally delegated power. Typically this is done by giving undue and excessive “policy” discretion to federal judges in order to convert a society of law into a society of men.
4. To politicize and compel the court to engage in public policy questions rather than legal questions and therefore violate the separation of powers doctrine. See:

Political Jurisdiction, Form #05.004  
<http://sedm.org/Forms/FormIndex.htm>

Any attempt to delegate arbitrary power to a judge represents slavery itself, according to the U.S. Supreme Court:

“When we consider the nature and the theory of our institutions of government, the principles upon which they are supposed\*370 to rest, and review the history of their development, we are constrained to conclude that they

do not mean to leave room for the play and action of purely personal and arbitrary power. Sovereignty itself is, of course, not subject to law, for it is the author and source of law; but in our system, while sovereign powers are delegated to the agencies of government, sovereignty itself remains with the people, by whom and for whom all government exists and acts. And the law is the definition and limitation of power. It is, indeed, quite true that there must always be lodged somewhere, and in some person or body, the authority of final decision; and in many cases of mere administration, the responsibility is purely political, no appeal lying except to the ultimate tribunal of the public judgment, exercised either in the pressure of opinion, or by means of the suffrage. But the fundamental rights to life, liberty, and the pursuit of happiness, considered as individual possessions, are secured by those maxims of constitutional law which are the monuments showing the victorious progress of the race in securing to men the blessings of civilization under the reign of just and equal laws, so that, in the famous language of the Massachusetts bill of rights, the government of the commonwealth 'may be a government of laws and not of men.' For the very idea that one man may be compelled to hold his life, or the means of living, or any material right essential to the enjoyment of life, at the mere will of another, seems to be intolerable in any country where freedom prevails, as being the essence of slavery itself." [Yick Wo v. Hopkins, 118 U.S. 356, 6 S.Ct. 1064 (U.S. 1886)]

If the word "benefit" is not defined within the context of the specific franchise you are accused of violating, then the word is what the legal profession calls "void for vagueness", thus rendering it a violation of due process of law and a tort to prosecute anyone for a crime involving receipt of "benefits":

*That the terms of a penal statute creating a new offense must be sufficiently explicit to inform those who are subject to it what conduct on their part will render them liable to its penalties is a well-recognized requirement, consonant alike with ordinary notions of fair play and the settled rules of law; and a statute which either forbids or requires the doing of an act in terms so vague that men of common intelligence must necessarily guess at its meaning and differ as to its application violates the first essential of due process of law. International Harvester Co. v. Kentucky, 234 U.S. 216, 221, 34 S.Ct. 853; Collins v. Kentucky, 234 U.S. 634, 638, 34 S.Ct. 924*

...  
... The dividing line between what is lawful and unlawful cannot be left to conjecture. The citizen cannot be held to answer charges based upon penal statutes whose mandates are so uncertain that they will reasonably admit of different constructions. A criminal statute cannot rest upon an uncertain foundation. The crime, and the elements constituting it, must be so clearly expressed that the ordinary person can intelligently choose, in advance, what course it is lawful for him to pursue. Penal statutes prohibiting the doing of certain things, and providing a punishment for their violation, should not admit of such a double meaning that the citizen may act upon the one conception of its requirements and the courts upon another.' [Connally vs. General Construction Co., 269 U.S. 385 (1926)]

How can we prove that a statute is vague in court? That's easy: Conduct a poll and ask people who don't receive the benefit on the jury and who therefore do not have a criminal conflict of interest what a "benefit" is and whether they regard the benefit at issue in the case as a "consideration" based on the content of this section. If there is any variation among the persons polled and if their answers are not entirely consistent, then the law is void for vagueness.

Absent a clear, unambiguous, objective definition of the word "benefit", any crime or prosecution based on its definition is required to give the defendant the benefit of the doubt under a practice called the "rule of lenity":

*This expansive construction of § 666(b) is, at the very least, inconsistent with the rule of lenity -- which the Court does not discuss. This principle requires that, to the extent that there is any ambiguity in the term "benefits," we should resolve that ambiguity in favor of the defendant. See United States v. Bass, 404 U.S. 336, 347 (1971) ("In various ways over the years, we have stated that, when choice has to be made between two readings of what conduct Congress has made a crime, it is appropriate, before we choose the harsher alternative, to require that Congress should have spoken in language that is clear and definite" (internal quotation marks omitted)).* [Fischer v. United States, 529 U.S. 667 (2000)]

*"When Congress leaves to the Judiciary the task of imputing to Congress an undeclared will, the ambiguity should be resolved in favor of lenity. And this not out of any sentimental consideration, or for want of sympathy with the purpose of Congress in proscribing evil or antisocial conduct. It may fairly be said to be a presupposition of our law to resolve doubts . . . against the imposition of a harsher punishment."* [Bell v. United States, 349 U.S. 81, 83 (1955)]

If the defendant in a criminal trial involving "benefits" is a Christian, it is also important to point out that the Bible forbids us to regard anything that is offered by the government as a "benefit". Anyone who compels you to regard what the government offers as a benefit is therefore compelling you to violate your religious beliefs and violate the First Amendment:

1 "Behold, the nations [and governments and politicians of the nations] are as a drop in the bucket, and are  
2 counted as the small dust on the scales."  
3 [Isaiah 40:15, Bible, NKJV]

4 "All the inhabitants of the earth are reputed as nothing; He does according to His will in the army of heaven  
5 And among the inhabitants of the earth. No one can restrain His hand Or say to Him, 'What have You done?'"  
6 [Daniel 4:35, Bible, NKJV]

7 "All nations [and governments] before Him [God] are as nothing, and they are counted by Him less than  
8 nothing and worthless."  
9 [Isaiah 40:17, Bible, NKJV]

10 "He [God] brings the princes [and Kings and Presidents] to nothing; He makes the judges of the earth useless."  
11 [Isaiah 40:23, Bible, NKJV]

12 "Indeed they [the governments and the men who make them up in relation to God] are all worthless; their  
13 works are nothing; their molded images [and their bureaus and agencies and usurious "codes" that are not  
14 law] are wind [and vanity] and confusion."  
15 [Isaiah 41:29, Bible, NKJV]

16 Understanding the meaning of the word "benefit", however, is hugely important because:

- 17 1. The definition of the term becomes the metric for whether sufficient "consideration" was rendered by both parties to the
- 18 contract or franchise so as to make the contract or agreement binding on both of them.
- 19 2. Receipt of "benefit" is the basis for criminally prosecuting those participating in federal franchises who don't "pay their
- 20 fair share".
- 21 3. The person granted authority to define the word in any legal contest will always win, which will end up being the judge
- 22 if you don't define it on the government form that administers the franchise you are either involved in or accused of
- 23 being involved in.

24 Since the word can and often is very deliberately and purposefully not legislatively defined, it is therefore our job whenever  
25 we submit a government form to identify that we are the only ones who can define it and then to define it unambiguously so  
26 that silver tongued judges, government prosecutors, and other vermin cannot later invent a unilateral definition that we  
27 disagree with and which ultimately will advantage and benefit them at your expense. This approach, in fact, was taken into  
28 account in the following form on our website which we religiously attach to all government tax forms we are compelled to  
29 submit:

<u>Tax Form Attachment, Form #04.201</u> <a href="http://sedm.org/Forms/FormIndex.htm">http://sedm.org/Forms/FormIndex.htm</a>
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30 The definition of the word "benefit" that provides the most protection for your rights is the following:

31 "Benefit: Advantage; profit; fruit; gain; interest associated with a specific transaction which conveys a right or  
32 property interest which:

- 33 1. Is not dispensed by an administrative agency of any state or federal government, but by a private individual.
- 34 2. Does not require the recipient to be an officer, agent, employee, or "personnel" within any government.
- 35 3. Is not called a "tax" or collected by the Internal Revenue Service, but is clearly identified as "private
- 36 business activity beyond the core purposes of government".
- 37 4. Does not confer upon the grantor any form of sovereign, official, or judicial immunity.
- 38 5. Is legally enforceable in OTHER than a franchise court or administrative agency. That is, may be heard in
- 39 equity within a true, Article III constitutional court and NOT a legislative franchise court.
- 40 6. True constitutional courts are provided in which to litigate disputes arising under the benefit and those with
- 41 said disputes are not required to exhaust administrative remedies with an executive branch agency BEFORE
- 42 they may litigate. These constitutional courts are required to produce evidence that they are constitutional
- 43 courts with OTHER than strictly legislative franchise powers when challenged by the recipients of said
- 44 benefits.
- 45 7. The specific value of the consideration can be quantified at any time.
- 46 8. Monies paid in by the recipient to subsidize the program are entirely refundable if the benefits they pay for
- 47 have not been received or employed either partially or in full.
- 48 9. A person who dies and never collects a benefit is refunded ALL of the monies they paid in.
- 49 10. Participation in the program is not also attached to any other government program. For instance, being a
- 50 recipient of "social insurance" does not also make the recipient liable for unrelated or other federal taxes.



11. The term "benefit" must be defined in the franchise agreement that dispenses it, and its definition may not be left to the subjective whims of any judge or jury.
12. If the "benefit" is financial, then it is paid in lawful money rather than Federal Reserve Notes, which are non interest bearing promissory notes that are not lawful money and are backed by nothing.
13. The franchise must expressly state that participation is voluntary and that no one can be prosecuted or punished for failure to participate.
14. The identifying numbers, if any, that administer the program may not be used for identification and may not be shared with or used by any nongovernmental entity other than the recipient him or her self.
15. May not be heard by any judge, jurist, or prosecutor who is a recipient or beneficiary of the same benefit, because this would cause a conflict of interest in violation of 18 U.S.C. §208, 28 U.S.C. §144, and 28 U.S.C. §455.
16. During any litigation that involving the "benefit", both the grantor and the grantee share equal obligation to prove that equally valuable consideration was provided to the other party. Note that Federal Reserve Notes do not constitute lawful money or therefore consideration.

Anything offered by the government that does not meet ALL of the above criteria is herein defined as an INJURY and a TORT. Compelled participation is stipulated by both parties as being slavery in criminal violation of 18 U.S.C. §1583, 42 U.S.C. §1994, and the Thirteenth Amendment.

Receipt of the attached government application constitutes consent by the recipient of the application to use the above definition of "benefit" in any disputes that might arise over this transaction. Government recipient and its agents, employees, and assigns forfeit their right as private individuals acting in any government office to define the term "benefit" and agree to use ONLY the above definition.

The above definition is intended to prevent the creation of a state sponsored religion or fantasy in which people may be fooled into believing that they receive anything of value from the government:

"BELIEF. A conviction of the truth of a proposition, existing subjectively in the mind, and induced by argument, persuasion [GOVERNMENT LIES, PROPAGANDA], or proof addressed to the judgment. Keller v. State, 102 Ga. 506, 31 S.E. 92. Latrobe v. J. H. Cross Co., D.C.Pa., 29 F.2d. 210, 212. A conclusion arrived at from external sources after weighing probability. Ex parte State ex rel. Attorney General, 100 So. 312, 313, 211 Ala. 1.

Conviction of the mind, arising not from actual perception or knowledge, but by way of inference, or from evidence received or information derived from others.

A conviction of the truth of a given proposition or an alleged fact resting upon grounds insufficient to constitute positive knowledge. Boone v. Merchants' & Farmers' Bank, D.C.N.C.. 285 F. 183. 191.

With regard to things which make not a very deep impression on the memory, it may be called "belief." "Knowledge" is nothing more than a man's firm belief. The difference is ordinarily merely in the degree; to be judged of by the court, when addressed to the court; by the jury, when addressed to the jury. Hatch v. Carpenter, 9 Gray (Mass.) 274.

Knowledge is an assurance of a fact or proposition founded on perception by the senses, or intuition; while "belief" is an assurance gained by evidence, and from other persons. Brooks v. Sessoms, 47 Ga.App. 554, 171 S.E. 222, 224. "Suspicion" is weaker than "belief." since suspicion requires no real foundation for its existence. while "belief" is necessarily based on at least assumed facts. Pen. Code. Ci 836, subd. 3. Cook v. Singer Sewing Mach. Co., 32 P.2d. 430, 431, 138 Cal.App. 418. "  
[Black's Law Dictionary, Fourth Edition, p. 197]

If you submit a government form with the above Tax Form Attachment, Form #04.201 and the application is rejected, this is a great way to prove to anyone who was trying to force you to participate that you weren't eligible! Hurt me! It is a maxim of law that any act which is compelled is not YOUR act, and that the law cannot require an impossibility, which means that no one can require you to obtain or punish you for failure to obtain that which the government won't issue you or which you can prove you aren't even legally qualified to obtain. For an example of this phenomenon, see:

1. Why You Aren't Eligible for Social Security, Form #06.001  
<http://sedm.org/Forms/FormIndex.htm>
2. Why It is Illegal for Me to Request or Use a "Taxpayer Identification Number", Form #04.205  
<http://sedm.org/Forms/FormIndex.htm>

## 23.11 How franchises are used to destroy equal protection that is the foundation of the Constitution and all free government

The foundation of all free governments is equal protection. We have published an entire memorandum of law on the subject of equal protection on our website below, because it is such an important subject:

[Requirement for Equal Protection and Equal Treatment](http://sedm.org/Forms/FormIndex.htm), Form #05.033  
<http://sedm.org/Forms/FormIndex.htm>

The U.S. Supreme Court agreed with the above assertion and emphasized that preserving equal protection is the most important priority of the courts when it said:

*"The equal protection demanded by the fourteenth amendment forbids this. No language is more worthy of frequent and thoughtful consideration than these words of Mr. Justice Matthews, speaking for this court, in Yick Wo v. Hopkins, 118 U.S. 356, 369, 6 S.Sup.Ct. 1064, 1071: 'When we consider the nature and the theory of our institutions of government, the principles upon which they are supposed to rest, and review the history of their development, we are constrained to conclude that they do not mean to leave room for the play and action of purely personal and arbitrary power.' The first official action of this nation declared the foundation of government in these words: 'We hold these truths to be self-evident, 165 U.S. 150, 160] that all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness.' While such declaration of principles may not have the force of organic law, or be made the basis of judicial decision as to the limits of right and duty, and while in all cases reference must be had to the organic law of the nation for such limits, yet the latter is but the body and the letter of which the former is the thought and the spirit, and it is always safe to read the letter of the constitution in the spirit of the Declaration of Independence. No duty rests more imperatively upon the courts than the enforcement of those constitutional provisions intended to secure that equality of rights which is the foundation of free government."*  
[Gulf, C. & S.F.R. Co. v. Ellis, 165 U.S. 150 (1897) ]

Therefore, any attempt to destroy equal protection is a direct assault on our rights and our freedom as persons protected by the Constitution and the Bill of Rights. Ironically, the very purpose of franchises is to replace equal protection with privileges, partiality, favoritism, and hypocrisy, and to make the entity granting the franchise unequal in relation to those it offers the franchise to. All government franchises inevitably result in making the government into a "parens patriae", king, or "parent" and cause those who partake of the benefits of the franchise to become "persons under legal disability".<sup>288</sup> To wit:

FRANCHISE. A special privilege conferred by government on individual or corporation, and which does not belong to citizens of country generally of common right. Elliott v. City of Eugene, 135 Or. 108, 294 P. 358, 360. In England it is defined to be a royal privilege in the hands of a subject.

A "franchise," as used by Blackstone in defining quo warranto, (3 Com. 262 [4th Am. Ed.] 322), had reference to a royal privilege or branch of the king's prerogative subsisting in the hands of the subject, and must arise from the king's grant, or be held by prescription, but today we understand a franchise to be some special privilege conferred by government on an individual, natural or artificial, which is not enjoyed by its citizens in general. State v. Fernandez, 106 Fla. 779, 143 So. 638, 639, 86 A.L.R. 240.

In this country a franchise is a privilege or immunity of a public nature, which cannot be legally exercised without legislative grant. To be a corporation is a franchise. The various powers conferred on corporations are franchises. The execution of a policy of insurance by an insurance company [e.g. Social Insurance/Socialist Security], and the issuing of a bank note by an incorporated bank [such as a Federal Reserve NOTE], are franchises. People v. Utica Ins. Co., 15 Johns. (N.Y.) 387, 8 Am.Dec. 243. But it does not embrace the property acquired by the exercise of the franchise. Bridgeport v. New York & N.H. R. Co., 36 Conn. 255, 4 Am.Rep. 63. Nor involve interest in land acquired by grantee. Whitbeck v. Funk, 140 Or. 70, 12 P.2d. 1019, 1020. In a popular sense, the political rights of subjects and citizens are franchises, such as the right of suffrage. etc.

<sup>288</sup> For instance, American Jurisprudence Legal Encyclopedia, 2d Edition says of those participating in the "public office" franchise the following:

"Furthermore, the view has been expressed that all public officers, within whatever branch and whatever level of government, and whatever be their private vocations, are trustees of the people, and accordingly labor under every disability and prohibition imposed by law upon trustees relative to the making of personal financial gain from a discharge of their trusts. That is, a public officer occupies a fiduciary relationship to the political entity on whose behalf he or she serves. and owes a fiduciary duty to the public. It has been said that the fiduciary responsibilities of a public officer cannot be less than those of a private individual. Furthermore, it has been stated that any enterprise undertaken by the public official which tends to weaken public confidence and undermine the sense of security for individual rights is against public policy."

[63C American Jurisprudence 2d, Public Officers and Employees, §247 (1999)]

*Pierce v. Emery*, 32 N.H. 484; *State v. Black Diamond Co.*, 97 Ohio.St. 24, 119 N.E. 195, 199, L.R.A.1918E, 352.  
[Black's Law Dictionary, Fourth Edition, pp. 786-787]

Note based on the definition above the following language, which implies that those who participate are UNEQUAL in relation to common citizens:

"A special privilege conferred by government on individual or corporation, and which does not belong to citizens of country generally of common right." *Elliott v. City of Eugene*, 135 Or. 108, 294 P. 358, 360. "

[. . .]

"today we understand a franchise to be some special privilege conferred by government on an individual, natural or artificial, which is not enjoyed by its citizens in general." *State v. Fernandez*, 106 Fla. 779, 143 So. 638, 639, 86 A.L.R. 240."

[Black's Law Dictionary, Fourth Edition, pp. 786-787]

Participating in franchises is therefore the way that we become a "subject" and nominate a "king" or "parens patriae" to be above us:

"A "franchise," as used by Blackstone in defining *quo warranto*, (3 Com. 262 [4th Am. Ed.] 322), had reference to a royal privilege or branch of the king's prerogative subsisting in the hands of the subject, and must arise from the king's grant, or be held by prescription,"

[Black's Law Dictionary, Fourth Edition, pp. 786-787]

Franchises are therefore the vehicle of choice that governments use to maliciously destroy and undermine the legal obligation they would otherwise have to deliver equal protection and equal treatment to all. In that sense, equal protection on the one hand and franchises on the other are opposites, cannot coexist, and undermine each other. There can be no equal protection where there are franchises or privileges granted to only a select few, and there can be no franchises where pure equality reigns among all. This subject is covered in detail starting later in section 27.

The Constitutional requirement for equal protection found in the Section 1 of the Fourteenth Amendment and Article 4, Section 2, Clause 1 is heart of the United States Constitution. The requirement for equal protection is the reason why, for instance:

1. Persons domiciled within states of the Union are considered "nonresident aliens" as defined in [26 U.S.C. §7701\(b\)\(1\)\(B\)](#). Everything that happens on federal territory is a franchise and a privilege, and there is no equal protection there. Consequently, persons domiciled in states of the Union would be denied equal protection to even be subject to federal statutory law.
2. There is no federal common law within states of the Union. Everything that happens on federal territory is a franchise and a privilege and there is no equal protection there. It would be unjust to impose the edicts of this totalitarian socialist democracy against persons who have rights and are protected by the Federal Constitution.

"There is no Federal Common Law, and Congress has no power to declare substantive rules of Common Law applicable in a state. Whether they be local or general in their nature, be they commercial law or a part of the Law of Torts"

[*Erie Railroad v. Tompkins*, 304 U.S. 64 (1938)]

3. Persons domiciled in states of the Union pay a flat 30% tax rate as mandated by Article 1, Section 8, Clause 1 and [26 U.S.C. §871](#) (a) instead of the graduated, discriminatory tax found in [26 U.S.C. §1](#). Making everyone domiciled in states of the Union pay the same percentage excise tax is the only way for persons protected by the Constitution to not be subject to a discriminatory, unequal taxing measure or penalty imposed based on their degree of wealth.

*United States Constitution*  
*Article 1, Section 8, Clause 1*

*The Congress shall have Power To lay and collect Taxes, Duties, Imposts and Excises, to pay the Debts and provide for the common Defence and general Welfare of the United States; but all Duties, Imposts and Excises shall be uniform throughout the United States;*

Given all the above, any public servant who offers franchises to persons domiciled in states of the Union who are protected by the Constitution or the Bill of Rights is therefore engaged in a criminal conspiracy to destroy equal protection and deprive you of Constitutional rights by the following means:

1. Attempting to destroy equal protection that is the foundation of the Declaration of Independence and the United States Constitution. They are replacing “equal protection” with unequal privilege.
2. Attempting to make you into a “subject” instead of a sovereign and cause you to waive sovereign immunity pursuant to [28 U.S.C. §1605\(a\)](#).
3. Trying to assimilate you into the federal corporation called “government” as a “public officer”, an officer of a federal corporation, and a fellow coworker. See section 23.1 earlier.
4. Trying to bribe you with moneys that were stolen from others who also did not want to participate in government franchises and wouldn’t sign up if offered an informed choice.
5. Conspiring to undermine, waive, and destroy your constitutional rights that they as a public servant took an oath to protect and defend.
6. Seeking to impose upon you the legal disabilities associated with participating in the franchise:

*“The Government urges that the Power Company is estopped to question the validity of the Act creating the Tennessee Valley Authority, and hence that the stockholders, suing in the right of the corporation, cannot [297 U.S. 323] maintain this suit. .... The principle is invoked that one who accepts the benefit of a statute cannot be heard to question its constitutionality. Great Falls Manufacturing Co. v. Attorney General, 124 U.S. 581; Wall v. Parrot Silver & Copper Co., 244 U.S. 407; St. Louis Casting Co. v. Prendergast Construction Co., 260 U.S. 469.”*

*[Ashwander v. Tennessee Valley Auth., 297 U.S. 288 (1936)]*

7. Seeking to deprive you of a remedy to seek redress of grievances or protection of your constitutional rights in other than a “franchise court”.

*“These general rules are well settled: (1) That the United States, when it creates rights in individuals against itself [a “public right”, which is a euphemism for a “franchise” to help the court disguise the nature of the transaction], is under no obligation to provide a remedy through the courts. United States ex rel. Dunlap v. Black, 128 U.S. 40, 9 Sup.Ct. 12, 32 L.Ed. 354; Ex parte Atocha, 17 Wall. 439, 21 L.Ed. 696; Gordon v. United States, 7 Wall. 188, 195, 19 L.Ed. 35; De Groot v. United States, 5 Wall. 419, 431, 433, 18 L.Ed. 700; Comegys v. Vasse, 1 Pet. 193, 212, 7 L.Ed. 108. That where a statute creates a right and provides a special remedy, that remedy is exclusive. Wilder Manufacturing Co. v. Corn Products Co., 236 U.S. 165, 174, 175, 35 Sup.Ct. 398, 59 L.Ed. 520, Ann.Cas. 1916A, 118; Armon v. Murphy, 109 U.S. 238, 3 Sup.Ct. 184, 27 L.Ed. 920; Barnet v. National Bank, 98 U.S. 555, 558, 25 L.Ed. 212; Farmers’ & Mechanics’ National Bank v. Dearing, 91 U.S. 29, 35, 23 L.Ed. 196. Still the fact that the right and the remedy are thus intertwined might not, if the provision stood alone, require U.S. to hold that the remedy expressly given excludes a right of review by the Court of Claims, where the decision of the special tribunal involved no disputed question of fact and the denial of compensation was rested wholly upon the construction of the act. See Medbury v. United States, 173 U.S. 492, 198, 19 Sup.Ct. 503, 43 L.Ed. 779; Parish v. MacVeagh, 214 U.S. 124, 29 Sup.Ct. 556, 53 L.Ed. 936; McLean v. United States, 226 U.S. 374, 33 Sup.Ct. 122, 57 L.Ed. 260; United States v. Laughlin (No. 200), 249 U.S. 440, 39 Sup.Ct. 340, 63 L.Ed. 696, decided April 14, 1919.*

*[U.S. v. Babcock, 250 U.S. 328, 39 S.Ct. 464 (1919)]*

*The appellant poses the following questions: (1) Does the superior court have jurisdiction to review an administrative decision of the Department of Public Welfare? (2) Are extraordinary writs available to review such administrative decisions? (3) Is [A.R.S. s 12-902, subsec. A](#) unconstitutional?*

*[A.R.S. s 12-901](#) et seq., provide for judicial review of ‘a final decision of an administrative agency.’ However, decisions of the State Department of Public Welfare are specifically expected therefrom. [A.R.S. s 12-902, subsec. A](#). Judicial review of administrative decisions is not a matter of right except when authorized by law. Roer v. Superior Court, 4 Ariz.App. 46, 417 P.2d. 559 (1966) and cases cited therein. In view of the exception of the State Department of Public Welfare from the Judicial Review Act, the appellant had no Right of review thereunder. Bennett v. Arizona State Board of Public Welfare, 95 Ariz. 170, 172, 388 P.2d. 166 (1963). Nor does the Act creating that administrative agency or any other Act provide for judicial review of its decisions. There being \*338 \*\*242 no ‘positive enactment of law’, Roen, supra, the appellant had no Right to judicial review of the welfare agency’s denial of Old Age Assistance. The trial court apparently concluded, and correctly so, that judicial review was foreclosed.*

*[...]*

The State has no common law or constitutional duty to support its poor [e.g. Social Security]. Division of Aid for the Aged, etc., v. Hogan, 143 Ohio.St. 186, 54 N.E.2d. 781 (1944); Beck v. Buena Park Hotel Corp., 30 Ill.2d. 343, 196 N.E.2d. 686 (1964). Aid to needy persons is solely a matter of statutory enactment. In re O'Donnell's Estate, 253 Iowa 607, 113 N.W.2d. 246 (1962); Williams v. Shapiro, 4 Conn.Cir. 449, 234 A.2d. 376 (1967).

Pension and relief programs not involving contributions to specific funds by the actual or prospective beneficiaries provide only a voluntary bounty. Senior Citizens League v. Dept. of Social Security, 38 Wash.2d. 142, 228 P.2d. 478 (1951). Recipients or applicants have no inherent or vested right in the public assistance they are receiving or desire to receive. 16 C.J.S. Constitutional Law s 245; Senior Citizens League v. Dept. of Social Security, supra; Smith v. King, 277 F.Supp. 31 (M.D.Ala.1967), probable jurisdiction noted, 390 U.S. 903, 88 S.Ct. 821, 19 L.Ed.2d. 869; see also, Flemming v. Nestor, 363 U.S. 603, 80 S.Ct. 1367, 4 L.Ed.2d. 1435 (1960). The term 'property' as used in the due process clause refers to vested rights. It has no reference to mere concessions or privileges which a State may control and bestow or withhold at will. Senior Citizens League v. Dept. of Social Security, supra; 16A C.J.S. Constitutional Law s 599 c.<sup>289</sup>

Appellant appears to take the position that a Right of appeal is essential to due process of law. Due process is not necessarily judicial process, Reetz v. People of State of Michigan, 188 U.S. 505, 23 S.Ct. 390, 47 L.Ed. 563 (1903), and a Right of appeal is not essential to due process of law. Inland Navigation Co. v. Chambers, 202 Or. 339, 274 P.2d. 104 (1954); Board of Education, etc. v. County Board of School Trustees, 28 Ill.2d. 15, 191 N.E.2d. 65 (1963); In re Durant Community School District, 252 Iowa 237, 106 N.W.2d. 670 (1960); Commonwealth, Dept. of Highways v. Fister, 376 S.W.2d. 543 (Ky. 1964); Weiner v. State Dept. of Roads, 179 Neb. 297, 137 N.W.2d. 852 (1965); Real Estate Commission v. McLemore, 202 Tenn. 540, 306 S.W.2d. 683 (1957); Beck v. Missouri Valley Drainage District of Holt County, 46 F.2d. 632, 84 A.L.R. 1089 (8th Cir. 1931); Reetz v. People of State of Michigan, supra.

Appellant argues that, notwithstanding welfare benefits are more gratuities, access to the courts via a Right of appeal is a constitutional requisite. We do not agree. Welfare benefits are grants by the legislature which has delegated to the Department of Public Welfare the power to determine the recipients of such grants. Under such circumstances, i.e., when the state creates rights in individuals against itself, it is not bound to provide a remedy in the courts and may withhold all remedy or it may provide an administrative remedy and make it exclusive, however mistaken its exercise. Dismuke v. United States, 297 U.S. 167, 56 S.Ct. 400, 80 L.Ed. 561 (1936); United States v. Babcock, 250 U.S. 328, 39 S.Ct. 464, 63 L.Ed. 1011 (1919); Blanc v. United States, 140 F.Supp. 481 (E.D.N.Y.1956).

We are cognizant of the recent decisions which require that a state, having undertaken to provide a statutory program of assistance, must do so in conformity with constitutional mandates. See, \*340 \*\*244 Thompson v. Shapiro, 270 F.Supp. 331 (Conn.1967); Green v. Dept. of Public Welfare of the State of Delaware, 270 F.Supp. 173 (Del.1967); Smith v. Reynolds, 277 F.Supp. 65 (E.D.Pa.1967), probable jurisdiction noted, 390 U.S. 940, 88 S.Ct. 1054, 19 L.Ed.2d. 1129; Smith v. King, supra; Harrell v. Tobriner, 279 F.Supp. 22 (D.C.1967), probable jurisdiction noted, 390 U.S. 940, 88 S.Ct. 1053, 19 L.Ed.2d. 1129. However, in each of these cases, a constitutional infirmity was found to exist because the statutory scheme for determining eligibility for benefits was predicated upon an arbitrary classification. These decisions are therefore inapposite here where no attack is directed to the constitutionality of the statutory program of assistance.

[Allen v. Graham, 446 P.2d. 240, 243. (Ct. App. Ariz. 1968)]

8. Appoint himself or herself as a king or "parens patriae" to administratively supervise your activities and your private life as a "franchisee".

"The proposition is that the United States, as the grantor of the franchises of the company, the author of its charter, and the donor of lands, rights, and privileges of immense value, and as parens patriae, is a trustee, invested with power to enforce the proper use of the property and franchises granted for the benefit of the public."  
[U.S. v. Union Pac. R. Co., 98 U.S. 569 (1878)]

PARENS PATRIAE. Father of his country; parent of the country. In England, the king. In the United States, the state, as a sovereign referring to the sovereign power of guardianship over persons under disability; In re Turner, 94 Kan. 115, 145 P. 871, 872, Ann.Cas.1916E, 1022; such as minors, and insane and incompetent persons; McIntosh v. Dill, 86 Okl. 1, 205 P. 917, 925.  
[Black's Law Dictionary, Sixth Edition, p. 1269]

<sup>289</sup> FN3. In the case of Flemming v. Nestor, 363 U.S. 603, 80 S.Ct. 1367 (1960), the Supreme Court of the United States declined to engraft upon the Social Security system a concept of 'accrued property rights'. A person covered by the Social Security Act was not considered to have such a 'right' in benefit payments as would make every defeasance of 'accrued' interest violative of the due process clause of the Fifth Amendment.



9. Entering the private market for goods and services and lowering themselves to the level of ordinary private persons who are contracting with other private persons such as yourself. In that capacity, they implicitly surrender sovereign immunity and must compete on equal terms with every other private corporation that offers or could offer the same service:
- 9.1. *Clearfield Trust Co. v. United States*, 318 U.S. 363, 369 (1943) ("The United States does business on business terms") (quoting *United States v. National Exchange Bank of Baltimore*, 270 U.S. 527, 534 (1926))
- 9.2. *Perry v. United States*, supra at 352 (1935) ("When the United States, with constitutional authority, makes contracts, it has rights and incurs responsibilities similar to those of individuals who are parties to such instruments. There is no difference . . . except that the United States cannot be sued without its consent") (citation omitted);
- 9.3. *United States v. Bostwick*, 94 U.S. 53, 66 (1877) ("The United States, when they contract with their citizens, are controlled by the same laws that govern the citizen in that behalf");
- 9.4. *Cooke v. United States*, 91 U.S. 389, 398 (1875) (explaining that when the United States "comes down from its position of sovereignty, and enters the domain of commerce, it submits itself to the same laws that govern individuals there").
- 9.5. *Jones*, 1 Cl.Ct. at 85 ("Wherever the public and private acts of the government seem to commingle, a citizen or corporate body must by supposition be substituted in its place, and then the question be determined whether the action will lie against the supposed defendant");
- 9.6. *O'Neill v. United States*, 231 Ct.Cl. 823, 826 (1982) (sovereign acts doctrine applies where, "[w]here [the] contracts exclusively between private parties, the party hurt by such governing action could not claim compensation from the other party for the governing action").
10. Attempting to destroy the separation of powers between the states and the federal government. The federal government is not supposed to be invading states of the Union and entering the private marketplace of goods and "social insurance services" in order to enslave all the persons domiciled therein. Worst yet, they are not empowered to deceive the American public by calling the fees for these services "taxes". Rather, they are simply private insurance premiums and their payment cannot be criminalized like nonpayment of "taxes" can.
11. Violating the Constitutional requirement to protect and defend the sovereign states of the Union and the sovereign people in them from invasion or subjugation:

*United States Constitution*  
*Article IV, Section 4*

*The United States shall guarantee to every State in this Union a Republican Form of Government, and shall protect each of them against Invasion; and on Application of the Legislature, or of the Executive (when the Legislature cannot be convened) against domestic Violence.*

We as Americans must be vigilant in defending our God given rights by avoiding franchises and continually reminding ourselves of why they are used, and the criminal purposes that they usually are put to by our public servants as described above.

## **23.12 Hiding Methods to Terminate Participation in the Franchise**

As long as a franchisee is in the position of being able to receive "benefits" under the terms of the franchise agreement, he is subject to its provisions, even if he or she in fact does not receive any benefits or consideration. This was alluded to by the U.S. Supreme Court when it said:

*"The Government urges that the Power Company is estopped to question the validity of the Act creating the Tennessee Valley Authority, and hence that the stockholders, suing in the right of the corporation, cannot [297 U.S. 323] maintain this suit. .... The principle is invoked that one who accepts the benefit of a statute cannot be heard to question its constitutionality. Great Falls Manufacturing Co. v. Attorney General, 124 U.S. 581; Wall v. Parrot Silver & Copper Co., 244 U.S. 407; St. Louis Casting Co. v. Prendergast Construction Co., 260 U.S. 469."*  
*[Ashwander v. Tennessee Valley Auth., 297 U.S. 288 (1936)]*

Governments, being keenly aware of the above, will go out of their way to eliminate or hide all methods of terminating participation in franchises in an attempt to perpetuate their ability to enforce the terms of the franchise agreement against those who do not wish to participate. This is clearly a criminal abuse of the voluntary nature of participation in franchises and indirectly results in the equivalent of criminal slavery against those who do not wish to participate and who refuse to receive any benefits, in violation of the Thirteenth Amendment, 42 U.S.C. §1994, and 18 U.S.C. §1583. The end result of this slavery is "peonage", which is surety as a slave to pay off an endless public debt:

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

16       Let's give you an example of the most prevalent franchise, which is Social Security, to show how the Social Security  
17       Administration (S.S.A.) and its twin sister, the Internal Revenue Service, maliciously interfere with the ability to terminate  
18       participation in Social Security and to discontinue using the de facto license numbers associated with participation:

- 19       1. If you visit your local Social Security Administration (S.S.A.) office and request instructions on how to terminate  
20       participation, they will LIE to you by telling you that you can't. Not only will they lie to you, but in our case, they had  
21       us escorted out of the office in front of a long line of other people there and told us we could not come back into the  
22       office.
- 23       2. If you call the Social Security 800 number and ask them how to terminate participation, they will LIE to you by telling  
24       you that you can't.
- 25       3. When you submit the proper forms to terminate Social Security Participation, the Social Security Administration (S.S.A.)  
26       will try to deceive you and say that is not the correct procedure and refuse to provide the correct procedure. You  
27       practically have to show them the procedure in their own Social Security Program Operations Manual System (P.O.M.S.)  
28       in order for them to quit arguing with you.
- 29       4. The Social Security Website does not contain consumer instructions on how to specifically terminate participation in  
30       Social Security.
  - 31       4.1. They have a generic SSA Form SSA-521 called "Request for Withdrawal of Application". See:  
32       [http://sedm.org/Forms/06-AvoidingFranch/ssa\\_521.pdf](http://sedm.org/Forms/06-AvoidingFranch/ssa_521.pdf)
  - 33       4.2. The SSA Form SSA-521 does not mention Social Security or any other franchise offered by SSA.
  - 34       4.3. Unlike all the other forms offered by SSA on their website, there are no published consumer instructions.
  - 35       4.4. The Social Security Program Operations Manual System (P.O.M.S.) provides deliberately vague instructions on  
36       how to process the form but no instructions on how to fill it out or how to terminate Social Security participation  
37       with it. See:  
38       <https://secure.ssa.gov/apps10/>
- 39       5. When employers submit IRS Forms W-2 and W-3 to the IRS without Taxpayer Identification Numbers, the IRS rejects  
40       ALL forms submitted in the batch, including those that have valid numbers. They do this as a punishment against those  
41       who allow people to work for private employers that do not have federal identifying numbers and do not want to be  
42       compelled to get them. After your IRS Forms W-2 and W-3 are rejected and you call them to explain that Social Security  
43       Numbers are NOT "Taxpayer Identification Numbers" and read to them 26 C.F.R. §301.6109-1(d)(3) to prove that they  
44       aren't, and demand that they not penalize you because they are violating the law, they will LIE to you and say you MUST  
45       provide a Social Security Number on the IRS Forms W-2 and W-3 and refuse to provide the statute and regulation that  
46       makes a Social Security Number equivalent to a "Taxpayer Identification Number". Since they know they are violating  
47       the law, they will also refuse to provide their full legal name in order to protect themselves from legal liability for the  
48       lie. See:

*Notice of Pseudonym Use and Unreliable IRS Records*, Form #04.206  
<http://sedm.org/Forms/FormIndex.htm>

49       A justly administered franchise, on the other hand will:

- 50       1. Provide clear instructions on how to terminate participation that directly mention:
  - 51       1.1. Each franchise by name.
  - 52       1.2. Exact procedures for terminating participation.
  - 53       1.3. Statutes and regulations authorizing termination of participation.
- 54       2. Provide clear forms for use in terminating participation in each franchise offered.

3. Provide forms and procedures for dealing with the government in the context of all government services OTHER than the franchise which do not require one to participate in any franchises.
4. Not require the use of license numbers associated with franchises when submitting every government form. This includes Social Security Numbers and Taxpayer Identification Numbers.

If you want forms and instructions on how to lawfully and permanently quit Social Security, see section 30.1 later. It took the authors of the document provided there several years to discover how to terminate participation in Social Security because the procedures is so carefully hidden from the public.

### **23.13 Destruction of the Separation of Powers Using Franchises**

*"Governments never do anything by accident; if government does something you can bet it was carefully planned."  
[Franklin D. Roosevelt, President of the United States]*

Franchises and/or their abuse are the main method by which:

1. De jure governments are transformed into corrupted de facto governments.
2. The requirement for consent of the governed is systematically eliminated.
3. The equal protection that is the foundation of the Constitution is replaced with inequality, privilege, hypocrisy, and partiality in which the government is a parens patriae and possesses an unconstitutional "title of nobility" in relation to those it is supposed to be serving and protecting.
4. The separation of powers between the states and federal government are eliminated.
5. The separation between what is "public" and what is "private" is destroyed. Everything becomes PUBLIC and is owned by the "collective". There is no private property and what you think is private property is really just equitable title in PUBLIC property.
6. Constitutional rights attaching to the land you stand on are replaced with statutory privileges created through your right to contract and your "status" under a franchise agreement.

*"You shall make no covenant [contract or franchise] with them [foreigners, pagans], nor with their [pagan government] gods [laws or judges]. They shall not dwell in your land [and you shall not dwell in theirs by becoming a "resident" or domiciliary in the process of contracting with them], lest they make you sin against Me [God]. For if you serve their [government] gods [under contract or agreement or franchise], it will surely be a snare to you."  
[Exodus 23:32-33, Bible, NKJV]*

7. Your legal identity is "laundered", and kidnapped or transported to a foreign jurisdiction, the District of Criminals, and which is not protected by the Constitution.

*"For the upright will dwell in the land,  
And the blameless will remain in it;  
But the wicked will be cut off from the earth,  
And the unfaithful will be uprooted from it."  
[Prov. 2:21-22, Bible, NKJV]*

8. The protections of the Constitution for your rights are eliminated.
9. Rights are transformed into privileges.
10. Republics based on individual rights are transformed into socialist democracies based on collective rights and individual privileges.
11. The status of "citizen, resident, or inhabitant" is devolved into nothing but an "employee" or "officer" of a corporation.
12. Constitutional courts are transformed into franchise courts.
13. Conflicts of interest are introduced into the legal and court systems that perpetuate a further expansion of the de facto system.
14. Socialism is introduced into a republican form of government.
15. The sovereignty of people in the states of the Union are destroyed.

Franchises are the main method by which the sovereignty of people in the states of the Union are destroyed. The gravely injurious effects of participating in government franchises include the following.

1. Those who participate become domiciliaries of the federal zone, “U.S. persons”, and “resident aliens” in respect to the federal government.
2. Those who participate become “trustees” of the “public trust” and “public officers” of the federal government and suffer great legal disability as a consequence:

*“As expressed otherwise, the powers delegated to a public officer are held in trust for the people and are to be exercised in behalf of the government or of all citizens who may need the intervention of the officer.”<sup>290</sup>*  
***Furthermore, the view has been expressed that all public officers, within whatever branch and whatever level of government, and whatever be their private vocations, are trustees of the people, and accordingly labor under every disability and prohibition imposed by law upon trustees relative to the making of personal financial gain from a discharge of their trusts.<sup>291</sup> That is, a public officer occupies a fiduciary relationship to the political entity on whose behalf he or she serves.<sup>292</sup> and owes a fiduciary duty to the public.<sup>293</sup> It has been said that the fiduciary responsibilities of a public officer cannot be less than those of a private individual.<sup>294</sup>***  
*Furthermore, it has been stated that any enterprise undertaken by the public official which tends to weaken public confidence and undermine the sense of security for individual rights is against public policy.<sup>295</sup>”*  
*[63C American Jurisprudence 2d, Public Officers and Employees, §247 (1999)]*

3. Those who participate are stripped of ALL of their constitutional rights and waive their Constitutional right not to be subjected to penalties and other “bills of attainder” administered by the Legislative or Executive Branch without court trials. They then must experience the degrading treatment of filling the role of a federal “public employee” subject to the supervision of their servants in the government.

***“The restrictions that the Constitution places upon the government in its capacity as lawmaker, i.e., as the regulator of private conduct, are not the same as the restrictions that it places upon the government in its capacity as employer. We have recognized this in many contexts, with respect to many different constitutional guarantees. Private citizens perhaps cannot be prevented from wearing long hair, but policemen can. Kelley v. Johnson, 425 U.S. 238, 247 (1976). Private citizens cannot have their property searched without probable cause, but in many circumstances government employees can. O’Connor v. Ortega, 480 U.S. 709, 723 (1987) (plurality opinion); id., at 732 (SCALIA, J., concurring in judgment). Private citizens cannot be punished for refusing to provide the government information that may incriminate them, but government employees can be dismissed when the incriminating information that they refuse to provide relates to the performance of their job. Gardner v. Broderick, [497 U.S. 62, 95] 392 U.S. 273, 277 -278 (1968). With regard to freedom of speech in particular: Private citizens cannot be punished for speech of merely private concern, but government employees can be fired for that reason. Connick v. Myers, 461 U.S. 138, 147 (1983). Private citizens cannot be punished for partisan political activity, but federal and state employees can be dismissed and otherwise punished for that reason. Public Workers v. Mitchell, 330 U.S. 75, 101 (1947); Civil Service Comm’n v. Letter Carriers, 413 U.S. 548, 556 (1973); Broadrick v. Oklahoma, 413 U.S. 601, 616 -617 (1973).”***  
*[Rutan v. Republican Party of Illinois, 497 U.S. 62 (1990)]*

4. Those who participate may lawfully be deprived of equal protection of the law, which is the foundation of the U.S. Constitution. This deprivation of equal protection can lawfully become a provision of the franchise agreement.
5. Those who participate can lawfully be deprived of remedy for abuses in federal courts.

***“These general rules are well settled: (1) That the United States, when it creates rights in individuals against itself [a “public right”, which is a euphemism for a “franchise” to help the court disguise the nature of the transaction], is under no obligation to provide a remedy through the courts. United States ex rel. Dunlap v. Black, 128 U.S. 40, 9 Sup.Ct. 12, 32 L.Ed. 354; Ex parte Atocha, 17 Wall. 439, 21 L.Ed. 696; Gordon v. United States, 7 Wall. 188, 195, 19 L.Ed. 35; De Groot v. United States, 5 Wall. 419, 431, 433, 18 L.Ed. 700; Comegys***

<sup>290</sup> State ex rel. Nagle v. Sullivan, 98 Mont. 425, 40 P.2d. 995, 99 A.L.R. 321; Jersey City v. Hague, 18 N.J. 584, 115 A.2d. 8.

<sup>291</sup> Georgia Dep’t of Human Resources v. Sistrunk, 249 Ga. 543, 291 S.E.2d. 524. A public official is held in public trust. Madlener v. Finley (1st Dist) 161 Ill.App.3d. 796, 113 Ill.Dec. 712, 515 N.E.2d. 697, app gr 117 Ill.Dec. 226, 520 N.E.2d. 387 and revd on other grounds 128 Ill.2d. 147, 131 Ill.Dec. 145, 538 N.E.2d. 520.

<sup>292</sup> Chicago Park Dist. v. Kenroy, Inc., 78 Ill.2d. 555, 37 Ill.Dec. 291, 402 N.E.2d. 181, appeal after remand (1st Dist) 107 Ill.App.3d. 222, 63 Ill.Dec. 134, 437 N.E.2d. 783.

<sup>293</sup> United States v. Holzer (CA7 Ill), 816 F.2d. 304 and vacated, remanded on other grounds 484 U.S. 807, 98 L.Ed. 2d 18, 108 S.Ct. 53, on remand (CA7 Ill) 840 F.2d. 1343, cert den 486 U.S. 1035, 100 L.Ed. 2d 608, 108 S.Ct. 2022 and (criticized on other grounds by United States v. Osser (CA3 Pa) 864 F.2d. 1056) and (superseded by statute on other grounds as stated in United States v. Little (CA5 Miss) 889 F.2d. 1367) and (among conflicting authorities on other grounds noted in United States v. Boylan (CA1 Mass), 898 F.2d. 230, 29 Fed.Rules.Evid.Serv. 1223).

<sup>294</sup> Chicago ex rel. Cohen v. Keane, 64 Ill.2d. 559, 2 Ill.Dec. 285, 357 N.E.2d. 452, later proceeding (1st Dist) 105 Ill.App.3d. 298, 61 Ill.Dec. 172, 434 N.E.2d. 325.

<sup>295</sup> Indiana State Ethics Comm’n v. Nelson (Ind App), 656 N.E.2d. 1172, reh gr (Ind App) 659 N.E.2d. 260, reh den (Jan 24, 1996) and transfer den (May 28, 1996).



*v. Vasse*, 1 Pet. 193, 212, 7 L.Ed. 108. (2) That where a statute creates a right and provides a special remedy, that remedy is exclusive. *Wilder Manufacturing Co. v. Corn Products Co.*, 236 U.S. 165, 174, 175, 35 Sup.Ct. 398, 59 L.Ed. 520, Ann.Cas. 1916A, 118; *Arnson v. Murphy*, 109 U.S. 238, 3 Sup.Ct. 184, 27 L.Ed. 920; *Barnet v. National Bank*, 98 U.S. 555, 558, 25 L.Ed. 212; *Farmers' & Mechanics' National Bank v. Dearing*, 91 U.S. 29, 35, 23 L.Ed. 196. Still the fact that the right and the remedy are thus intertwined might not, if the provision stood alone, require us to hold that the remedy expressly given excludes a right of review by the Court of Claims, where the decision of the special tribunal involved no disputed question of fact and the denial of compensation was rested wholly upon the construction of the act. See *Medbury v. United States*, 173 U.S. 492, 198, 19 Sup.Ct. 503, 43 L.Ed. 779; *Parish v. MacVeagh*, 214 U.S. 124, 29 Sup.Ct. 556, 53 L.Ed. 936; *McLean v. United States*, 226 U.S. 374, 33 Sup.Ct. 122, 57 L.Ed. 260; *United States v. Laughlin* (No. 200), 249 U.S. 440, 39 Sup.Ct. 340, 63 L.Ed. 696, decided April 14, 1919." [U.S. v. Babcock, 250 U.S. 328, 39 S.Ct. 464 (1919) ]

The appellant poses the following questions: (1) Does the superior court have jurisdiction to review an administrative decision of the Department of Public Welfare? (2) Are extraordinary writs available to review such administrative decisions? (3) Is *A.R.S. s 12-902, subsec. A* unconstitutional?

*A.R.S. s 12-901* et seq., provide for judicial review of 'a final decision of an administrative agency.' However, decisions of the State Department of Public Welfare are specifically excepted therefrom. *A.R.S. s 12-902, subsec. A. Judicial review of administrative decisions is not a matter of right except when authorized by law. Roer v. Superior Court*, 4 Ariz.App. 46, 417 P.2d. 559 (1966) and cases cited therein. In view of the exception of the State Department of Public Welfare from the Judicial Review Act, the appellant had no Right of review thereunder. *Bennett v. Arizona State Board of Public Welfare*, 95 Ariz. 170, 172, 388 P.2d. 166 (1963). Nor does the Act creating that administrative agency or any other Act provide for judicial review of its decisions. There being \*338 \*\*242 no 'positive enactment of law', Roer, supra, the appellant had no Right to judicial review of the welfare agency's denial of Old Age Assistance. The trial court apparently concluded, and correctly so, that judicial review was foreclosed.

[...]

*The State has no common law or constitutional duty to support its poor [e.g. Social Security]. Division of Aid for the Aged, etc., v. Hogan*, 143 Ohio.St. 186, 54 N.E.2d. 781 (1944); *Beck v. Buena Park Hotel Corp.*, 30 Ill.2d. 343, 196 N.E.2d. 686 (1964). Aid to needy persons is solely a matter of statutory enactment. In *re O'Donnell's Estate*, 253 Iowa 607, 113 N.W.2d. 246 (1962); *Williams v. Shapiro*, 4 Conn.Cir. 449, 234 A.2d. 376 (1967).

*Pension and relief programs not involving contributions to specific funds by the actual or prospective beneficiaries provide only a voluntary bounty. Senior Citizens League v. Dept. of Social Security*, 38 Wash.2d. 142, 228 P.2d. 478 (1951). Recipients or applicants have no inherent or vested right in the public assistance they are receiving or desire to receive. 16 C.J.S. Constitutional Law s 245; *Senior Citizens League v. Dept. of Social Security*, supra; *Smith v. King*, 277 F.Supp. 31 (M.D.Ala.1967), probable jurisdiction noted, 390 U.S. 903, 88 S.Ct. 821, 19 L.Ed.2d. 869; see also, *Flemming v. Nestor*, 363 U.S. 603, 80 S.Ct. 1367, 4 L.Ed.2d. 1435 (1960). The term 'property' as used in the due process clause refers to vested rights. It has no reference to mere concessions or privileges which a State may control and bestow or withhold at will. *Senior Citizens League v. Dept. of Social Security*, supra; 16A C.J.S. Constitutional Law s 599 c.<sup>296</sup>

Appellant appears to take the position that a Right of appeal is essential to due process of law. Due process is not necessarily judicial process, *Reetz v. People of State of Michigan*, 188 U.S. 505, 23 S.Ct. 390, 47 L.Ed. 563 (1903), and a Right of appeal is not essential to due process of law. *Inland Navigation Co. v. Chambers*, 202 Or. 339, 274 P.2d. 104 (1954); *Board of Education, etc. v. County Board of School Trustees*, 28 Ill.2d. 15, 191 N.E.2d. 65 (1963); In *re Durant Community School District*, 252 Iowa 237, 106 N.W.2d. 670 (1960); *Commonwealth, Dept. of Highways v. Fister*, 376 S.W.2d. 543 (Ky. 1964); *Weiner v. State Dept. of Roads*, 179 Neb. 297, 137 N.W.2d. 852 (1965); *Real Estate Commission v. McLemore*, 202 Tenn. 540, 306 S.W.2d. 683 (1957); *Beck v. Missouri Valley Drainage District of Holt County*, 46 F.2d. 632, 84 A.L.R. 1089 (8th Cir. 1931); *Reetz v. People of State of Michigan*, supra.

*Appellant argues that, notwithstanding welfare benefits are more gratuities, access to the courts via a Right of appeal is a constitutional requisite. We do not agree. Welfare benefits are grants by the legislature which has delegated to the Department of Public Welfare the power to determine the recipients of such grants. Under such circumstances, i.e., when the state creates rights in individuals against itself, it is not bound to provide a remedy in the courts and may withhold all remedy or it may provide an administrative remedy and make it exclusive, however mistaken its exercise. Dismuke v. United States*, 297 U.S. 167, 56 S.Ct. 400, 80 L.Ed. 561

<sup>296</sup> FN3. In the case of *Flemming v. Nestor*, 363 U.S. 603, 80 S.Ct. 1367 (1960), the Supreme Court of the United States declined to engraft upon the Social Security system a concept of 'accrued property rights'. A person covered by the Social Security Act was not considered to have such a 'right' in benefit payments as would make every defeasance of 'accrued' interest violative of the due process clause of the Fifth Amendment.



(1936); *United States v. Babcock*, 250 U.S. 328, 39 S.Ct. 464, 63 L.Ed. 1011 (1919); *Blanc v. United States*, 140 F.Supp. 481 (E.D.N.Y.1956).

We are cognizant of the recent decisions which require that a state, having undertaken to provide a statutory program of assistance, must do so in conformity with constitutional mandates. See, \*340 \*\*244 *Thompson v. Shapiro*, 270 F.Supp. 331 (Conn.1967); *Green v. Dept. of Public Welfare of the State of Delaware*, 270 F.Supp. 173 (Del.1967); *Smith v. Reynolds*, 277 F.Supp. 65 (E.D.Pa.1967), probable jurisdiction noted, 390 U.S. 940, 88 S.Ct. 1054, 19 L.Ed.2d. 1129; *Smith v. King*, supra; *Harrell v. Tobriner*, 279 F.Supp. 22 (D.C.1967), probable jurisdiction noted, 390 U.S. 940, 88 S.Ct. 1053, 19 L.Ed.2d. 1129. However, in each of these cases, a constitutional infirmity was found to exist because the statutory scheme for determining eligibility for benefits was predicated upon an arbitrary classification. These decisions are therefore inapposite here where no attack is directed to the constitutionality of the statutory program of assistance. [Allen v. Graham, 446 P.2d. 240, 243. (Ct. App. Ariz. 1968)]

6. Those who participate can be directed which federal courts they may litigate in and can lawfully be deprived of a Constitution Article III judge or Article III court and forced to seek remedy ONLY in an Article I or Article IV legislative or administrative tribunal within the Executive rather than Judicial branch of the government.

Although *Crowell* and *Raddatz* do not explicitly distinguish between rights created by Congress and other rights, such a distinction underlies in part *Crowell's* and *Raddatz's* recognition of a critical difference between rights created by federal statute and rights recognized by the Constitution. Moreover, such a distinction seems to us to be necessary in light of the delicate accommodations required by the principle of separation of powers reflected in Art. III. The constitutional system of checks and balances is designed to guard against "encroachment or aggrandizement" by Congress at the expense of the other branches of government. *Buckley v. Valeo*, 424 U.S., at 122, 96 S.Ct., at 683. But when Congress creates a statutory right [a "privilege" in this case, such as a "trade or business"], it clearly has the discretion, in defining that right, to create presumptions, or assign burdens of proof, or prescribe remedies; it may also provide that persons seeking to vindicate that right must do so before particularized tribunals created to perform the specialized adjudicative tasks related to that right.FN35 Such provisions do, in a sense, affect the exercise of judicial power, but they are also incidental to Congress' power to define the right that it has created. No comparable justification exists, however, when the right being adjudicated is not of congressional creation. In such a situation, substantial inroads into functions that have traditionally been performed by the Judiciary cannot be characterized merely as incidental extensions of Congress' power to define rights that it has created. Rather, such inroads suggest unwarranted encroachments upon the judicial power of the United States, which our Constitution reserves for Art. III courts. [Northern Pipeline Const. Co. v. Marathon Pipe Line Co., 458 U.S. at 83-84, 102 S.Ct. 2858 (1983)]

Since the founding of our country franchises have systematically been employed in every area of government to transform a government based on equal protection into a for-profit private corporation based on privilege, partiality, and favoritism. The effects of this form of corruption are exhaustively described in the following memorandum of law on our website:

*Corporatization and Privatization of the Government*, Form #05.024  
<http://sedm.org/Forms/FormIndex.htm>

What are the mechanisms by which this corruption has been implemented by the Executive Branch? This section will detail the main mechanisms to sensitize you to how to fix the problem and will relate how it was implemented by exploiting the separation of powers doctrine.

The foundation of the separation of powers is the notion that the powers delegated to one branch of government by the Constitution cannot be re-delegated to another branch.

"...a power definitely assigned by the Constitution to one department can neither be surrendered nor delegated by that department, nor vested by statute in another department or agency. Compare *Springer v. Philippine Islands*, 277 U.S. 189, 201, 202, 48 S.Ct. 480, 72 L.Ed. 845."

[*Williams v. U.S.*, 289 U.S. 553, 53 S.Ct. 751 (1933)]

Keenly aware of the above limitation, lawmakers over the years have used it to their advantage in creating a tax system that is exempt from any kind of judicial interference and which completely destroys all separation of powers. Below is a summary of the mechanism, in the exact sequence it was executed at the federal level:

1. Create a franchise based upon a "public office" in the Executive or Legislative Branch. This:
  - 1.1. Allows statutes passed by Congress to be directly enforced against those who participate. It is otherwise unconstitutional to regulate private conduct.

1           *"The power to "legislate generally upon" life, liberty, and property, as opposed to the "power to provide modes*  
2 *of redress" against offensive state action, was "repugnant" to the Constitution. Id., at 15. See also United States*  
3 *v. Reese, 92 U.S. 214, 218 (1876); United States v. Harris, 106 U.S. 629, 639 (1883); James v. Bowman, 190*  
4 *U.S. 127, 139 (1903). Although the specific holdings of these early cases might have been superseded or modified,*  
5 *see, e.g., Heart of Atlanta Motel, Inc. v. United States, 379 U.S. 241 (1964); United States v. Guest, 383 U.S. 745*  
6 *(1966), their treatment of Congress' §5 power as corrective or preventive, not definitional, has not been*  
7 *questioned."*  
8 *[City of Boerne v. Flores, Archbishop of San Antonio, 521 U.S. 507 (1997)]*

- 9       1.2. Eliminates the need for publication in the Federal Register of enforcement implementing regulations for the statutes.  
10       See [5 U.S.C. §553](#)(a) and [44 U.S.C. §1505](#)(a)(1).
- 11       1.3. Causes those engaged in the franchise to act in a representative capacity as "public officers" of the United States  
12       government pursuant to Federal Rule of Civil Procedure 17(b), which is defined in [28 U.S.C. §3002](#)(15)(A) as a  
13       federal corporation.
- 14       1.4. Causes all those engaged in the franchise to become "officers of a corporation", which is the United States, pursuant  
15       to [26 U.S.C. §6671](#)(b) and [26 U.S.C. §7343](#).
- 16       2. Give the franchise a deceptive "word of art" name that will deceive everyone into believing that they are engaged in it.  
17       2.1. The franchise is called a "trade or business" and is defined in [26 U.S.C. §7701](#)(a)(26) as "the functions of a public  
18       office". How many people know this and do they teach this in the public (government) schools or the IRS  
19       publications? NOT!
- 20       2.2. Earnings connected with the franchise are called "effectively connected with a trade or business in the United  
21       States". The term "United States" deceptively means the GOVERNMENT, and not the geographical United States.
- 22       3. In the franchise agreement, define the effective domicile or choice of law of all those who participate as being on federal  
23 territory within the exclusive jurisdiction of the United States. [26 U.S.C. §7408](#)(d) and [26 U.S.C. §7701](#)(a)(39) place  
24       the effective domicile of all "franchisees" called "taxpayers" within the District of Columbia. If the feds really had  
25       jurisdiction within states of the Union, do you think they would need this devious device to "kidnap your legal identity"  
26       or "res" and move it to a foreign jurisdiction where you don't physically live?
- 27       4. Place an excise tax upon the franchise proportional to the income earned from the franchise. In the case of the Internal  
28       Revenue Code, all such income is described as income which is "effectively connected with a trade or business within  
29       the United States".

30           *"Excises are taxes laid upon the manufacture, sale or consumption of commodities within the country, upon*  
31 *licenses to pursue certain occupations and upon corporate privileges...the requirement to pay such taxes*  
32 *involves the exercise of [220 U.S. 107, 152] privileges, and the element of absolute and unavoidable demand*  
33 *is lacking...*

34           *...It is therefore well settled by the decisions of this court that when the sovereign authority has exercised the right*  
35 *to tax a legitimate subject of taxation as an exercise of a franchise or privilege, it is no objection that the measure*  
36 *of taxation is found in the income produced in part from property which of itself considered is nontaxable...*

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

- 40       5. Mandate that those engaged in the franchise must have usually false evidence submitted by ignorant third parties that  
41 connects them to the franchise. IRS information returns, including IRS Forms W-2, 1042-S, 1098, and 1099, are the  
42       mechanism. [26 U.S.C. §6041](#) says that these information returns may ONLY be filed in connection with a "trade or  
43       business", which is a code word for the name of the franchise.
- 44       6. Write statutes prohibiting interference by the courts with the collection of "taxes" (kickbacks) associated with the  
45 franchise based on the idea that courts in the Judicial Branch may not interfere with the internal affairs of another branch  
46 such as the Executive Branch. Hence, the "INTERNAL Revenue Service". This will protect the franchise from  
47       interference by other branches of the government and ensure that it relentlessly expands.
- 48       6.1. The Anti-Injunction Act, [26 U.S.C. §7421](#) is an example of an act that enjoins judicial interference with tax  
49       collection or assessment.
- 50       6.2. The Declaratory Judgments Act, [28 U.S.C. §2201](#)(a) prohibits federal courts from pronouncing the rights or status  
51       of persons in regard to federal "taxes". This has the effect of gagging the courts from telling the truth about the  
52       nature of the federal income tax.
- 53       6.3. The word "internal" means INTERNAL to the Executive Branch and the United States government, not  
54       INTERNAL to the geographical United States of America.
- 55       7. Create administrative "franchise" courts in the Executive Branch which administer the program pursuant to Articles I  
56 and IV of the United States Constitution.

- 7.1. U.S. Tax Court. [26 U.S.C. §7441](#) identifies the U.S. Tax Court as an Article I court.
- 7.2. U.S. District Courts. There is no statute establishing any United States District Court as an Article III court. Consequently, even if the judges are Article III judges, they are not filling an Article III office and instead are filling an Article IV office. Consequently, they are Article IV judges. All of these courts were turned into franchise courts in the Judicial Code of 1911 by being renamed from the “District Court of the United States” to the “United States District Court”.

For details on the above scam, see:

[What Happened to Justice?](#), Form #06.012  
<http://sedm.org/Forms/FormIndex.htm>

8. Create other attractive federal franchises that piggyback in their agreements a requirement to participate in the franchise. For instance, the original Social Security Act of 1935 contains a provision that those who sign up for this program, also simultaneously become subject to the Internal Revenue Code.

*Section 8 of the Social Security Act*  
*INCOME TAX ON EMPLOYEES*

*SECTION 801. In addition to other taxes, there shall be levied, collected, and paid upon the income of every individual a tax equal to the following percentages of the wages (as defined in section 811) received by him after December 31, 1936, with respect to employment (as defined in section 811) after such date:*

- (1) With respect to employment during the calendar years 1937, 1938, and 1939, the rate shall be 1 per centum.*  
*(2) With respect to employment during the calendar years 1940, 1941, and 1942, the rate shall be 1 1/2 per centum.*  
*(3) With respect to employment during the calendar years 1943, 1944, and 1945, the rate shall be 2 per centum.*  
*(4) With respect to employment during the calendar years 1946, 1947, and 1948, the rate shall be 2 1/2 per centum.*  
*(5) With respect to employment after December 31, 1948, the rate shall be 3 per centum.*

9. Offer an opportunity for private citizens not domiciled within the jurisdiction of Congress to “volunteer” by license or private agreement to participate in the franchise and thereby become “public officers” within the Executive Branch. The W-4 and Social Security SS-5 is an example of such a contract.
- 9.1. Call these volunteers “taxpayers”.
- 9.2. Call EVERYONE “taxpayers” so everyone believes that the franchise is MANDATORY.
- 9.3. Do not even acknowledge the existence of those who do not participate in the franchise. These people are called “nontaxpayers” and they are not mentioned in any IRS publication.
- 9.4. Make the process of signing the agreement invisible by calling it a “Withholding Allowance Certificate” instead of what it really is, which is a “license” to become a “taxpayer” and call all of your earnings “wages” and “gross income”.

*26 C.F.R. §31.3401(a)-3 Amounts deemed wages under voluntary withholding agreements*

*(a) In general.*

**Notwithstanding the exceptions to the definition of wages specified in section 3401(a) and the regulations thereunder, the term “wages” includes the amounts described in paragraph (b)(1) of this section with respect to which there is a voluntary withholding agreement in effect under section 3402(p). References in this chapter to the definition of wages contained in section 3401(a) shall be deemed to refer also to this section (§31.3401(a)-3.**

*Title 26: Internal Revenue*

**PART 31—EMPLOYMENT TAXES AND COLLECTION OF INCOME TAX AT SOURCE**  
**Subpart E—Collection of Income Tax at Source**  
**§31.3402(p)-1 Voluntary withholding agreements.**

*(a) In general.*

*An employee and his employer may enter into an agreement under section 3402(b) to provide for the withholding of income tax upon payments of amounts described in paragraph (b)(1) of §31.3401(a)-3, made after December 31, 1970. **An agreement may be entered into under this section only with respect to amounts which are includible in the gross income of the employee under section 61, and must be applicable to all such amounts paid by the employer to the employee.** The amount to be withheld pursuant to an agreement under section 3402(p) shall be determined under the rules contained in section 3402 and the regulations thereunder. See §31.3405(c)-1, Q&A-3 concerning agreements to have more than 20-percent Federal income tax withheld from eligible rollover distributions within the meaning of section 402.*

10. Create a commissioner to service the franchise who becomes the “fall guy”, who then establishes a “bureau” without the authority of any law and which is a private corporation that is not part of the U.S. government.

53 State 489  
Revenue Act of 1939, 53 Stat. 489  
Chapter 43: Internal Revenue Agents  
Section 4000 Appointment

*The Commissioner may, whenever in his judgment the necessities of the service so require, employ competent agents, who shall be known and designated as internal revenue agents, and, except as provided for in this title, no general or special agent or inspector of the Treasury Department in connection with internal revenue, by whatever designation he may be known, shall be appointed, commissioned, or employed.*

The above means that everyone who works for the Internal Revenue Service is private contractor not appointed, commissioned, or employed by anyone in the government. They operate on commission and their pay derives from the amount of plunder they steal. See also:

Department of Justice Admits under Penalty of Perjury that the IRS is Not an Agency of the Federal Government, Family Guardian Fellowship  
<http://famguardian.org/Subjects/Taxes/Evidence/USGovDeniesIRS/USGovDeniesIRS.htm>

11. Create an environment that encourages irresponsibility, lies, and dishonesty within the bureau that administers the franchise.

11.1. Indemnify these private contractors from liability by giving them “pseudo names” so that they can disguise their identify and be indemnified from liability for their criminal acts. The IRS Restructuring and Reform Act, Pub.Law 105-206, Title III, Section 3706, 112 Stat. 778 and Internal Revenue Manual (I.R.M.), Section 1.2.4 both authorize these pseudo names.

11.2. Place a disclaimer on the website of this private THIEF contractor indemnifying them from liability for the truthfulness or accuracy of any of their statements or publications. See Internal Revenue Manual (I.R.M.), Section 4.10.7.2.8.

*“IRS Publications, issued by the National Office, explain the law in plain language for taxpayers and their advisors... While a good source of general information, publications should not be cited to sustain a position.”  
[Internal Revenue Manual (I.R.M.), Section 4.10.7.2.8 (05-14-1999)]*

11.3. Omit the most important key facts and information from publications of the franchise administrator that would expose the proper application of the “tax” and the proper audience. See the following, which is over 2000 pages of information that are conveniently “omitted” from the IRS website about the proper application of the franchise and its nature as a “franchise”:

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

11.4. Establish precedent in federal courts that you can’t trust anything that anyone in the government tells you, and especially those who administer the franchise. See:

Federal Courts and the IRS’ Own IRM Say the IRS is NOT RESPONSIBLE for Its Actions or Its Words or for Following Its Own Written Procedures!, Family Guardian Fellowship  
<http://famguardian.org/Subjects/Taxes/Articles/IRSNotResponsible.htm>

12. Use the lies and deceptions created in the previous step to promote several false perceptions in the public at large that will expand the market for the franchise. These include:

12.1. That the franchise is NOT a franchise, but a mandatory requirement that applies to ALL.

12.2. That participation is mandatory for ALL, instead of only for franchisees called “taxpayers”.

12.3. That the IRS is an “agency” of the United States government that has authority to interact directly with the public at large. In fact, it is a “bureau” that can ONLY lawfully service the needs of other federal agencies within the Executive Branch and which may NOT interface directly with the public at large.

12.4. That the statutes implementing the franchise are “public law” that applies to everyone, instead of “private law” that only applies to those who individually consent to participate in the franchise.

13. Create a system to service those who prepare tax returns for others whereby those who accept being “licensed” and regulated get special favors. This system created by the IRS essentially punishes those who do not participate by giving them horrible service and making them suffer inconvenience and waiting long in line if they don’t accept the “privilege”

of being certified. Once they are certified, if they begin telling people the truth about what the law says and encourage following the law by refusing to volunteer, their credentials are pulled. This sort of censorship is accomplished through:

13.1. IRS Enrolled Agent Program.

1 13.2. Certified Public Accountant (CPA) licensing.

2 13.3. Treasury Circular 230.

3 14. Engage in a pattern of “selective enforcement” and propaganda to broaden and expand the scam. For instance:

4 14.1. Refuse to answer simple questions about the proper application of the franchise and the taxes associated with it.  
5 See:

*If the IRS Were Selling Used Cars*, Family Guardian Fellowship  
<http://famguardian.org/Subjects/Taxes/FalseRhetoric/IRSSellingCars.htm>

6 14.2. Prosecute those who submit false TAX returns, but not those who submit false INFORMATION returns. This  
7 causes the audience of “taxpayers” to expand because false reports are connecting innocent third parties to  
8 franchises that they are not in fact engaged in.

9 14.3. Use confusion over the rules of statutory construction and the word “includes” to fool people into believing that  
10 those who are “included” in the franchise are not spelled out in the law in their entirety. This leaves undue discretion  
11 in the hands of IRS employees to compel ignorant “nontaxpayers” to become franchisees. See the following:

*Legal Deception, Propaganda, and Fraud*, Form #05.014  
<http://sedm.org/Forms/FormIndex.htm>

12 14.4. Refuse to define the words used on government forms, use terms that are not defined in the code such as “U.S.  
13 citizen”, and try to confuse “words of art” found in the law with common terms in order to use the presumptuous  
14 behavior of the average American to expand the misperception that everyone has a legal DUTY to become a  
15 “franchisee” and a “taxpayer”.

16 14.5. Refuse to accept corrected information returns that might protect innocent “nontaxpayers” so that they are inducted  
17 involuntarily into the franchise as well.

18 The above process is WICKED in the most extreme way. It describes EXACTLY how our public servants have made  
19 themselves into our masters and systematically replaced every one of our rights with “privileges” and franchises. The  
20 Constitutional prohibition against this sort of corruption are described as follows by the courts:

21 *“It would be a palpable incongruity to strike down an act of state legislation which, by words of express*  
22 *divestment, seeks to strip the citizen of rights guaranteed by the federal Constitution, but to uphold an act by*  
23 *which the same result is accomplished under the guise of a surrender of a right in exchange for a valuable*  
24 *privilege which the state threatens otherwise to withhold. It is not necessary to challenge the proposition that, as*  
25 *a general rule, the state, having power to deny a privilege altogether, may grant it upon such conditions as it sees*  
26 *fit to impose. But the power of the state in that respect is not unlimited, and one of the limitations is that it may*  
27 *not impose conditions which require the relinquishment of Constitutional rights. If the state may compel the*  
28 *surrender of one constitutional right as a condition of its favor, it may, in like manner, compel a surrender of all.*  
29 *It is inconceivable that guaranties embedded in the Constitution of the United States may thus be manipulated*  
30 *out or existence.”*

31 *[Frost v. Railroad Commission, 271 U.S. 583, 46 S.Ct. 605 (1926)]*

32 ***“A right common in every citizen such as the right to own property or to engage in business of a character not***  
33 ***requiring regulation CANNOT**, however, be taxed as a special franchise by first prohibiting its exercise and*  
34 *then permitting its enjoyment upon the payment of a certain sum of money.”*  
35 *[Stevens v. State, 2 Ark. 291; 35 Am. Dec. 72, Spring Val. Water Works v. Barber, 99 Cal. 36, 33 Pac. 735, 21*  
36 *L.R.A. 416. Note 57 L.R.A. 416]*

37 *“The individual, unlike the corporation, **cannot be taxed for the mere privilege of existing**. The corporation is*  
38 *an artificial entity which owes its existence and charter power to the State, but the individual’s right to live and*  
39 *own property are natural rights for the enjoyment of which **an excise cannot be imposed**.”*  
40 *[Redfield v. Fisher, 292 Oregon 814, 817]*

41 *“Legislature...cannot name something to be a taxable privilege unless it is first a privilege.” [Taxation West*  
42 *Key 43]...“The Right to receive income or earnings is a right belonging to every person and realization and*  
43 *receipt of income is therefore not a ‘privilege’, that can be taxed.”*  
44 *[Jack Cole Co. v. MacFarland, 337 S.E.2d. 453, Tenn.]*

45 Through the above process of corruption, the separation of powers is completely destroyed and nearly every American has  
46 essentially been “assimilated” into the Executive Branch of the government, leaving the Constitutional Republic bequeathed  
47 to us by our founding fathers vacant and abandoned. Nearly every service that we expect from government has been  
48 systematically converted over the years into a franchise using the techniques described above. The political and legal changes  
49 resulting from the above have been tabulated to show the “BEFORE” and the “AFTER” so their extremely harmful effects  
50 become crystal clear in your mind. This process of corruption, by the way, is not unique to the United States, but is found in  
51 every major industrialized country on earth.



1 **Table 22: Effect of turning government service into a franchise**

#	Characteristic	DE JURE CONSTITUTIONAL GOVERNMENT	DE FACTO GOVERNMENT BASED ENTIRELY ON FRANCHISES
1	Purpose of government	Protection	Provide “social services” and “social insurance” to government “employees” and officers
2	Nature of government	Public trust Charitable trust	For-profit private corporation (see <a href="#">28 U.S.C. §3002(15)(A)</a> )
3	Citizens	The Sovereigns “nationals” under <a href="#">8 U.S.C. §1101(a)(21)</a> “a person who, though not a citizen of the United States, owes permanent allegiance to the United States*.”	1. “Employees” or “officers” of the government 2. “Trustees” of the “public trust” 3. “customers” of the corporation 4. Statutory “U.S. citizens” pursuant to <a href="#">8 U.S.C. §1401</a> or 8 U.S.C. §1101(a)(22)(A)
4	Effective domicile of citizens	Sovereign state of the Union	Federal territory and the District of Columbia
5	Purpose of tax system	Fund “protection”	1. Socialism. 2. Political favors. 3. Wealth redistribution 4. Consolidation of power and control (corporate fascism)
6	Equal protection	Mandatory	Optional
7	Nature of courts	Constitutional Article III courts in the Judicial Branch	Administrative or “franchise” courts within the Executive Branch
8	Branches within the government	Executive Legislative Judicial	Executive Legislative (Judiciary merged with Executive. See Judicial Code of 1911)
9	Purpose of legal profession	Protect <i>individual</i> rights	1. Protect <i>collective</i> (government) rights. 2. Protect and expand the government monopoly. 3. Discourage reforms by making litigation so expensive that it is beyond the reach of the average citizen. 4. Persecute dissent.
10	Lawyers are	Unlicensed	Privileged and licensed and therefore subject to control and censorship by the government.
11	Votes in elections cast by	“Electors”	“Franchisees” called “registered voters” who are surety for bond measures on the ballot. That means they are subject to a “poll tax”.
12	Driving is	A common right	A licensed “privilege”
13	Marriage is	A common right	A licensed “privilege”
14	Purpose of the military	Protect sovereign American nationals. No draft within states of the Union is lawful. See Federalist Papers #15	1. Expand the corporate monopoly internationally 2. Protect public servants from the angry populace who want to end the tyranny.

#	Characteristic	DE JURE CONSTITUTIONAL GOVERNMENT	DE FACTO GOVERNMENT BASED ENTIRELY ON FRANCHISES
15	Money is	Based on gold and silver Issued pursuant to Article 1, Section 8. Clause 5.	1. A corporate bond or obligation borrowed from the Federal Reserve at interest. 2. Issued pursuant to Article 1, Section 8. Clause 2.
16	Property of citizens is	Private and allodial	All property is donated to a “public use” and connected with a “public office” to procure the benefits of a franchise
17	Ownership of real property is	Legal	Equitable. The government owns the land, and you rent it from them using property taxes.
18	Purpose of sex	Procreation	Recreation
19	Responsibility	The individual sovereign is responsible for all his actions and choices.	The collective social insurance company is responsible. Personal responsibility is outlawed.

If you would like a more thorough explanation about the differences between a de facto government and a de jure government, and evidence proving that we don't have a de jure government and the present government we have is, in fact, a de facto government, see:

*De Facto Government Scam*, Form #05.043  
<http://sedm.org/Forms/FormIndex.htm>

## 23.14 How the Courts attempt to illegally compel “nontaxpayers” into “franchise courts” and deprive them of due process

### 23.14.1 Congress Cannot Pass a law to Compel those who are not Franchisees to Litigate in a Franchise Court

It is very important to realize that no one can force a “nontaxpayer” into a legislative Court, such as an Article I or Article IV court, to adjudicate a matter relating to taxes. Filing a case in these courts is entirely consensual in the case of a “nontaxpayer” but not in the case of a “taxpayer”.

*“The distinction between public rights and private rights has not been definitively explained in our precedents.”<sup>297</sup> Nor is it necessary to do so in the present cases, for it suffices to observe that a matter of public rights must at a minimum arise “between the government and others.” *Ex parte Bakelite Corp.*, *supra*, at 451, 49 S.Ct., at 413.<sup>298</sup> In contrast, “the liability of one individual to another under the law as defined,” *Crowell v. Benson*, *supra*, at 51, 52 S.Ct., at 292, is a matter of private rights. Our precedents clearly establish that only controversies in the former category may be removed from Art. III courts and delegated to legislative courts or administrative agencies for their determination. See *Atlas Roofing Co. v. Occupational Safety and Health Review Comm'n*, 430 U.S. 442, 450, n. 7, 97 S.Ct. 1261, 1266, n. 7, 51 L.Ed.2d 464 (1977); *Crowell v. Benson*, *supra*, 285 U.S., at 50-51, 52 S.Ct., at 292. See also *Katz*, *Federal Legislative Courts*, 43 *Harv.L.Rev.* 894, 917-918 (1930). *FN24* Private-rights disputes, on the other hand, lie at the core of the historically recognized judicial power.”*

[...]

<sup>297</sup> *Crowell v. Benson*, 285 U.S. 22, 52 S.Ct. 285, 76 L.Ed. 598 (1932), attempted to catalog some of the matters that fall within the public-rights doctrine:

“Familiar illustrations of administrative agencies created for the determination of such matters are found in connection with the exercise of the congressional power as to interstate and foreign commerce, taxation, immigration, the public lands, public health, the facilities of the post office, pensions and payments to veterans.” *Id.*, at 51, 52 S.Ct., at 292 (footnote omitted).

<sup>298</sup> Congress cannot “withdraw from [Art. III] judicial cognizance any matter which, from its nature, is the subject of a suit at the common law, or in equity, or admiralty.” *Murray's Lessee v. Hoboken Land & Improvement Co.*, 18 How. 272, 284 (1856) (emphasis added). It is thus clear that the presence of the United States as a proper party to the proceeding is a necessary but not sufficient means of distinguishing “private rights” from “public rights.” And it is also clear that even with respect to matters that arguably fall within the scope of the “public rights” doctrine, the presumption is in favor of Art. III courts. See *Glidden Co. v. Zdanok*, 370 U.S., at 548-549, and n. 21, 82 S.Ct., at 1471-1472, and n. 21 (opinion of Harlan, J.). See also Currie, *The Federal Courts and the American Law Institute*, Part 1, 36 U.Chi.L.Rev. 1, 13-14, n. 67 (1968). Moreover, when Congress assigns these matters to administrative agencies, or to legislative courts, it has generally provided, and we have suggested that it may be required to provide, for Art. III judicial review. See *Atlas Roofing Co. v. Occupational Safety and Health Review Comm'n*, 430 U.S., at 455, n. 13, 97 S.Ct., at 1269, n. 13.

Although Crowell and Raddatz do not explicitly distinguish between rights created by Congress and other rights, such a distinction underlies in part Crowell's and Raddatz' recognition of a critical difference between rights created by federal statute and rights recognized by the Constitution. Moreover, such a distinction seems to us to be necessary in light of the delicate accommodations required by the principle of separation of powers reflected in Art. III. The constitutional system of checks and balances is designed to guard against "encroachment or aggrandizement" by Congress at the expense of the other branches of government. Buckley v. Valeo, 424 U.S., at 122, 96 S.Ct., at 683. But when Congress creates a statutory right [a "privilege" in this case, such as a "trade or business"], it clearly has the discretion, in defining that right, to create presumptions, or assign burdens of proof, or prescribe remedies; it may also provide that persons seeking to vindicate that right must do so before particularized tribunals created to perform the specialized adjudicative tasks related to that right.<sup>FN35</sup> Such provisions do, in a sense, affect the exercise of judicial power, but they are also incidental to Congress' power to define the right that it has created. No comparable justification exists, however, when the right being adjudicated is not of congressional creation. In such a situation, substantial inroads into functions that have traditionally been performed by the Judiciary cannot be characterized merely as incidental extensions of Congress' power to define rights that it has created. Rather, such inroads suggest unwarranted encroachments upon the judicial power of the United States, which our Constitution reserves for Art. III courts. [Northern Pipeline Const. Co. v. Marathon Pipe Line Co., 458 U.S. 50, 102 S.Ct. 2858 (1983)]

The above considerations explain many important unlawful activities of the District Courts and U.S. attorneys who litigate in these courts on tax matters:

1. They frequently try to evade or disguise the nature of Internal Revenue Code, Subtitles A and C as an excise taxes upon the "trade or business" franchise. See:

The "Trade or Business" Scam, Form #05.001  
<http://sedm.org/Forms/FormIndex.htm>

2. They will refuse to acknowledge: that the ALL CAPS rendition of your name or the federal identifying number associated with it are all of the following:
  - 2.1. Is not the entity identified on your birth certificate.
  - 2.2. Is the "res" or legal person against whom they are proceeding.

**"Res.** Lat. *The subject matter of a trust or will [or legislation].* In the civil law, a thing; an object. As a term of the law, this word has a very wide and extensive signification, including not only things which are objects of property, but also such as are not capable of individual ownership. And in old English law it is said to have a general import, comprehending both corporeal and incorporeal things of whatever kind, nature, or species. By "res," according to the modern civilians, is meant everything that may form an object of rights, in opposition to "persona," which is regarded as a subject of rights. "Res," therefore, in its general meaning, comprises actions [or CONSEQUENCES of choices and CONTRACTS/AGREEMENTS you make by procuring BENEFITS] of all kinds; while in its restricted sense it comprehends every object of right, except actions. This has reference to the fundamental division of the Institutes that all law relates either to persons, to things, or to actions.

**Res is everything that may form an object of rights and includes an object, subject-matter or status.** In re Riggle's Will, 11 A.D.2d. 51 205 N.Y.S.2d. 19, 21, 22. The term is particularly applied to an object, subject-matter, or status, considered as the defendant [hence, the ALL CAPS NAME] in an action, or as an object against which, directly, proceedings are taken. Thus, in a prize case, the captured vessel is "the res"; and proceedings of this character are said to be in rem. (See In personam; In Rem.) "Res" may also denote the action or proceeding, as when a cause, which is not between adversary parties, is entitled "In re \_\_\_\_\_". [Black's Law Dictionary, Sixth Edition, pp. 1304-1306]

- 2.3. Is the "public office", "taxpayer", "trust", and "individual" against whom they are enforcing.

In practice, you must petition the court in what is called an "identity hearing" in order to force them to acknowledge that the person they are enforcing against is not you, but your "straw man". When you finally get to the point where they admit it, it becomes a matter of choice whether you choose to represent this entity. To the extent that you do is the extent to which all obligations associated with the franchise are "voluntary".

3. When judges in District Courts are challenged to produce the statute from the Statutes At Large conferring Article III jurisdiction upon their court and are told that case law doesn't answer the question, they will respond in the following evasive and dilatory ways:
  - 3.1. They are silent instead of just admitting that no such statute exists.
  - 3.2. They will cite case law that doesn't answer the question. NO case law ever has identified a statute and if the judge or U.S. attorney knew what it was, he would directly provide it but can't.
  - 3.3. The judge will fraudulently claim "I have Article III jurisdiction". This is ridiculous, because:
    - 3.3.1. Even if the Judge was appointed with Article III powers and is an Article III judge, he must ALSO preside in an Article III court.

- 3.3.2. We are a society of laws, not men or the policy of men. Marbury v. Madison, [5 U.S. 137](#); 1 Cranch 137, 2 L.Ed. 60 (1803). Consequently, the ONLY authority he can cite to answer the question is a statute.
- 3.3.3. Courts CANNOT lawfully confer Constitutional jurisdiction upon themselves and only Congress can:

*It is contended that Congress has reversed this current by permitting the Supreme Court to legislate upon it. Congress could not confer, nor could the Supreme Court exercise the authority to ordain and establish 'inferior federal courts' and fix the jurisdiction thereof which power was given to Congress alone by the Constitution. Suffice it to say Congress gave the Supreme Court 'power to prescribe \* \* \* rules of pleading, practice, and procedure \* \* \* in criminal cases in district courts of the United States. ' 18 U.S.C.A. §687. Unless the transfer of jurisdiction from one court to another is governed by rules of pleading, practice and procedure, the statute was of no avail.[FN41](#) [U.S. v. Bink, 74 F.Supp. 603, D.C.Or. (1947)]*

*"This court has no authority to interpolate a limitation that is neither expressed nor implied. Our duty is to **execute** the law, **not to make it.**" [U.S. v. Wong Kim Ark, 169 U.S. 649 (1898)]*

4. When litigants submit affidavits to the court claiming under penalty of perjury that they are "nontaxpayers", then these affidavits are ignored by the court, because addressing them would require an admission by the court that it may not hear the matter as a legislative "franchise court" only.
  5. When the United States as Plaintiff cites I.R.C. provisions directly against a defendant and is challenged to produce evidence supporting one of the following two MANDATORY sources of jurisdiction, they are silent and cannot respond, because they would have to admit that they are making a prejudicial presumption that the defendant is a "public officer" working in the Executive Branch:
    - 5.1. Implementing regulations published in the Federal Register authorizing enforcement actions against private parties who are "nontaxpayers" domiciled outside the "United States"
    - 5.2. Proof that the defendant falls within one of the following three groups specifically exempted from the requirement for publication of enforcement regulations in the Federal Register:
      - 5.2.1. A military or foreign affairs function of the United States. [5 U.S.C. §553\(a\)\(1\)](#).
      - 5.2.2. A matter relating to agency management or personnel or to public property, loans, grants, benefits, or contracts. [5 U.S.C. §553\(a\)\(2\)](#).
      - 5.2.3. Federal agencies or persons in their capacity as officers, agents, or employees thereof. [44 U.S.C. §1505\(a\)\(1\)](#).
- For further information on the above, see:

<i>Federal Enforcement Authority Within States of the Union</i> , Form #05.032 <a href="http://sedm.org/Forms/FormIndex.htm">http://sedm.org/Forms/FormIndex.htm</a>
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If a federal prosecutor tries to force a "nontaxpayer" into a "franchise court", such as Tax Court, U.S. District Court, or the Court of Appeals, the defendant in such a case has standing to sue for:

1. Involuntary servitude in violation of the Thirteenth Amendment and [42 U.S.C. §1994](#).
2. Deprivation of rights pursuant to [42 U.S.C. §1983](#).
3. Theft of your time and labor without just compensation in violation of the Fifth Amendment takings clause and , and [18 U.S.C. §1589\(3\)](#). Mandatory restitution is warranted pursuant to [18 U.S.C. §1593](#).

When the above happens, you can sue the federal actor civilly and personally as a constitutional tort action for damages indicated above. The following resources would be very helpful in the context of such a suit:

1. *Federal Enforcement Authority Within States of the Union*, Form #05.032  
<http://sedm.org/Forms/FormIndex.htm>
2. *Silence as a Weapon and a Defense in Legal Discovery*, Form #05.021  
<http://sedm.org/Forms/FormIndex.htm>
3. *Federal Jurisdiction*, Form #05.018  
<http://sedm.org/Forms/FormIndex.htm>
4. *Jailhouse Lawyer's Handbook*, Litigation Tool #10.002. Describes how to prosecute a Constitutional Tort Action  
<http://sedm.org/Litigation/LitIndex.htm>
5. 42 U.S.C.A. §1983 (42 Mbytes, large file!). All the case law on how to prosecute a Constitutional Tort.  
<http://famguardian.org/Subjects/Freedom/Sovereignty/42USCA1983-20070311.pdf>

### 23.14.2 How Courts Unlawfully Compel Nontaxpayers into Franchise Courts

The federal District and Circuit courts, being legislative franchise courts and not true Constitution Article III Courts, have adopted the following unlawful and unethical techniques to:

1. Reduce their workload.
2. Force “nontaxpayers” into franchise courts.
3. Manufacture more “taxpayers” out of innocent “nontaxpayers”.
4. Limit exposure to IRS abuses to those serving on jury duty.
5. Increase IRS collection “efficiency” and reduce collection costs.

The unlawful techniques are as follows:

1. The U.S. Supreme Court created the judicial doctrine known as the “Full Payment Rule”. This doctrine requires that “taxpayers” challenging an IRS assessment or collection action must pay the FULL amount owed BEFORE they may file suit in court. This doctrine was first appeared in explained in *Flora v. United States*, 362 U.S. 145, 80 S.Ct. 630, 647 (1960). The Full Payment Rule, however, can only apply to “taxpayers” without violating the Constitution, but courts commonly attempt to apply it unlawfully to innocent “nontaxpayers” and in so doing, compel many into slavery by fulfilling the obligations of franchisees called “taxpayers” without being able to avail themselves of any of the “benefits”.
2. The District and Circuit Courts frequently and unlawfully invoke the Anti-Injunction Act against “nontaxpayers” who are not subject to it. The act only applies to “taxpayers”, as the U.S. Supreme Court revealed in *South Carolina v. Regan*, 465 U.S. 367 (1984).
3. The District Courts frequently invoke the Declaratory Judgments Act, 28 U.S.C. §2201(a) when they are petitioned to declare rights or status of persons who are “nontaxpayers” so that the IRS will leave them alone.

[TITLE 28 > PART VI > CHAPTER 151](#) > § 2201  
[§ 2201. Creation of remedy](#)

*(a) In a case of actual controversy within its jurisdiction, **except with respect to Federal taxes other than actions brought under section 7428 of the Internal Revenue Code of 1986**, a proceeding under section 505 or 1146 of title 11, or in any civil action involving an antidumping or countervailing duty proceeding regarding a class or kind of merchandise of a free trade area country (as defined in section 516A(f)(10) of the Tariff Act of 1930), as determined by the administering authority, **any court of the United States, upon the filing of an appropriate pleading, may declare the rights and other legal relations of any interested party seeking such declaration, whether or not further relief is or could be sought. Any such declaration shall have the force and effect of a final judgment or decree and shall be reviewable as such.***

All of the above techniques are unlawful and violative of the Constitution for the following reasons:

1. There are no Article III courts that “nontaxpayers” may avail themselves of and therefore no remedy. See: 

*What Happened to Justice?*, Form #06.012: Why there is no justice in federal court and what to do about it  
<http://sedm.org/Forms/FormIndex.htm>
2. They impose unlawful deprivations of rights and bills of attainder against those who never explicitly surrendered any of their rights by consenting to participate in any franchise.
3. The judges who issue these orders are, themselves, surety for a “taxpayer” office who are incapable of being impartial. Any judge with an economic interest in the outcome a tax trial and especially one who judges without the supervision of an impartial jury is in violation of the following:
  - 3.1. 28 U.S.C. §144
  - 3.2. 28 U.S.C. §455
  - 3.3. The Code of Conduct for United States Judges  
<http://www.uscourts.gov/guide/vol2/ch1.html>The U.S. Supreme Court even sanctioned this type of conflict of interest when a case concerning it was put before them. See *O’Malley v. Woodrough*, 307 U.S. 277 (1938) . Prior to that time, Congress had attempted to impose federal income taxes upon the judges and lost. See *Evans v. Gore*, 253 U.S. 245. The policy of the U.S. Supreme Court since *O’Malley* has consistently authorized federal judges to become subject to enforcement by the IRS, which has completely destroyed their partiality and caused the illegal enforcement of the Internal Revenue Code by the IRS to expand within states of the Union unchecked, even though it is not authorized by the Constitution.
4. The effect of being forced into an Article I franchise court such as U.S. Tax Court are that the accused is deprived of a right of trial by jury guaranteed by the Seventh Amendment.



## 23.15 Defending Yourself Against Compelled Participation in Franchises using the Government's Own Tactics

Government employs several weapons for defending themselves against legal against by others. We should understand these tactics and employ them prudently in our own defense to prevent compelled participation in franchises. If they try to interfere with our ability to do the same thing they are doing, we can claim they are violating equal protection protected by the Constitution:

1. Sovereign immunity. The "state" may not be sued in its own courts without its consent. This is a judicial doctrine which is also codified in 28 U.S.C., Chapter 97. An implied waiver of sovereign immunity occurs:

1.1. For any of the conditions specified in 28 U.S.C. §1605.

1.2. If the sovereign inadvertently misrepresents themselves as a "citizen" within the government's jurisdiction pursuant to 28 U.S.C. §1603(b)(3).

The important thing to remember is that the government protects its attempts to compel participation in franchises by connecting activities of those who do it with the "color of law" and official duty and by creating at least the "appearance" that it is being done lawfully.

2. No delegated authority. Government will defend actions of employees, officers, and agents accused of wrongdoing by claiming that they were acting outside their delegated authority and that you should have known that by reading the law. Then they will blame you for trusting what the agent told you as a basis for belief because he was outside of his or her authority. See:

*Federal Courts and the IRS' Own IRM Say the IRS is NOT RESPONSIBLE for Its Actions or Its Words or for Following Its Own Written Procedures!*, Family Guardian Fellowship  
<http://famguardian.org/Subjects/Taxes/Articles/IRSNotResponsible.htm>

3. Disclaimer on speech. Government will claim that their publication, form, or speech was covered by a disclaimer and therefore was untrustworthy when those who rely upon it are injured. Then they will blame the person who relied on their unreliable forms or statements as the cause for their own injury. The IRS Internal Revenue Manual (I.R.M.), for instance, says in section 4.10.7.2.8 that all IRS publications are untrustworthy. See also:

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

4. Requirement that all contracts with the government be reduced to writing. Congress has on several occasions enacted statutes requiring that all contracts or franchises with the government must be reduced to writing and that anything not reduced to writing is unenforceable. The U.S. Supreme Court ruled on such a statute in the case of *Clark v. United States* (1877):

*"Every man is supposed to know the law. A party who makes a contract with an officer [of the government] without having it reduced to writing is knowingly accessory to a violation of duty on his part. Such a party aids in the violation of the law."*  
[*Clark v. United States*, 95 U.S. 539 (1877)]

5. Official Immunity. Employees of the government may not be sued in the government's courts if the Attorney General certifies in writing pursuant to 28 U.S.C. §2679(d) that they were acting within the bounds of their lawfully delegated authority. An officer of the government who exceeds the bounds of his or her authority, the courts have ruled, "ceases to represent the government":

*"The Government may not be sued except by its consent. The United States has not submitted to suit for specific performance\*99 or for an injunction. This immunity may not be avoided by naming an officer of the Government as a defendant. **The officer may be sued only if he acts in excess of his statutory authority or in violation of the Constitution for then he ceases to represent the Government.**"*  
[*U.S. ex. rel. Brookfield Const. Co. v. Stewart*, 284 F.Supp. 94 (1964)]

*"... the maxim that the King can do no wrong has no place in our system of government; yet it is also true, in respect to the State itself, that whatever wrong is attempted in its name is imputable to its government and not to the State, for, as it can speak and act only by law, whatever it does say and do must be lawful. That which therefore is unlawful because made so by the supreme law, the Constitution of the United States, is not the word or deed of the State, but is the mere wrong and trespass of those individual persons who falsely spread and act in its name."*

*"This distinction is essential to the idea of constitutional government. To deny it or blot it out obliterates the line of demarcation that separates constitutional government from absolutism, free self- government based on the*

sovereignty of the people from that despotism, whether of the one or the many, which enables the agent of the state to declare and decree that he is the state; to say 'L'Etat, c'est moi.' Of what avail are written constitutions, whose bills of right, for the security of individual liberty, have been written too often with the blood of martyrs shed upon the battle-field and the scaffold, if their limitations and restraints upon power may be overpassed with impunity by the very agencies created and appointed to guard, defend, and enforce them; and that, too, with the sacred authority of law, not only compelling obedience, but entitled to respect? And how else can these principles of individual liberty and right be maintained, if, when violated, the judicial tribunals are forbidden to visit penalties upon individual offenders, who are the instruments of wrong, whenever they interpose the shield of the state? ***The doctrine is not to be tolerated.*** The whole frame and scheme of the political institutions of this country, state and federal, protest against it. Their continued existence is not compatible with it. ***It is the doctrine of absolutism, pure, simple, and naked, and of communism which is its twin, the double progeny of the same evil birth.***"  
[*Poindexter v. Greenhow*, 114 U.S. 270, 5 S.Ct. 903 (1885)]

6. Judicial Immunity. Judges in the government's courts may not be sued if they were acting in the bounds of their own lawfully delegated authority. The person responsible for determining whether they acted within the bounds of their authority is the United States Attorney General, who must certify that under 28 U.S.C. §2679(d) above at the commencement of any lawsuit against a judge.
7. Government pays the legal fees and/or court judgments against its own employees, even if they violated the law. [26 U.S.C. §7423](#) authorizes the Secretary of the Treasury to reimburse any IRS employee for damages and costs recovered against him in court for wrongful collection actions.
8. Indemnification of their business partners for criminal or unlawful acts. 26 U.S.C. §3403 says that "employers" who pay over withheld taxes shall not be liable to any person for the amount deducted and withheld. Judges and prosecutors abuse this provision to infer that it protects those who withhold:
  - 8.1. Illegally
  - 8.2. Against persons who do not consent as required by 26 U.S.C. §3402(p).
  - 8.3. Against persons who are not "taxpayers" and who have no liability.
  - 8.4. Who are not "employers" and therefore not engaged in the "trade or business" franchise.None of the above are true, but covetous public servants just love to create the impression that they are.

We employ many of the same protections for our Members as the government does above. For instance, Members are required to employ all of the following documents throughout their interactions with the government to ensure that their rights are fully protected:

1. SEDM Member Agreement, Form #01.001. This form:
  - 1.1. Establishes a franchise that protects Members against government moles who join our ministry and use participation as a method to gather evidence about or prosecute other Members.
  - 1.2. Places the physical location of all Members outside the "United States" during the time that they are conducting any financial transactions with the ministry.
  - 1.3. Adds a disclaimer to all speech and writings of the ministry making them NON factual, NONactionable pursuant to Federal Rule of Evidence 610. This prevents the ministry or from ever being the target of any legal proceeding.
2. Resignation of Compelled Social Security Trustee, Form #06.002. This form surrenders all entitlement to Social Security and does so in strict accordance with the rules and procedures of the Social Security Administration (S.S.A.). Once you lose eligibility for the benefit, they can't enforce either the Social Security or "trade or business" franchises against you.
3. Legal Notice of Change in Domicile/Citizenship Records and Divorce from the United States, Form #10.001. Members are required to send this form to the Secretary of State and Attorney General of both the federal government and of their state government.
  - 3.1. Section 4.1 requires that all contracts with the government must be reduced to writing, must include consideration that is specified in both directions in the contract itself. No government franchises satisfy all the requirements of section 4.1 of the following document, and therefore they become unenforceable for the same reasons that contracts against the government are enforceable. If the government argues with you, they are violating your right of equal protection.
  - 3.2. Section 4.2 reserves all rights under the Uniform Commercial Code, U.C.C. §1-308 and its predecessor, U.C.C. §1-207.
  - 3.3. Section 8.6 defines all terms on government forms IN ADVANCE so that they may not be used to employ prejudicial presumptions that judges or prosecutors might use to destroy your rights.
  - 3.4. Section 8.2 redefines the penalty of perjury statements on all government forms you submit pursuant to 28 U.S.C. §1746(1) in order to place you outside of the "United States" and therefore outside of the jurisdiction of federal courts.

- 3.5. Section 8.5 prevents the use of government identifying numbers against you by establishing that their use violates the law.
- 3.6. Asks in advance of filing that all those filing information return reports that might connect you to the “trade or business” franchise, such as IRS Forms W-2, 1042-S, 1098, and 1099, be criminally prosecuted by the Department of Justice because you don’t consent to participate and because it is illegal for you to impersonate a “public officer” in the government pursuant to 18 U.S.C. §912.
- 3.7. Establishes an anti-franchise franchise whereby all those using or storing information about you, and especially with a commercial purpose in mind, agree to become personally liable for all assessments and penalties. The franchise also makes the perpetrators into the “substitute defendant” for you.
4. Corrected Information Return Attachment Letter, Form #04.002. This form:
- 4.1. Surrenders all right to any government “benefit” and requests that the recipient identify any benefits they think you are eligible for that might cause a surrender of sovereign immunity. Failure to respond constitutes a court admissible admission by the recipient that you are not eligible for any government “benefits” or franchises.
- 4.2. Rebutts all information returns filed against you that connect you to the “trade or business” franchise that is the heart of the income tax.
- 4.3. Asks that those filing these false reports be criminally prosecuted pursuant to 26 U.S.C. §§7206, 7207, 18 U.S.C. §912, etc.
- 4.4. Places a tremendous burden of proof upon the IRS to rebut if any part of the submission is incorrect and prescribes a time limit that quickly puts them in default for silence.
5. Why It is Illegal for Me to Request or Use a “Taxpayer Identification Number”, Form #04.205. This form proves that it would be a criminal act for you to request or use a Taxpayer Identification Number. You can give this to financial institutions, private employers, and business associates in order to prevent them from using government identification numbers in association with you or any transactions you might have with them. This prevents you from being connected to the “trade or business” franchise or from being confused with an “alien”. All “taxpayers” within the I.R.C. are statutory “aliens” engaged in the “trade or business” franchise.
6. Tax Form Attachment, Form #04.201. Attach this form to all tax forms you are compelled under threat of not being hired or fired, to submit.
- 6.1. Establishes an anti-franchise franchise whereby all those using or storing information about you, and especially with a commercial purpose in mind, agree to become personally liable for all assessments and penalties and must reimburse you for any demand placed upon your time and resources. The franchise also makes the perpetrators into the “substitute defendant” in any criminal prosecutions they attempt against you. The anti-franchise franchise also causes the Recipient to surrender official, judicial, and sovereign immunity and stipulate that they are acting as a private rather than public entity.
- 6.2. Requires that all contracts or franchises with the recipient must be reduced to writing and that implied contracts are not allowed.
- 6.3. Defines all terms used on government forms to prevent false presumptions that prejudice the rights of the Submitter.
- 6.4. Declares the status of the submitter as a “nontaxpayer” with no domicile on federal territory who is not engaged in the “trade or business” franchise to prevent false presumptions.
- 6.5. Identifies all identifying numbers as OTHER than Social Security Numbers or Taxpayer Identification Numbers so that they may not lawfully be used and fraud and identity theft results if they are used. Indicates that Submitter is not eligible for any government benefit or Social Security to prevent being connected with government franchise.
- 6.6. The form establishes that you have no delegated authority to contract with the government, and therefore any signatures or paper that might imply consent to engage in a franchise does not in fact produce it.
- 6.7. Requires the Recipient to provide witness immunity for the Submitter pursuant to 18 U.S.C. §6002.
7. Affidavit of Citizenship, Domicile, and Tax Status, Form #02.001. Attach this form to all withholding documents.
- 7.1. Section 1, Box 14 Section indemnifies withholding agents from all liability for failure to withhold by transferring the liability to the Submitter.
- 7.2. Declares the status of the submitter as a “nontaxpayer” with no domicile on federal territory who is not engaged in the “trade or business” franchise to prevent false presumptions.

All of the above forms are available at the following location on our website:

<p><u><a href="http://sedm.org/Forms/FormIndex.htm">SEDM Forms/Publications Page</a></u> <u><a href="http://sedm.org/Forms/FormIndex.htm">http://sedm.org/Forms/FormIndex.htm</a></u></p>
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## 24 How “Justice” has been redefined to promote government franchises<sup>299</sup>

The term “justice” has been stealthily redefined over the years in order to promote government franchises. These franchises, in turn, are at the heart of unconstitutional efforts to privatize and corporatize government as described in the following:

*Corporatization and Privatization of the Government*, Form #05.024

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

A very important subject that comes up all the time in the freedom community and especially in the context of litigation is the subject of “justice”. This term is widely misunderstood and quite subjective for most people. We must agree upon a definition in order to know EXACTLY what we are fighting for in the context of this ministry.

### 24.1 Legal definition of “justice”

The essence of the meaning of “justice” in fact, is the right to be “left alone”:

PAULSEN, *ETHICS* (Thilly's translation), chap. 9.

“Justice, as a moral habit, is that tendency of the will and mode of conduct which refrains from disturbing the lives and interests of others, and, as far as possible, hinders such interference on the part of others. This virtue springs from the individual's respect for his fellows as ends in themselves and as his co equals. The different spheres of interests may be roughly classified as follows: body and life; the family, or the extended individual life; property, or the totality of the instruments of action; honor, or the ideal existence; and finally freedom, or the possibility of fashioning one's life as an end in itself. The law defends these different spheres, thus giving rise to a corresponding number of spheres of rights, each being protected by a prohibition. . . . To violate the rights, to interfere with the interests of others, is injustice. All injustice is ultimately directed against the life of the neighbor; it is an open avowal that the latter is not an end in itself, having the same value as the individual's own life. The general formula of the duty of justice may therefore be stated as follows: Do no wrong yourself, and permit no wrong to be done, so far as lies in your power; or, expressed positively: Respect and protect the right.”  
[Readings on the History and System of the Common Law, Second Edition, Roscoe Pound, 1925, p. 2]

The U.S. Supreme Court stated the above slightly differently:

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

So in the context of “government” as legally defined, the FIRST duty of government is to LEAVE YOU ALONE, and to ONLY enforce that which you have specifically asked for and consented to in a civil context. If they won't do that, then you shouldn't be hiring them to protect your right to be left alone by anyone ELSE through paying them “taxes”.

“Justice is the end of government. It is the end of civil society. It ever has been, and ever will be pursued, until it be obtained, or until liberty be lost in the pursuit.”  
[James Madison, *The Federalist* No. 51 (1788)]

The Bible also states the foundation of justice by saying:

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

And finally, Thomas Jefferson agreed with the above by defining “justice” as follows in his First Inaugural Address:

“With all [our] blessings, what more is necessary to make us a happy and a prosperous people? Still one thing more, fellow citizens--**a wise and frugal Government, which shall restrain men from injuring one another, shall leave them otherwise free to regulate their own pursuits of industry and improvement, and shall not take from**

<sup>299</sup> Source: *Requirement for Consent*, Form #05.003, Section 2; <http://sedm.org/Forms/FormIndex.htm>.

1 the mouth of labor the bread it has earned. This is the sum of good government, and this is necessary to close  
2 the circle of our felicities."

3 [Thomas Jefferson: 1st Inaugural, 1801. ME 3:320]

4 Therefore, the word "injustice" means interference with the equal rights of others absent their consent and which constitutes  
5 an injury NOT as any law defines it, but as the PERSON who is injured defines it. Under this conception of "justice",  
6 anything done with your consent cannot be classified as "injustice" or an injury.

7 The most obvious form of injustice is a criminal mafia that will continue to disturb and threaten you until you pay them  
8 "protection money" in order to essentially procure the PRIVILEGE to be left alone. This is the model upon which the IRS  
9 operates: They continue to harass, lien, and levy you administratively, even if you are NOT a statutory "taxpayer" and instead  
10 are a non-resident non-person, unless and until you essentially pay them "protection money". Materials on our site prove  
11 extensively that a criminal mafia is EXACTLY what the IRS is, including the following memorandum of law:

Origins and Authority of the Internal Revenue Service, Form #05.005

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

12 The concept of justice explains why a policeman must have "probable cause" in order to detain, arrest, or interrogate you.  
13 The presumption is that you have a right to be left alone and the policemen must not disturb your peace unless they have a  
14 reasonable cause to do so that is or can be demonstrated with court admissible evidence.

15 The concept of justice originates from the legal definition of property. The essence and foundation of the "property right",  
16 as held by the U.S. Supreme Court, is the right to EXCLUDE ANYONE AND EVERYONE else, from using, controlling, or  
17 benefitting from the use of YOUR property:

18 "We have repeatedly held that, as to property reserved by its owner for private use, 'the right to exclude [others  
19 is] 'one of the most essential sticks in the bundle of rights that are commonly characterized as property.'"

20 Loretto v. Teleprompter Manhattan CATV Corp., 458 U.S. 419, 433 (1982), quoting Kaiser Aetna v. United  
21 States, 444 U.S. 164, 176 (1979). "

22 [Nollan v. California Coastal Comm'n, 483 U.S. 825 (1987)]

23  
24 "In this case, we hold that the "right to exclude," so universally held to be a fundamental element of the  
25 property right,<sup>[11]</sup> falls within this category of interests that the Government cannot take without  
26 compensation."

27 [Kaiser Aetna v. United States, 444 U.S. 164 (1979)]

28 [11] See, e. g., United States v. Pueblo of San Ildefonso, 206 Ct.Cl. 649, 669-670, 513 F.2d. 1383, 1394 (1975);  
29 United States v. Lutz, 295 F.2d. 736, 740 (CA5 1961). As stated by Mr. Justice Brandeis, "[a]n essential element  
30 of individual property is the legal right to exclude others from enjoying it." International News Service v.  
31 Associated Press, 248 U.S. 215, 250 (1918) (dissenting opinion).

32 The right to exclude that is the essence of the right to PRIVATE property extends not only to other people or businesses, but  
33 to ANY and EVERY government, because under the concept of equal protection and equal treatment, all "persons", including  
34 artificial "persons" such as government corporations, are EQUAL. The result of exercising your right to exclude the  
35 government is that they HAVE to LEAVE THE PROPERTY ALONE, and NOT try to steal it or deceive you into donating  
36 it to them. The only lawful basis for interfering with the use or ownership of any kind of property is when the property is  
37 abused to INJURE the equal rights of your sovereign neighbor, and that interference can come only AFTER the injury is  
38 inflicted, and not before.

39 "The sole end, for which mankind are warranted, individually or collectively... in interfering with the liberty of  
40 action of any of their number, is self-protection."

41 [John Stewart Mill, On Liberty, p. 223]

42 "Do not strive with [or try to regulate or control or enslave] a man without cause, **if he has done you no harm.**"

43 [Prov. 3:30, Bible, NKJV]

44 Every remedy provided by a lawful de jure government for the protection of private rights therefore BEGINS with  
45 demonstrating a quantifiable PAST and not FUTURE injury to a specific, enumerated natural or constitutional right. That  
46 remedy can only be imposed absent our consent when the following two conditions are met:



- 1 1. Someone's else's equal rights have been injured.. AND
- 2 2. A specific injury has resulted from that violation under the common law.
- 3 2.1. If the remedy is a civil statutory remedy, we must have a domicile within the jurisdiction of the court administering
- 4 the remedy before it can be invoked.
- 5 2.2. If the remedy is a civil common law remedy, no domicile is necessary to invoke it in court.
- 6 2.3. If the remedy is a criminal remedy, the violation occurred on territory protected by the sovereign. Otherwise the
- 7 act of criminal enforcement against nonresident parties amounts essentially to international terrorism.

8 Fulfillment of the above requirements in a court of law is why those serving as "judges" are referred to as "justices".

9 "Leaving people alone" and "not injuring them" are therefore equivalent. The biblical definition of "love" also fills this

10 requirement not to harm others and thereby to ensure that you "leave them alone".

11 *For the commandments, "You shall not commit adultery," "You shall not murder," "You shall not steal," "You*

12 *shall not bear false witness," "You shall not covet," and if there is any other commandment, are all summed up*

13 *in this saying, namely, "You shall love your neighbor as yourself."*

14 **Love does no harm to a neighbor; therefore love is the fulfillment of the law.**

15 *[Romans 13:9-10, Bible, NKJV]*

16 In order to sue someone in court for an injury to your private rights under the common law, you must be able to demonstrate

17 an injury. This is called "standing". You don't have the right or the jurisdiction to interfere with others and drag them into

18 court until THEY have injured you and thereby disturbed your right to be left alone. That's what the Readings on the History

19 and System of the Common Law book above implies.

## 20 **24.2 Political definition of "Social Justice"**

21 "Social Justice" is used as the justification by statists for transforming a free society where the people are equal to the

22 government into a civil religion that worships government as a pagan deity. Here is a POLITICAL definition of the term

23 from a United Nations report:

24 *"Social justice may be broadly understood as the fair and compassionate distribution of the fruits of economic*

25 *growth...*

26 *[. . .]*

27 *"Social justice is not possible without strong and coherent redistributive policies conceived and implemented by*

28 *public agencies."*

29 *["Social Justice in an Open World: The Role of the United Nations". The International Forum for Social*

30 *Development, DEPARTMENT OF ECONOMIC AND SOCIAL AFFAIRS, Division for Social Policy and*

31 *Development, ST/ESA/305" (PDF). New York: United Nations. 2006. p. 16]*

32 According to the above U.N. definition, "social justice" therefore implies:

- 33 1. A strong overarching government MUCH more powerful than individuals so it can STEAL from individuals with
- 34 impunity.

### 35 ***The Law and Charity***

36 *You say: "There are persons who have no money," and you turn to the law. but the law is not a breast that fills*

37 *itself with milk. Nor are the lacteal veins of the law supplied with milk from a source outside the society. Nothing*

38 *can enter the public treasury for the benefit of one citizen or one class unless other citizens and other classes*

39 *have been forced to send it in. If every person draws from the treasury the amount that he has put in it, it is*

40 *true that the law then plunders nobody. But this procedure does nothing for the persons who have no money.*

41 *It does not promote equality of income. The law can be an instrument of equalization only as it takes from*

42 *some persons and gives to other persons. When the law does this, it is an instrument of plunder.*

43 *[The Law, Frederic Bastiat; SOURCE: <http://famguardian.org/Publications/TheLaw/TheLaw.htm>]*

- 44 2. A collectivist society, where everything is controlled by the state. Control is synonymous with ownership, because
- 45 ownership is based on the right to EXCLUDE any and all others from using or benefitting from a thing:

Collectivism: a political or economic theory advocating collective control [e.g. OWNERSHIP] esp. over production and distribution or a system marked by such control.  
[Webster's Ninth New Collegiate Dictionary, 1983, ISBN 0-87779-510-X, p. 259]

Property. [ . . . ]The term is said to extend to every species of valuable right and interest. More specifically, ownership; the unrestricted and exclusive right to a thing; the right to dispose of a thing in every legal way, to possess it, to use it, and to exclude everyone else from interfering with it. That dominion or indefinite right of use or disposition which one may lawfully exercise over particular things or subjects. The exclusive right of possessing, enjoying, and disposing of a thing. The highest right a man can have to anything; being used to refer to that right which one has to lands or tenements, goods or chattels, which no way depends on another man's courtesy.  
[Black's Law Dictionary, Fifth Edition, p. 1095]

A government that can take away your property that you haven't hurts someone with is the REAL owner. You are just a custodian over THEIR property if they can do THAT. For more on collectivism, see:

Collectivism and How to Resist It, Form #12.024

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

3. A government with superior or supernatural powers above human beings, who are the natural. If it is theft for a human to steal wealth from one and give to another and all people are equal, then the government can't do it either.

To lay, with one hand, the power of the government on the property of the citizen, and with the other to bestow it upon favored individuals to aid private enterprises and build up private fortunes, is none the less a robbery because it is done under the forms of law and is called taxation. This is not legislation. It is a decree under legislative forms.

Nor is it taxation. 'A tax,' says Webster's Dictionary, 'is a rate or sum of money assessed on the person or property of a citizen by government for the use of the nation or State.' 'Taxes are burdens or charges imposed by the Legislature upon persons or property to raise money for public purposes.' Cooley, Const. Lim., 479.

Coulter, J., in Northern Liberties v. St. John's Church, 13 Pa.St. 104 says, very forcibly, 'I think the common mind has everywhere taken in the understanding that taxes are a public imposition, levied by authority of the government for the purposes of carrying on the government in all its machinery and operations—that they are imposed for a public purpose.' See, also Pray v. Northern Liberties, 31 Pa.St., 69; Matter of Mayor of N.Y., 11 Johns., 77; Camden v. Allen, 2 Dutch., 398; Sharpless v. Mayor, supra; Hanson v. Vernon, 27 Ia., 47; Whiting v. Fond du Lac, supra."  
[Loan Association v. Topeka, 20 Wall. 655 (1874)]

4. No equality between the government and the governed.  
5. Coerced servitude to the will of the majority at the expense of the individual.  
6. Idolatry, which is the worship or servitude towards anything but God, and ESPECIALLY towards civil rulers.

Then all the elders of Israel gathered together and came to Samuel at Ramah, and said to him, "Look, you are old, and your sons do not walk in your ways. Now make us a king to judge us like all the nations [and be OVER them]".

But the thing displeased Samuel when they said, "Give us a king to judge us." So Samuel prayed to the Lord. And the Lord said to Samuel, "Heed the voice of the people in all that they say to you; for they have rejected Me [God], that I should not reign over them. According to all the works which they have done since the day that I brought them up out of Egypt, even to this day—with which they have forsaken Me and served other gods [Kings, in this case]—so they are doing to you also [government becoming idolatry]. Now therefore, heed their voice. However, you shall solemnly forewarn them, and show them the behavior of the king who will reign over them."

So Samuel told all the words of the LORD to the people who asked him for a king. And he said, "This will be the behavior of the king who will reign over you: He will take [STEAL] your sons and appoint them for his own chariots and to be his horsemen, and some will run before his chariots. He will appoint captains over his thousands and captains over his fifties, will set some to plow his ground and reap his harvest, and some to make his weapons of war and equipment for his chariots. He will take [STEAL] your daughters to be perfumers, cooks, and bakers. And he will take [STEAL] the best of your fields, your vineyards, and your olive groves, and give them to his servants. He will take [STEAL] a tenth of your grain and your vintage, and give it to his officers and servants. And he will take [STEAL] your male servants, your female servants, your finest young men, and your donkeys, and put them to his work [as SLAVES]. He will take [STEAL] a tenth of your sheep. And you will be his servants [PUBLIC OFFICER SLAVES/WHORES!]. And you will cry out in that day because of your king whom you have chosen for yourselves, and the LORD will not hear you in that day."

Nevertheless the people refused to obey the voice of Samuel; and they said, "No, but we will have a king over us, that we also may be like all the nations, and that our king may judge us and go out before us and fight our battles." [1 Sam. 8:4-20, Bible, NKJV]

7. The resulting government CANNOT be one of delegated powers from the people, because The Sovereign People cannot delegate a power to a government that they themselves do not possess. The following maxims of law prove this point out.

*"Derivativa potestas non potest esse major primitive. Wing. Max. 36; Pinch. Law, b.1. c.3, p.11. The power [sovereign immunity in this case] which is derived cannot be greater than that from which it is derived."*  
[Bouvier's Law Dictionary Unabridged, 8<sup>th</sup> Edition, pg. 2131]

*"Nemo potest facere per obliquum quod non potest facere per directum. 1 Eden 512. No one can do that indirectly which cannot be done directly."*  
[Bouvier's Law Dictionary Unabridged, 8<sup>th</sup> Edition, pg. 2147]

*"Quod per me non possum, nec per alium..4 Co. 24 b: 11 id. 87a. What I cannot do in person, I cannot do through the agency of another."*  
[Bouvier's Law Dictionary Unabridged, 8<sup>th</sup> Edition, pg. 2159]

### **24.3 Legal justice can easily be perverted when it is defined as "give every man his due"**

This section is prompted by the following question appearing in our Member Forums:

#### **Ministry Introduction: Your Definition of "Justice"**

*After advising a friend to review materials regarding the Introduction to your Ministry, she raises a valid point on the "Legal definition of Justice". According to your Form #12.014, It is stated that the legal definition of justice is the right to simply be left alone.*

*Her concerns as well as mine are these:*

*1. After clicking the link and reading the entire page including Black's Law Dictionary, we didn't find anywhere where the "legal definition" of Justice is the right to be left alone.*

*2. After researching the bible, hoping to discover even biblical law that implies justice as simply the right to be left alone, I came up empty handed there as well.*

*3. No legal dictionary has this meaning, and it appears on the surface that this statement is purely driven by your contempt of the government. Not that that's a bad thing, however, it doesn't reflect "truth" and truth is justice.*

*I address these issues because that statement seems a bit misleading to the average person whose reading your material for the first time, and might be deterred from moving forward on the Path to Freedom if in fact there is no way to prove the author's perspective of it.*

*As a member subscriber, I understand the mission at hand, and probably share the same sentiment as the author, however, I feel it my duty to at least address it, as it might be a hindrance to those who are willing to learn from and be a part of this ministry.*

[SEDM Member Forum 9.4, SOURCE: <http://sedm.org/forums/topic/ministry-introduction-your-definition-of-justice/#post-122811>]

First of all, the author of the above appears to have missed the definition of "justice" in the context of the common law that we provided in section 24.1 earlier:

PAULSEN, ETHICS (Thilly's translation), chap. 9.

**"Justice, as a moral habit, is that tendency of the will and mode of conduct which refrains from disturbing the lives and interests of others, and, as far as possible, hinders such interference on the part of others. This virtue springs from the individual's respect for his fellows as ends in themselves and as his co equals. The different spheres of interests may be roughly classified as follows: body and life; the family, or the extended individual life; property, or the totality of the instruments of action; honor, or the ideal existence; and finally freedom, or the possibility of fashioning one's life as an end in itself. The law defends these different spheres, thus giving rise**

1 to a corresponding number of spheres of rights, each being protected by a prohibition. . . . To violate the rights,  
2 to interfere with the interests of others, is injustice. All injustice is ultimately directed against the life of the  
3 neighbor; it is an open avowal that the latter is not an end in itself, having the same value as the individual's own  
4 life. The general formula of the duty of justice may therefore be stated as follows: Do no wrong yourself, and  
5 permit no wrong to be done, so far as lies in your power; or, expressed positively: Respect and protect the right."  
6 [Readings on the History and System of the Common Law, Second Edition, Roscoe Pound, 1925, p. 2]

7 The author also overlooked most of the other treatment in section 24.1, which also defined "justice" using the Bible and the  
8 U.S. Supreme Court. The fact that the word "justice" does not appear in the authorities cited isn't terribly relevant, because  
9 the concept is sound from the authorities provided. The reader too should reread the section 24.1 if they are at all uncertain  
10 about the meaning of justice.

11 Second of all, the main source of confusion comes from those who define justice as "giving every man his due". It is quite  
12 common, for instance, to see legal definitions of "justice" include the phrase "give every man his due" rather than simply  
13 "the right to be left alone". Below are a few notable examples we dug up from various authoritative sources:

14 *Justice, n. Title given to judges, particularly judges of U.S. and state supreme courts, and as well to judges of*  
15 *appellate courts. The U.S. Supreme Court, and most state supreme courts are composed of a chief justice and*  
16 *several associate justices.*

17 *Proper administration of laws. In jurisprudence, the constant and perpetual disposition of legal matters or*  
18 *disputes to render every man his due.*

19 *Commutative justice concerns obligations as between persons (e.g., in exchange of goods) and requires*  
20 *proportionate equality in dealings of person to person; Distributive justice concerns obligations of the community*  
21 *to the individual, and requires fair disbursement of common advantages and sharing of common burdens; Social*  
22 *justice concerns obligations of individual to community and its end is the common good.*

23 *In Feudal law, jurisdiction; judicial cognizance of causes or offenses. High justice was the jurisdiction or right*  
24 *of trying crimes of every kind, even the highest. This was a privilege claimed and exercised by the great lords*  
25 *or barons of the middle ages. Law justice was jurisdiction of petty offenses.*

26 *See also Miscarriage of justice; Obstructing justice.*

27 *[Black's Law Dictionary, Sixth Edition, p. 864]*

28  
29 *The object of Law is the administration of justice. Law is a body of rule for the systematic and regular public*  
30 *administration of justice. Hence we may ask, at the outset, what is justice?*

31 *INSTITUTES OF JUSTINIAN, I, I, sees. 1, 3.*

32 *Justice is the set and constant purpose which gives to every man his due. The precepts of law are these: to live*  
33 *honorably, to injure no one, and to "give every man his due".*

34 *[Readings on the History and System of the Common Law, Second Edition, Roscoe Pound, 1925, p. 1]*

35  
36 *JUSTICE - The constant and perpetual disposition to render every man his due. Justinian, Inst. b. 1, tit. 1; Co.*  
37 *2d Inst. 56.*

38 *[Bouvier's Law Dictionary (1856)]*

39  
40 *Justice — is rendering to every one [equally, whether citizen or alien] that which is his due. It has been*  
41 *distinguished from equity in this respect, that while justice means merely the doing [of] what positive law*  
42 *demand, equity means the doing of what is fair and right in every separate case.*

43 *[Easton's Bible Dictionary, 1996]*

44 The above definitions invite a PERVERSION of justice, and especially by judges. This is because:

1. He who writes the rules or definitions always wins. In other words, the CREATOR or GRANTOR of a PUBLIC right (franchise) literally OWNS everyone who exercises that right. See:
- 1.1. The U.S. Supreme Court:

"These general rules are well settled:

(1) That the United States, when it creates rights in individuals against itself [a "public right", which is a euphemism for a "franchise" to help the court disguise the nature of the transaction], is under no obligation to provide a remedy through the courts. *United States ex rel. Dunlap v. Black*, 128 U.S. 40, 9 Sup.Ct. 12, 32 L.Ed. 354; *Ex parte Atocha*, 17 Wall. 439, 21 L.Ed. 696; *Gordon v. United States*, 7 Wall. 188, 195, 19 L.Ed. 35; *De Groot v. United States*, 5 Wall. 419, 431, 433, 18 L.Ed. 700; *Comegys v. Vasse*, 1 Pet. 193, 212, 7 L.Ed. 108.

(2) That where a statute creates a right and provides a special remedy, that remedy is exclusive. *Wilder Manufacturing Co. v. Corn Products Co.*, 236 U.S. 165, 174, 175, 35 Sup.Ct. 398, 59 L.Ed. 520, Ann. Cas. 1916A, 118; *Arnson v. Murphy*, 109 U.S. 238, 3 Sup.Ct. 184, 27 L.Ed. 920; *Barnet v. National Bank*, 98 U.S. 555, 558, 25 L.Ed. 212; *Farmers' & Mechanics' National Bank v. Dearing*, 91 U.S. 29, 35, 23 L.Ed. 196. Still the fact that the right and the remedy are thus intertwined might not, if the provision stood alone, require us to hold that the remedy expressly given excludes a right of review by the Court of Claims, where the decision of the special tribunal involved no disputed question of fact and the denial of compensation was rested wholly upon the construction of the act. See *Medbury v. United States*, 173 U.S. 492, 198, 19 Sup.Ct. 503, 43 L.Ed. 779; *Parish v. MacVeagh*, 214 U.S. 124, 29 Sup.Ct. 556, 53 L.Ed. 936; *McLean v. United States*, 226 U.S. 374, 33 Sup.Ct. 122, 57 L.Ed. 260; *United States v. Laughlin* (No. 200), 249 U.S. 440, 39 Sup.Ct. 340, 63 L.Ed. 696, decided April 14, 1919." [U.S. v. Babcock, 250 U.S. 328, 39 S.Ct. 464 (1919)]

- 1.2. O'Reilly Factor, April 8, 2015, John Piper of the Oklahoma Wesleyan University [http://famguardian.org/Media/20150408\\_1958-The\\_O'Reilly\\_Factor\\_Dealing%20with%20slanderous%20liberals%20biblically-Everett%20Piper.mp4](http://famguardian.org/Media/20150408_1958-The_O'Reilly_Factor_Dealing%20with%20slanderous%20liberals%20biblically-Everett%20Piper.mp4)

2. Congress WRITES the rules in their statutory civil franchises and civil laws. This includes the entire civil code. These "rules" protect ONLY "public rights", not PRIVATE rights. In fact, you have to give up ALL of your natural and constitutional and common law rights to pursue a civil statutory remedy OF ANY KIND. In other words, you have to VOLUNTARILY SURRENDER your SOVEREIGN IMMUNITY to invoke a statutory remedy. This waiver of sovereignty and sovereign immunity under the common law and the Constitution is, in fact, how one becomes a "subject" under any "act of Congress":

"The words "privileges" and "immunities," like the greater part of the legal phraseology of this country, have been carried over from the law of Great Britain, and recur constantly either as such or in equivalent expressions from the time of Magna Charta. For all practical purposes they are synonymous in meaning, and originally signified a peculiar right or private law conceded to particular persons or places whereby a certain individual or class of individuals was exempted from the rigor of the common law. Privilege or immunity is conferred upon any person when he is invested with a legal claim to the exercise of special or peculiar rights, authorizing him to enjoy some particular advantage or exemption."

[The Privileges and Immunities of State Citizenship, Roger Howell, PhD, 1918, pp. 9-10;

SOURCE:

[http://famguardian.org/Publications/ThePrivAndImmOfStateCit/The\\_privileges\\_and\\_immunities\\_of\\_state\\_c.pdf](http://famguardian.org/Publications/ThePrivAndImmOfStateCit/The_privileges_and_immunities_of_state_c.pdf)]

See *Magill v. Browne*, Fed.Cas. No. 8952, 16 Fed.Cas. 408; 6 Words and Phrases, 5583, 5584; A J. Lien, "Privileges and Immunities of Citizens of the United States," in *Columbia University Studies in History, Economics, and Public Law*, vol. 54, p. 31.

Municipal law, thus understood, is properly defined to be "a rule of civil conduct prescribed by the supreme power in a state, commanding what is right and prohibiting what is wrong."

[. . .]

It is also called a rule to distinguish it from a compact or agreement; for a compact is a promise proceeding from us, law is a command directed to us. The language of a compact is, "I will, or will not, do this"; that of a law is, "thou shalt, or shalt not, do it." It is true there is an obligation which a compact carries with it, equal in point of conscience to that of a law; but then the original of the obligation is different. In compacts we ourselves determine and promise what shall be done, before we are obliged to do it; in laws, we are obliged to act without ourselves determining or promising anything at all. Upon these accounts law is defined to be "a rule." [Readings on the History and System of the Common Law, Second Edition, Roscoe Pound, 1925, p. 4]



3. The civil franchise code, in turn, only regulates public officers on official business and cannot impair PRIVATE or CONSTITUTIONAL rights. That is why 4 U.S.C. §72 requires public officers to serve in places NOT protected by the Constitution on federal territory within the exclusive jurisdiction of Congress. See:
- 3.1. *Proof That There Is a "Straw Man"*, Form #05.042  
<http://sedm.org/Forms/FormIndex.htm>
- 3.2. *Why Statutory Civil Law is Law for Government and Not Private Persons*, Form #05.037  
<http://sedm.org/Forms/FormIndex.htm>
4. Judges essentially by fiat write the "definitions" by adding to statutes and case law through presumption and violation of the Rules of Statutory Construction and Interpretation. On the other hand, judges CANNOT violate these rules if statutes are not invoked to determine "what is due". See:
- Legal Deception, Propaganda, and Fraud*, Form #05.014  
<http://sedm.org/Forms/FormIndex.htm>
5. Judges are financially "incentivized" to use the statutory PUBLIC definitions and thereby ENFRANCHISE you and the administration of justice in order to increase their importance, pay, and government revenues.<sup>300</sup> It makes them into lords over their own franchise "fiefdom":

*"franchise court. Hist. A privately held court that (usu.) exists by virtue of a royal grant [privilege], with jurisdiction over a variety of matters, depending on the grant and whatever powers the court acquires over time. In 1274, Edward I abolished many of these feudal courts by forcing the nobility to demonstrate by what authority (quo warranto) they held court. If a lord could not produce a charter reflecting the franchise, the court was abolished. - Also termed courts of the franchise.*

*Dispensing justice was profitable. Much revenue could come from the fees and dues, fines and amercements. This explains the growth of the second class of feudal courts, the Franchise Courts. They too were private courts held by feudal lords. Sometimes their claim to jurisdiction was based on old pre-Conquest grants ... But many of them were, in reality, only wrongful usurpations of private jurisdiction by powerful lords. These were put down after the famous Quo Warranto enquiry in the reign of Edward I." W.J.V. Windeyer, Lectures on Legal History 56-57 (2d ed. 1949)."*  
[Black's Law Dictionary, Seventh Edition, p. 668]

6. The definition judges INVENT by illegal means and fiat invites you to use the civil STATUTORY definitions of what is "due" if you or they don't like the common law definitions. This then invites you to become a public officer and therefore "subject" of the government who is INFERIOR. That public officer is called a civil statutory "citizen", "resident", "person", or "taxpayer", etc.

The reason that so many legal reference sources try to confuse the definition of "justice" and replace "the right to be left alone" with the phrase "give every man his due" is to try to turn justice into a franchise and "benefit" that they can charge for and which you then have an obligation to PAY directly and personally for. That payment usually is demanded through income (franchise) taxes:

*"Hominum caus jus constitutum est. Law is established for the benefit of man."*  
[Bouvier's Law Dictionary, 1856; SOURCE:  
<http://famguardian.org/Publications/BouvierMaximsOfLaw/BouviersMaxims.htm>]

Franchises are covered in:

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

This type of abuse by judges in collusion with legislators is a perversion of the original meaning of the word so that "justice" can be turned into a profitable franchise and the courts can be turned into a place of business, like the money changers who Jesus got angry at.

*"To no one will we sell, to no one will we refuse or delay right or justice."*  
[Magna Carta, ch. 40 (1215)]

<sup>300</sup> Watch the following video for proof, right from Supreme Court justice Antonin Scalia: SEDM Exhibit 11.006;  
<http://sedm.org/Exhibits/ExhibitIndex.htm>.

1 "Woe to you, scribes [religious leaders] and Pharisees [lawyers], hypocrites! For you pay tithes of mint and anise  
2 and cummin [to the false god of government with your attorney licenses and your 501(c)(3) and "privileged" tax  
3 exemptions, neither of which any positive law requires], and have neglected the weightier [most important]  
4 matters of the law [God's Law]: justice and mercy and faith [in God, and Truth]. These you ought to have done,  
5 without leaving the others undone."  
6 [Jesus (God) in Matt. 23:23, Bible, NKJV]

7 Government is a ministry OF GOD that can never be done for profit. The minute it adopts a profit motive or tries to recruit  
8 you as a public officer in order to pay you "benefits" is the minute it becomes INJUSTICE. That injustice turns an ELITE  
9 class of BENEFACTORS of the franchise loot into plunderers of the oppressed or enfranchised class. It also turns the ballot  
10 box and the jury box into a BATTLEGROUND for loot.

11 "The income tax law under consideration is marked by discriminating features which affect the whole law. It  
12 discriminates between those who receive an income of four thousand dollars and those who do not. It thus  
13 vitiates, in my judgment, by this arbitrary discrimination, the whole legislation. Hamilton says in one of his  
14 papers, (the Continentalist,) "the genius of liberty reprobates everything arbitrary or discretionary in taxation. It  
15 exacts that every man, by a definite and general rule, should know what proportion of his property the State  
16 demands; whatever liberty we may boast of in theory, it cannot exist in fact while [arbitrary] assessments  
17 continue." 1 Hamilton's Works, ed. 1885, 270. The legislation, in the discrimination it makes, is class legislation.  
18 Whenever a distinction is made in the burdens a law imposes or in the benefits it confers on any citizens by  
19 reason of their birth, or wealth, or religion, it is class legislation, and leads inevitably to oppression and abuses,  
20 and to general unrest and disturbance in society [e.g. wars, political conflict, violence, anarchy]. It was hoped  
21 and believed that the great amendments to the Constitution which followed the late civil war had rendered such  
22 legislation impossible for all future time. But the objectionable legislation reappears in the act under  
23 consideration. It is the same in essential character as that of the English income statute of 1691, which taxed  
24 Protestants at a certain rate, Catholics, as a class, at double the rate of Protestants, and Jews at another and  
25 separate rate. Under wise and constitutional legislation every citizen should contribute his proportion, however  
26 small the sum, to the support of the government, and it is no kindness to urge any of our citizens to escape from  
27 that obligation. If he contributes the smallest mite of his earnings to that purpose he will have a greater regard  
28 for the government and more self-respect 597\*597 for himself feeling that though he is poor in fact, he is not a  
29 pauper of his government. And it is to be hoped that, whatever woes and embarrassments may betide our people,  
30 they may never lose their manliness and self-respect. Those qualities preserved, they will ultimately triumph over  
31 all reverses of fortune."

32 [...]

33 "Here I close my opinion. I could not say less in view of questions of such gravity that go down to the very  
34 foundation of the government. If the provisions of the Constitution can be set aside by an act of Congress, where  
35 is the course of usurpation to end? The present assault upon capital is but the beginning. It will be but the  
36 stepping-stone to others, larger and more sweeping, till our political contests will become a war of the poor  
37 against the rich; a war constantly growing in intensity and bitterness."

38 "If the court sanctions the power of discriminating taxation, and nullifies the uniformity mandate of the  
39 Constitution," as said by one who has been all his life a student of our institutions, "it will mark the hour when  
40 the sure decadence of our present government will commence." If the purely arbitrary limitation of \$4000 in  
41 the present law can be sustained, none having less than that amount of income being assessed or taxed for the  
42 support of the government, the limitation of future Congresses may be fixed at a much larger sum, at five or ten  
43 or twenty thousand dollars, parties possessing an income of that amount alone being bound to bear the burdens  
44 of government; or the limitation may be designated at such an amount as a board of "walking delegates" may  
45 deem necessary. There is no safety in allowing the limitation to be adjusted except in strict compliance with the  
46 mandates of the Constitution which require its taxation, if imposed by direct taxes, to be apportioned among the  
47 States according to their representation, and if imposed by indirect taxes, to be uniform in operation and, so far  
48 as practicable, in proportion to their property, equal upon all citizens. Unless the rule of the Constitution  
49 governs, a majority may fix the limitation at such rate as will not include any of their own number."  
50 [Pollock v. Farmers' Loan & Trust Co., 157 U.S. 429 (Supreme Court 1895)]

52 "And you shall take no bribe, for a bribe blinds the discerning and perverts the words of the righteous."  
53 [Exodus 23:8, Bible, NKJV]

54 "He who is greedy for gain troubles his own house,  
55 But he who hates bribes will live."  
56 [Prov. 15:27, Bible, NKJV]

57 "Surely oppression destroys a wise man's reason.  
58 And a bribe debases the heart."  
59 [Ecclesiastes 7:7, Bible, NKJV]

Justice implies equity between you and the government, and franchises destroy that equity. If you and the government are truly equal to each other and THEY claim to be “sovereign” then you are too, because all their authority was delegated by WE THE PEOPLE individually. You can’t delegate what you don’t have. Usury and injustice always happens when private financial interest is allowed to trump justice, equality, and equity between you and the government. By “usury”, we mean the abuse of money and franchises to create inequality between people under the law. Justice and “leaving you alone” on the one hand, and franchises and “giving men their due” on the other hand are entirely incompatible with each other. They should NEVER be allowed to be confused, because EVIL and criminal conflict of interest will always result. That evil will happen because of the inequality and subjection that is created through franchises and commerce.

*“Protectio trahit subjectionem, subjectio projectionem.*

*Protection draws to it subjection, subjection, protection. Co. Litt. 65.”*

*[Bouvier’s Maxims of Law, 1856;*

*SOURCE: <http://fanguardian.org/Publications/BouvierMaximsOfLaw/BouviersMaxims.htm>*

To choose a domicile within the jurisdiction of a secular and therefore pagan government under civil statutes that impute superior or supernatural powers to the government is to nominate a secular king to be ABOVE you and to FIRE God as your protector:

*Then all the elders of Israel gathered together and came to Samuel at Ramah, and said to him, “Look, you are old, and your sons do not walk in your ways. Now make us a king to judge us like all the nations [and be OVER them]”.*

*But the thing displeased Samuel when they said, “Give us a king to judge us.” So Samuel prayed to the Lord. And the Lord said to Samuel, “Heed the voice of the people in all that they say to you; for they have rejected Me [God], that I should not reign over them. According to all the works which they have done since the day that I brought them up out of Egypt, even to this day—with which they have forsaken Me and served other gods [Kings, in this case]—so they are doing to you also [government becoming idolatry]. Now therefore, heed their voice. However, you shall solemnly forewarn them, and show them the behavior of the king who will reign over them.”*

*So Samuel told all the words of the LORD to the people who asked him for a king. And he said, “This will be the behavior of the king who will reign over you: He will take [STEAL] your sons and appoint them for his own chariots and to be his horsemen, and some will run before his chariots. He will appoint captains over his thousands and captains over his fifties, will set some to plow his ground and reap his harvest, and some to make his weapons of war and equipment for his chariots. He will take [STEAL] your daughters to be perfumers, cooks, and bakers. And he will take [STEAL] the best of your fields, your vineyards, and your olive groves, and give them to his servants. He will take [STEAL] a tenth of your grain and your vintage, and give it to his officers and servants. And he will take [STEAL] your male servants, your female servants, your finest young men, and your donkeys, and put them to his work [as SLAVES]. He will take [STEAL] a tenth of your sheep. And you will be his servants. And you will cry out in that day because of your king whom you have chosen for yourselves, and the LORD will not hear you in that day.”*

*Nevertheless the people refused to obey the voice of Samuel; and they said, “No, but we will have a king over us, that we also may be like all the nations, and that our king may judge us and go out before us and fight our battles.”*  
*[1 Sam. 8:4-20, Bible, NKJV]*

Judges in civil franchise court try to make justice profitable by saying that the civil STATUTES are what is “due” rather than the Bill of Rights. If you gave a judge a choice of WHICH law he would enforce:

1. Common law or the Constitution that netted him NO money, NO power, and creates extra work executing because it relies on case law instead of statutes.
2. Civil franchise “codes”, which are profitable and literally make him the head of his own little fiefdom or “franchise”.

...then which one do you think he will ALWAYS choose? This subject is called “choice of law” in the legal field<sup>301</sup>. It’s inevitable that the judge will ALWAYS choose civil franchises so he can STEAL the most money and grab the most power. Why even OFFER a judge this option by choosing a domicile, becoming a statutory “citizen” or “resident”? Its insanity and commercial suicide.

*“It has long been my opinion, and I have never shrunk from its expression,... that the germ of dissolution of our Federal Government is in the constitution of the Federal Judiciary--an irresponsible body (for impeachment is scarcely a scare-crow), working like gravity by night and by day, gaining a little today and a little tomorrow,*

<sup>301</sup> For a discussion of Choice of Law rules, see: *Federal Jurisdiction*, Form #05.018, Section 3; <http://sedm.org/Forms/FormIndex.htm>.

1 and advancing its noiseless step like a thief over the field of jurisdiction until all shall be usurped from the  
2 States and the government be consolidated into one. To this I am opposed."  
3 [Thomas Jefferson to Charles Hammond, 1821. ME 15:331]

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

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

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

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

22 However, you can't cite the statutes if you are private, because they don't and can't regulate PRIVATE people. The only  
23 people this ministry helps are PRIVATE people who don't participate in government franchises.

24 "Under basic rules of construction, statutory laws enacted by legislative bodies cannot impair rights given under  
25 a constitution. 194 B.R. at 925."  
26 [In re Young, 235 B.R. 666 (Bankr.M.D.Fla., 1999)]

27 Civil statutes are privileges and franchises that only public officers can invoke. Accepting the "benefit" and "protection" of  
28 the civil statutes, which create PUBLIC rights (privileges) available only to PUBLIC OFFICERS called STATUTORY (civil)  
29 "citizens", is how they recruit you into volunteering to make Pyramids for Pharaoh without straw for free and make you  
30 fornicate with the Beast. In effect, they try to bribe you with "benefits" to put PERSONAL interest above the requirements of  
31 God's law and even above the requirements of the Constitution.

32 "Where do wars and fights come from among you? Do they not come from your desires for pleasure [unearned  
33 money or "benefits", privileges, or franchises, from the government] that war in your members [and your  
34 democratic governments]? You lust [after other people's money] and do not have. You murder [the unborn to  
35 increase your standard of living] and covet [the unearned] and cannot obtain [except by empowering your  
36 government to STEAL for you!]. You fight and war [against the rich and the nontaxpayers to subsidize your  
37 idleness]. Yet you do not have because you do not ask [the Lord, but instead ask the deceitful government]. You  
38 ask and do not receive, because you ask amiss, that you may spend it on your pleasures. Adulterers and  
39 adulteresses! Do you not know that friendship [statutory "citizenship"] with the world [or the governments of  
40 the world] is enmity with God? Whoever therefore wants to be a friend [STATUTORY "citizen", "resident",  
41 "inhabitant", "person" franchisee] of the world [or the governments of the world] makes himself an enemy of  
42 God."  
43 [James 4:4, Bible, NKJV]

44  
45 "I [God] brought you up from Egypt [government slavery using franchises] and brought you to the land of which  
46 I swore to your fathers; and I said, 'I will never break My covenant with you. And you shall make no covenant  
47 [contract or franchise or agreement of ANY kind] with the inhabitants of this [corrupt pagan] land; you shall  
48 tear down their [man/government worshipping socialist] altars.' But you have not obeyed Me. Why have you  
49 done this?

50 "Therefore I also said, 'I will not drive them out before you; but they will become as thorns [terrorists and  
51 persecutors] in your side and their gods will be a snare [slavery!] to you.'"

52 So it was, when the Angel of the LORD spoke these words to all the children of Israel, that the people lifted up  
53 their voices and wept.  
54 [Judges 2:1-4, Bible, NKJV]

We demonstrate in the following document how using “giving every man his due” as the definition of justice inevitably perverts and corrupts the finest of people in government because it turns the civil statutory code into a “protection franchise” that makes you into an indentured servant, slave, and whore of the government, often without even your knowledge:

*Why Domicile and Becoming a “Taxpayer” Require Your Consent*, Form #05.002  
<http://sedm.org/Forms/FormIndex.htm>

The only way that the equity and equality that justice demands can be maintained between EVERYONE is to ensure that the ONLY measure for whether an injury has occurred is the criminal law and the constitution and the common law but NOT the civil statutes or franchise codes. Equality between the governed and the governors as the basis for ALL your freedom is covered in the following. You should NEVER surrender that equality, even for a bribe or “benefit”:

1. *Requirement for Equal Protection and Equal Treatment*, Form #05.033  
<http://sedm.org/Forms/FormIndex.htm>
2. *Foundations of Freedom Course*, Form #12.021, Video 1: Introduction  
<http://sedm.org/Forms/FormIndex.htm>

The Bible already defines “what is due to others”, which is NOTHING. Why, then, would you want to define “justice” as giving people “what is their due”? If you owe others NOTHING, they have NO CHOICE but to “leave you alone”, and especially in court:

*“Owe no one anything except to love one another, for he who loves another has fulfilled the law.”*  
[Romans 13:8, Bible, NKJV]

Adding ANYTHING to the above definition of “what is due” merely invites what Jesus called “the evil one” (Matt. 5:37) into your life. That method of invitation is dramatized in the following video:

*Devils’ Advocate: Lawyers-What We Are Up Against*, SEDM  
<http://sedm.org/what-we-are-up-against/>

For those die hard socialists who think the world owes them something for nothing, or that they have the right to abuse their authority as a jurist or a voter to sanction the government to STEAL your money and redistribute it to others, consider the following holding of the U.S. Supreme Court.

*“To lay, with one hand, the power of the government on the property of the citizen, and with the other to bestow it upon favored individuals to aid private enterprises and build up private fortunes, is none the less a robbery because it is done under the forms of law and is called taxation. This is not legislation. It is a decree under legislative forms.”*

*Nor is it taxation. ‘A tax,’ says Webster’s Dictionary, ‘is a rate or sum of money assessed on the person or property of a citizen by government for the use of the nation or State.’ ‘Taxes are burdens or charges imposed by the Legislature upon persons or property to raise money for public purposes.’ Cooley, Const. Lim., 479.*

*Coulter, J., in Northern Liberties v. St. John’s Church, 13 Pa.St. 104 says, very forcibly, ‘I think the common mind has everywhere taken in the understanding that taxes are a public imposition, levied by authority of the government for the purposes of carrying on the government in all its machinery and operations—that they are imposed for a public purpose.’ See, also Pray v. Northern Liberties, 31 Pa.St. 69; Matter of Mayor of N.Y., 11 Johns., 77; Camden v. Allen, 2 Dutch., 398; Sharpless v. Mayor, supra; Hanson v. Vernon, 27 Ia., 47; Whiting v. Fond du Lac, supra.”*  
[[Loan Association v. Topeka, 20 Wall. 655 \(1874\)](#)]

*“A tax, in the general understanding of the term and as used in the constitution, signifies an exaction for the support of the government. The word has never thought to connote the expropriation of money from one group for the benefit of another.”*  
[[U.S. v. Butler, 297 U.S. 1 \(1936\)](#)]

Consider also what Mark Twain said on the same subject:

*“Don’t go around saying the world owes you a living. The world owes you nothing. It was here first.”*  
[Mark Twain]



It's a crime and sin to bribe a jurist or a voter, including with "benefits". Any politician who offers more STOLEN loot, meaning an increase in "benefits" to government dependents, indirectly is guilty of that crime. No one receiving such a benefit can vote for any politician offering such "bribes" without becoming a CRIMINAL under both secular law and God's law. That crime is IMPLEMENTED by using franchises to create inequality and impute superior powers to the government. It makes the government into the owner of EVERYTHING and EVERYONE, because ultimately EVERYONE becomes a public officer called a "taxpayer". Property held in the name of the office and associated with the franchise license number, meaning the SSN or Slave Surveillance Number, becomes PUBLIC property you no longer own. That's the ONLY way they can lawfully redistribute wealth: by moving money around that continues to be THEIRS and not YOURS, no matter WHOSE hands it ends up in.

Most of what happens in modern political campaigns would be irrelevant to the average American if the government had no "goodies" or "benefits" to bribe voters and jurists with. The bribes are STOLEN money to those who do not wish to participate or who are not allowed to quit. This makes those who receive the bribes into criminals and money launderers. God says its outside your "delegation order" found in the bible to be able to consent to do this. When you do it, you are a sinner and surrender the protections of His holy law:

*"My son, if sinners [socialists, in this case] entice you,  
Do not consent [do not abuse your power of choice]  
If they say, "Come with us,  
Let us lie in wait to shed blood [of innocent "nontaxpayers"];  
Let us lurk secretly for the innocent without cause;  
Let us swallow them alive like Sheol,  
And whole, like those who go down to the Pit:  
We shall fill our houses with spoil [plunder];  
Cast in your lot [AND YOUR VOTE] among us,  
Let us all have one purse [share the STOLEN LOOT]"--*

*My son, do not walk in the way with them [do not ASSOCIATE with them and don't let the government FORCE you to associate with them either by forcing you to become a "taxpayer"/government whore or a "U.S. citizen"].  
Keep your foot from their path;  
For their feet run to evil,  
And they make haste to shed blood.  
Surely, in vain the net is spread  
In the sight of any bird;  
But they lie in wait for their own blood.  
They lurk secretly for their own lives.  
So are the ways of everyone who is greedy for gain [or unearned government benefits];  
It takes away the life of its owners."*  
*[Proverbs 1:10-19, Bible, NKJV]*

#### **24.4 Biblical definition of "justice": God's law is the ONLY measure for whether "justice" is in deed and in fact served by any secular judge**

The following Bible dictionary establishes that the only true measure for whether "justice" is in fact served by any judge or prosecutor is the entirety of God's law:

**JUSTICE.** The word 'justice' occurs 115 times in RSV OT, usually for *mišpāt*, 'judgment', the rule that should guide \*JUDGES. In the AV, however, it represents *mišpāt* only once (Jb. 36:17); elsewhere it translates *šedeq* or *šedāqā*. The more frequent rendering of these latter nouns is 'righteousness'; but when *mišpāt* and *šedāqā* appear together AV translates the whole phrase as 'judgment and justice' (e.g. 2 Sa. 8:15; cf. Gn. 18:19), though RSV renders the same combination as 'justice and righteousness'. In AV, therefore, 'justice' must be understood as being the same word as \*'RIGHTEOUSNESS', and seldom as denoting the specialized concept of 'fair play', or legal equity, with which the term justice is presently associated. The expression, 'to do (someone) justice', occurs twice, being taken from the corresponding Heb. verbal root *šādaq*, causative, which means 'to declare one right' (2 Sa. 15:4; Ps. 82:3). Similarly, the adjective *šaddiq*, 'righteous', is over 40 times rendered by the adjective 'just', in both vss. In RSV NT, the noun 'justice' represents both *krisis*, 'judgment', and *dikatosynē*, 'righteousness'. In AV it does not appear; but at over 30 points the adjective *dikaos*, 'righteous', is likewise translated by the English term 'just'.

*This biblical concept of justice exhibits development through nine, generally chronological stages.*

1. Etymologically, it appears that the root of *ṣedāqā*, like that of its kindred noun *yōšer*, 'uprightness' (Dt. 9:5), signifies 'straightness', in a physical sense (BDB, p. 841).

2. But already in the patriarchal age *ṣedāqā* has the abstract meaning of conformity, by a given object or action, to an accepted standard of values, e.g. Jacob's 'honest' living up to the terms of his sheep-contract with Laban (Gn. 30:33). Moses thus speaks of just balances, weights and measures (Lv. 19:36; Dt. 25:15) and insists that Israel's \*JUDGES pronounce 'just (AV; righteous, RSV) judgment' (Dt. 16:18, 20). Arguments that are actually questionable may seem, at first glance, to be 'just' (Pr. 18:17; RSV, 'right'); and Christian masters are cautioned to treat their slaves 'justly and fairly' (Col. 4:1). Even inanimate objects may be described as *ṣedeq*, if they measure up to the appropriate standards. The phrase, 'paths of *ṣedeq*' (Ps. 23:3), for example, designates walkable paths.

**3. Since life's highest standard is derived from the character of deity, 'justice', from the time of Moses and onwards (cf. Dt. 32:4), comes to distinguish that which is God's will and those activities which result from it. Heavenly choirs proclaim, 'Just and true are thy ways' (Rev. 15:3). Recognizing the ultimacy of the will of the Lord, Job therefore asks, 'How can a man be just before God?' (Jb. 9:2; cf. 4:17; 33:12). But even though God stands answerable to no man, still 'to justice he doeth no violence' (37:23, RVmg.); for the actions of the God who acts in harmony with his own standard are always perfect and right (Zp. 3:5; Ps. 89:14). *ṣedāqā* may thus describe Yahweh's preservation of both human and animal life (Ps. 36:6) or his dissociation from vain enterprise (Is. 45:19). In both of the latter verses the EVV translate *ṣedāqā* as 'righteousness'; but it might with greater accuracy be rendered 'regularity' or 'reliability'.**

4. By a natural transition, 'justice' then comes to identify that moral standard by which God measures human conduct (Is. 26:7). Men too must 'do justice' (Gn. 18:19) as they walk with deity (Gn. 6:9; Mt. 5:48); for not the hearers, but the doers of the law, are 'just (AV; righteous, RSV) before God' (Rom. 2:13). The attribute of justice is to be anticipated only in the hearts of those who fear God (Lk. 18:2), because justice in the biblical sense begins with holiness (Mi. 6:8; Mk. 6:20; 1 Thes. 2:10) and with sincere devotion (Lk. 2:25; Acts 10:22). Positively, however, the whole-hearted participation of the Gadites in the divinely ordered conquest of Canaan is described as 'executing the just decrees of the Lord' (Dt. 33:21; cf. S. R. Driver, ICC). The need for earnest conformity to the moral will of God lies especially incumbent upon kings (2 Sa. 8:15; Je. 22:15), princes (Pr. 8:15), and judges (Ec. 5:8); but every true believer is expected to 'do justice' (Ps. 119:121, AV; Pr. 1:3; cf. its personification in Is. 59:14). Justice constitutes the opposite of sin (Ec. 7:20) and serves as a marked characteristic of Jesus the Messiah (Is. 9:7; Zc. 9:9; Mt. 27:19; Acts 3:14). In the poetry of the OT there do arise affirmations of self-righteousness by men like David ('Judge me according to my righteousness, and establish the just', Ps. 7:8–9, AV; cf. 18:20–24) or Job ('I am ... just and blameless' Jb. 12:4; cf. 1:1), that might appear incongruous when considered in the light of their acknowledged iniquity (cf. Jb. 7:21; 13:26). The poets' aims, however, are either to exonerate themselves from particular crimes that enemies have laid to their charge (cf. Ps. 7:4) or to profess a genuine purity of purpose and single-hearted devotion to God (Ps. 17:1). 'They breathe the spirit of simple faith and childlike trust, which throws itself unreservedly on God ... and they disclaim all fellowship with the wicked, from whom they may expect to be distinguished in the course of His Providence' (A. F. Kirkpatrick, *The Book of Psalms*, 1906, 1, p. lxxxvii). As Ezekiel described such a man, 'He walks in my statutes ... he is righteous (AV, just), he shall surely live, says the Lord God' (Ezk. 18:9).

5. In reference to divine government, justice becomes descriptive in a particular way of punishment for moral infraction. Under the lash of heaven-sent plagues, Pharaoh confessed, 'The Lord is *ṣaddiq*, and I and my people are wicked' (Ex. 9:27; cf. Ne. 9:33); and the one thief cried to the other as they were crucified, 'We indeed justly ...' (Lk. 23:41). For God cannot remain indifferent to evil (Hab. 1:13; cf. Zp. 1:12), nor will the Almighty pervert justice (Jb. 8:3; cf. 8:4; 36:17). Even the pagans of Malta believed in a divine nemesis, so that when they saw Paul bitten by a viper they concluded, 'This man is a murderer ... justice has not allowed him to live' (Acts 28:4). God's punitive righteousness is as a consuming fire (Dt. 32:22; Heb. 12:29; \*WRATH), and condemnation is just (Rom. 3:8).

6. From the time of the judges and onward, however, *ṣedāqā* comes also to describe his deeds of vindication for the deserving, 'the triumph of the Lord' (Jdg. 5:11). Absalom thus promised a petitioner he 'would give him justice' (2 Sa. 15:4; cf. Ps. 82:3), and Solomon proclaimed that God 'blesses the abode of the righteous (AV, just)' (Pr. 3:33; cf. Ps. 94:15). Divine vindication became also the plea of Isaiah's contemporaries, 'They ask of me the ordinances of justice' (Is. 58:2–3, AV); for though God's intervention might have been delayed (Ec. 7:15; 8:14; cf. Is. 40:27), he yet 'became jealous for his land, and had pity on his people' (Joel 2:18).

7. Such words, however, introduce another aspect, in which divine justice ceases to constitute an expression of precise moral desert and partakes rather of divine pity, love and grace. This connotation appears first in David's prayer for the forgiveness of his crimes over Bathsheba, when he implored, 'Deliver me from bloodguiltiness, O God, thou God of my salvation, and my tongue will sing aloud of thy *ṣedāqā* (deliverance)' (Ps. 51:14). But what David sought was not vindication; for he had just acknowledged his heinous sin and, indeed, his depravity from birth (Ps. 51:5). His petition sought rather for undeserved pardon; and *ṣedāqā* may be translated by simple repetition—O God of my salvation: my tongue shall sing of thy 'salvation'. *ṣedāqā*, in other words, has become redemptive; it is God's fulfilling of his own graciously promised salvation, irrespective of the merits of men (cf. David's same usage in Pss. 31:1; 103:17; 143:1). David's counsellor Ethan thus moves, in the space of two verses, from a reference to God's 'justice [*ṣedeq* according to sense 4 above] and judgment' (Ps. 89:14, AV) to the joyful testimony, 'In thy *ṣedāqā* [promised grace] shall Israel be exalted' (Ps. 89:16, AV; cf. a similar contrast

within Is. 56:1). When Isaiah, therefore, speaks of 'a just [AV; righteous, RSV; ṣaddīq] God and a Saviour' (Is. 45:21), his thought is not, 'A just God, and yet at the same time a Saviour', but rather, 'A ṣaddīq God, and therefore a Saviour' (cf. the parallelism of \*'RIGHTEOUSNESS' with salvation in Is. 45:8; 46:13). Correspondingly, we read in the NT that 'if we confess our sins, he is faithful and just [dikaos=faithful to his gracious promise, not, demanding justice] and will forgive our sins' (1 Jn. 1:9). Such concepts of non-judicial 'justice', however, must be limited to those passages in which this usage is specifically intended. In Rom. 3, on the contrary, with its contextual emphasis upon the wrath of God against sin and upon the propitiatory sacrifice of Christ for the satisfaction of the Father's justice, we must continue to understand dikaos (Rom. 3:26) in its traditional sense: 'That he [God] might be just [exacting punishment, according to sense 5 above], and [yet at the same time] the justifier of him which believeth in Jesus' (AV; see Sanday and Headlam, ICC; \*JUSTIFICATION).

8. As a condition that arises out of God's forgiving 'justice', there next appears in Scripture a humanly possessed ṣeḏāqā, which is simultaneously declared to have been God's own moral attribute (ṣeḏāqā in sense 4 above), but which has now been imparted to those who believe on his grace. Moses thus describes how Abraham's faith served as a medium for imputed righteousness (Gn. 15:6), though one must, of course, observe that his faith did not constitute in itself the meritorious righteousness but was merely 'reckoned' so. He was justified through faith, not because of it (cf. John Murray, *Redemption, Accomplished and Applied*, 1955, p. 155). Habakkuk likewise declared, 'The just shall live by his faith' (Hab. 2:4, AV), though here too the justification derives, not from man's own, rugged 'faithfulness' (RSVmg.), but from his humble dependence upon God's mercy (contrast the self-reliance of the Babylonians, which the same context condemns; and cf. Rom. 1:17; Gal. 3:11). It was God's prophet Isaiah, however, who first spoke directly of 'the heritage of the servants of the Lord ... their ṣeḏāqā from me' (Is. 54:17). Of this 'righteousness', A. B. Davidson accurately observed, 'It is not a Divine attribute. It is a Divine effect ... produced in the world by God' (*The Theology of the Old Testament*, 1925, p. 143). That is to say, there exists within Yahweh a righteousness which, by his grace, becomes the possession of the believer (Is. 45:24). Our own righteousness is totally inadequate (Is. 64:6); but 'in Yahweh' we 'are righteous' (ṣādaq) (Is. 45:25), having been made just by the imputed merit of Christ (Phil. 3:9). A century later, Jeremiah thus speaks both of Judah and of God himself as a 'habitation of justice' (Je. 31:23; 50:7, AV), i.e. a source of justification for the faithful (cf. Je. 23:6; 33:16, 'Yahweh our righteousness', Theo. Laetsch, *Biblical Commentary, Jeremiah*, 1952, pp. 191–192, 254).

9. But even as God in his grace bestows righteousness upon the unworthy, so the people of God are called upon to 'seek justice' (Is. 1:17) in the sense of pleading for the widow and 'judging the cause of the poor and needy' (Je. 22:16). 'Justice' has thus come to connote goodness (Lk. 23:50) and loving consideration (Mt. 1:19). Further, from the days of the Exile onward, Aram. ṣiḏqā, 'righteousness', becomes specialized into a designation for alms or charity (Dn. 4:27), an equivalent expression for 'giving to the poor' (Ps. 112:9; cf. Mt. 6:1). One might therefore be led to conceive of biblical 'justice', particularly in these last three, supra-judicial senses, as involving a certain tension or even contradiction: e.g. ṣeḏāqā in its 7th, gracious sense seems to forgive the very crimes that it condemns in its 5th, punitive sense. The ultimate solution, however, appears in the person and work of the Lord Jesus Christ. The ethical example furnished by his sinless life (Heb. 4:15) constitutes the climax of biblical revelation on the moral will of God and far exceeds the perverted though seemingly lofty justice of the scribes and Pharisees (Mt. 5:20). Yet he who commanded men to be perfect, even as their heavenly Father is perfect (Mt. 5:48), exhibited at the same time that love which has no equal, as he laid down his life for his undeserving friends (Jn. 15:13). Here was revealed ṣeḏāqā, 'justice', in its ethical stage 5, in its redemptive stage 7, and in its imputed stage 8, all united in one. He came that God might be just and yet the justifier of him that believeth in Jesus (Rom. 3:26) and that we might be found in him, who is made our righteousness and sanctification and redemption (1 Cor. 1:30).

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[The New Bible Dictionary, Third Edition]

Below is what God expects of ALL judges, including secular judges:

**Unjust Judgments Rebuked.**

A Psalm of Asaph.

God stands in the divine assembly;  
He judges among the gods (divine beings).

2  
How long will you judge unjustly  
And show partiality to the wicked? Selah.  
3  
Vindicate the weak and fatherless;  
Do justice and maintain the rights of the afflicted and destitute.  
4  
Rescue the weak and needy;  
Rescue them from the hand of the wicked.  
  
5 The rulers do not know nor do they understand;  
They walk on in the darkness [of complacent satisfaction];  
All the foundations of the earth [the fundamental principles of the administration of justice] are shaken.  
6 I said, "You are [a] gods;  
Indeed, all of you are sons of the Most High.  
7 "Nevertheless you will die like men  
And fall like any one of the princes."  
8 Arise, O God, judge the earth!  
For to You belong all the nations.  
  
[Psalm 82:1-8, Bible, NKJV]

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### **The Messiah's Triumph and Kingdom**

2 Why do the nations rage,  
And the people plot a vain thing?  
2 The kings of the earth set themselves,  
And the rulers take counsel together,  
Against the Lord and against His Anointed, saying,  
3 "Let us break Their bonds in pieces  
And cast away Their cords from us."  
  
4 He who sits in the heavens shall laugh;  
The Lord shall hold them in derision.  
5 Then He shall speak to them in His wrath,  
And distress them in His deep displeasure:  
6 "Yet I have set My King  
On My holy hill of Zion."  
  
7 "I will declare the decree:  
The Lord has said to Me,  
'You are My Son,  
Today I have begotten You.  
8 Ask of Me, and I will give You  
The nations for Your inheritance,  
And the ends of the earth for Your possession.  
9 You shall break[a] them with a rod of iron;  
You shall dash them to pieces like a potter's vessel.'"  
  
10 Now therefore, be wise, O kings;  
Be instructed, you judges of the earth.  
11 Serve the Lord with fear,  
And rejoice with trembling.  
12 Kiss the Son,[b] lest [c] He be angry,  
And you perish in the way,  
When His wrath is kindled but a little.  
Blessed are all those who put their trust in Him.

[Psalm 2:1-12, Bible, NKJV]

## **24.5 "Legal justice" v. "Social/Political justice"**

Let's now compare "Legal justice" with "Social/Political justice":

### **Figure 4: Legal justice v. Social/Political Justice**

#	Characteristic	“Legal Justice”	“Social/Political Justice”
1	Equality between government and governed under the civil law	Yes	No
2	Promotes equality of RESULT	No	Yes
3	Promotes equality UNDER THE LAW for ALL	Yes	No. Government has “superior or supernatural” powers.
4	Type of equality promoted	Equality of OPPORTUNITY	Equality of RESULT (See communist manifesto)
5	Ownership/control of all property	Individuals	Government
6	Private property permitted	Yes	No
7	Sovereign within the system of government	Individual	Democratic majority
8	Biblical idolatry of individual in relation to government?	No	Yes
9	Implemented through what law system	Common law and equity	Civil statutory law that behaves as a franchises. Everyone is PRIVILEGED under <a href="#">the franchise</a> .
10	Participation in the collective is	Voluntary and must be consented to	Coerced
11	Rights	Are unalienable and require consent to give away in relation to government.	Are revocable “privileges” that can be taken away by the majority. Hence they are PUBLIC PRIVILEGES, rather than REAL, unalienable rights.
12	Source of “rights”	God	Government grantor/creator
13	Contribution to paying for any and all rights	Absolute and exclusive	Zero. Completely irresponsible and insist on STEALING from another person or group or the rich.
14	Political issues and personal commitment to those issues defined mainly by	Morality, religion, and rationality (the spirit).	Personal economic expediency/need (the flesh).

1 A fascinating scientific study comparing conservatives to liberals validates the above table. See:

*The Moral Roots of Liberals and Conservatives*, Jonathan Haidt, TED  
[http://www.ted.com/talks/jonathan\\_haidt\\_on\\_the\\_moral\\_mind.html](http://www.ted.com/talks/jonathan_haidt_on_the_moral_mind.html)

2 For collectivists and statists, “rights” really mean the following:

3 *the notion of "rights" is a mere term of entitlement, indicative of a claim for any possible desirable good, no*  
4 *matter how important or trivial, abstract or tangible, recent or ancient. It is merely an assertion of desire, and a*  
5 *declaration of intention to use the language of rights to acquire said desire.*

6 *In fact, since the program of social justice inevitably involves claims for government provision of goods, paid for*  
7 *through the efforts of others, the term actually refers to an intention to use force to acquire one's desires. Not to*  
8 *earn desirable goods by rational thought and action, production and voluntary exchange, but to go in there and*  
9 *forcibly take [STEAL] goods from those who can supply them!*  
10 [O'Neill, Ben (2011-03-16) [The Injustice of Social Justice](#), [Mises Institute](#)]

11 Don't allow “statists” or “collectivists” to pervert your language or redefine “justice” in the courtroom to mean “social  
12 justice”. Don't allow them to perpetuate the superiority of the collective or government over the individual by this perversion  
13 of the definition. When you hear the term “social justice” from any politician, NEVER vote for him. “Social justice”=  
14 SOCIALISM. Insist on absolute equality at all times between the government and the governed, which we describe as the  
15 FOUNDATION of all your freedom in:

*Foundations of Freedom Course, Video 1: Introduction*, Form #12.021  
FORMS PAGE: <http://sedm.org/Forms/FormIndex.htm>  
VIDEO: <http://www.youtube.com/watch?v=P3ggFibd5hk>



If you allow them to redefine justice, you will ultimately become a human sacrifice to a pagan civil religion or “collective”. The “altar” where the sacrifice will occur is the judge’s bench, which is the altar of “Baal”. Hence “Bailiff”.

For a fascinating short video that demonstrates how the meaning of “justice” is perverted by adding the word “social” in front of it, see:

What is Social Justice?, Prager University  
<https://www.youtube.com/watch?v=rtBvQj2k6xo>

The above video concludes about “Social Justice” the following:

1. “Social justice” is incompatible with freedom or a free society where all are equal under the law.
2. Social justice requires an elite set of privileged few in the government to decide how to redistribute wealth, and the concentration of power this creates is dangerous to freedom.
3. The only institution capable of imposing or coercing “social justice” is the state.
4. It has no concrete definition for socialists collectivists, because if they defined what it meant, they would discredit themselves.
5. It means whatever its champions want it to mean.
6. “Social Justice”=“good things” no one needs to ARGUE for and No one DARE be against.
7. “Social Justice” targets its conservative opponents as people who want to ENFORCE or COERCE THEIR values onto others. The opposite is the real truth, because “social justice” requires a coercive state in every area of life, while with LEGAL justice, the state only gets involved when there is a real, quantifiable injury to a RIGHT rather than a PRIVILEGE.
8. Those who oppose “social justice” are inevitably branded as “greedy”. The most frequent social group who are unjustly branded as “greedy” are conservatives or the right.
9. “Social Justice” is a tool of propaganda used by collectivists to get otherwise conservative people to unknowingly accept socialism and collectivism.
10. The use of the term is most appealing to the lower class as a method to mobilize and engage them into a commercial war against the upper class. It is essentially used as a recruitment mechanism for socialist organizers to recruit those who will abuse their voting power and jury service to STEAL from the rich and fill their pocket with the plunder by whatever means necessary.

*“Here I close my opinion. I could not say less in view of questions of such gravity that go down to the very foundation of the government. If the provisions of the constitution can be set aside by an act of congress, where is the course of usurpation [abuse of taxation power for THEFT and wealth transfer] to end? The present assault [WAR!] upon capital [PRIVATE property] is but the beginning. It will be but the stepping-stone to others, larger and more sweeping, till our political contests [in the jury box and the ballot box between the HAVES and the HAVE NOTS] will become a war of the poor against the rich, -a war constantly growing in intensity and bitterness. If the court sanctions the power of discriminating [UNEQUAL or GRADUATED] taxation, and nullifies the uniformity mandate of the constitution,’ as said by one who has been all his life a student of our institutions, ‘it will mark the hour when the sure decadence of our present government will commence.’”*  
*[Pollock v. Farmers Loan and Trust Co., 157 U.S. 429 (1895)]*

For an article that deals more with the subject of “social justice”, see:

Wikipedia: Social Justice; Downloaded 8/21/2014  
[http://en.wikipedia.org/wiki/Social\\_justice](http://en.wikipedia.org/wiki/Social_justice)

For a complete treatment of the legal definition of “justice”, see:

Requirement for Consent, Form #05.003, Section 2  
<http://sedm.org/Forms/FormIndex.htm>

## 24.6 “Justice” in your interactions with government

Let’s apply these concepts of justice to the way the government interacts with you personally. The minute that anyone does any of the following without your consent:

1. Interferes with or penalizes the exercise of any constitutional right.
2. Treats you unequally.
3. Forces any status upon you such as “taxpayer”, “citizen”, “resident”, “spouse”, “driver”, etc.
4. Procures your consent to anything by any method you did not EXPRESLY authorize IN WRITING. For instance, they PRESUME you consented rather than procure your consent in writing, even though you told them that the ONLY method by which you can or will consent is IN WRITING.
5. Compels you to contract with them or makes you a party to a contract or government franchise that you do not expressly consent to.
6. Calls anything voluntary while REFUSING to defend your ABSOLUTE RIGHT NOT to volunteer. This is FRAUD and it’s a crime.
7. Imputes or assumes any kind of fiduciary duty on your part towards anyone else absent express written consent.
8. Enforces civil statutory laws of any jurisdiction that you are not domiciled within and therefore protected by.
9. Demands any kind of property without rendering its equivalent in value. This is theft in violation of the Fifth Amendment takings clause.
10. Enforces any obligation associated with any status upon you, such as franchisee, public officer, etc.
11. As a government:
  - 11.1. Refuses to recognize or protect private rights.
  - 11.2. Insists that ALL your property is public property that the government has title to and you are a transferee or trustee over.
  - 11.3. Refuses to offer a status on government forms of “not subject but not exempt” or “other”, and thus compels you to choose a status that is within their jurisdiction as a public officer.
12. Converts private property or RIGHTS to property to a public use, public office, or public purpose without your EXPRESS consent, INCLUDING through the process of taxation. Yes, “taxes” are involuntary for “taxpayers”, but only AFTER you VOLUNTEER to become a statutory “taxpayer” by signing up for a government franchise, and AFTER they protect your right to NOT participate or volunteer. Otherwise, we are really dealing with what the U.S. Supreme Court calls “robbery in the name of taxation”.
13. Abuses its taxation power to redistribute wealth between private individuals:

**“To lay, with one hand, the power of the government on the property of the citizen, and with the other to bestow it upon favored individuals to aid private enterprises and build up private fortunes, is none the less a robbery because it is done under the forms of law and is called taxation. This is not legislation. It is a decree under legislative forms.”**

*“Nor is it taxation. ‘A tax,’ says Webster’s Dictionary, ‘is a rate or sum of money assessed on the person or property of a citizen by government for the use of the nation or State.’ ‘Taxes are burdens or charges imposed by the Legislature upon persons or property to raise money for public purposes.’ Cooley, Const. Lim., 479.”*  
[[Loan Association v. Topeka, 20 Wall. 655 \(1874\)](#) ]

. .then an act of terrorism, theft, invasion of the states of the Union in violaton of Constitution Article 4, Section 4, and possibly even slavery or involuntary servitude has occurred, all of which are torts cognizable under the state or federal constitutions and the common law.

The way that governments ensure that they are not the object of civil injustice and are “let alone” is by enforcing the requirement that whenever anyone wants to sue them, they must produce consent to be sued published as a positive law statute. This is called “sovereign immunity”:

**A state’s freedom from litigation was established as a constitutional right through the Eleventh Amendment. The inherent nature of sovereignty prevents actions against a state by its own citizens without its consent. [491 U.S. 39] In Atascadero, 473 U.S. at 242, we identified this principle as an essential element of the constitutional checks and balances:**

*The “constitutionally mandated balance of power” between the States and the Federal Government was adopted by the Framers to ensure the protection of “our fundamental liberties.” [Garcia v. San Antonio Metropolitan Transit Authority, 469 U.S. 528, 572 (Powell, J., dissenting)]. By guaranteeing the sovereign immunity of the States against suit in federal court, the Eleventh Amendment serves to maintain this balance.*  
[[Great Northern Ins. Co. v. Read, 322 U.S. 47, 51 \(1944\)](#) ]

Likewise, all the authority possessed by both the state and federal governments is delegated by We The People to them. The people cannot delegate an authority collectively that they individually do not ALSO possess.

1           *"The question is not what power the federal government ought to have, but what powers, in fact, have been given*  
2 *by the people... **The federal union is a government of delegated powers. It has only such as are expressly***  
3 ***conferred upon it, and such as are reasonably to be implied from those granted.** In this respect, we differ*  
4 *radically from nations where all legislative power, without restriction or limitation, is vested in a parliament or*  
5 *other legislative body subject to no restriction except the discretion of its members." (Congress)*  
6 *[U.S. v. William M. Butler, 297 U.S. 1 (1936)]*

7 Both the Constitution and the Declaration of Independence require that "all men are created equal" and that all "persons",  
8 including governments, are treated equally IN EVERY RESPECT. That means that no creation of men, including a  
9 government, can have any more authority than a single man. All "persons", whether human or artificial are, in fact EQUAL  
10 in every respect, with the possible exception that artificial entities are not protected by the Bill of Rights. This is covered  
11 further in:

<p>Requirement for Equal Protection and Equal Treatment, Form #05.033 <a href="http://sedm.org/Forms/FormIndex.htm">http://sedm.org/Forms/FormIndex.htm</a></p>
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12 No government can or should therefore have or be able to enforce any more authority than a single human being. This means  
13 that if the government claims "sovereign immunity" and insists that it cannot be sued without its express written consent,  
14 then the government, in turn, when it is enforcing any civil liability against ANY American, has the EQUAL burden to  
15 produce evidence of THEIR consent IN WRITING to be sued. That consent must, in turn, be given by a person domiciled  
16 in a place OTHER than that protected by the U.S.A. Constitution, because the Declaration of Independence says the rights of  
17 people in states of the Union are "unalienable", which means they CANNOT be sold, bargained away, or transferred by ANY  
18 process, including a franchise or contract.

19           *"We hold these truths to be self-evident, that **all men are created equal, that they are endowed by their Creator***  
20 ***with certain unalienable Rights**, that among these are Life, Liberty and the pursuit of Happiness.--That to secure*  
21 *these rights, Governments are instituted among Men, deriving their just powers from the consent of the governed,*  
22 *--"*  
23 *[Declaration of Independence]*

24           *"Unalienable. Inalienable; incapable of being aliened, that is, sold and transferred."*  
25 *[Black's Law Dictionary, Fourth Edition, p. 1693]*

26 Therefore, the only people who can lawfully "alienate" any Constitutional right in relation to a real, de jure government by  
27 exercising their right to contract, are those NOT protected by the Constitution and who therefore are either domiciled on  
28 federal territory or situated abroad, which also is not protected by the Constitution.

29 Any attempt to treat any government as having more power, authority, or rights than a single human, in fact, constitutes  
30 idolatry. The source of all government power in America is The Sovereign People as individuals, who are human beings and  
31 are also called "natural persons". Any power that did not come from this "natural" source is, therefore "supernatural", and  
32 all religions are based on the worship of such "supernatural beings" or "superior beings".

33           ***"Religion. Man's relation to Divinity, to reverence, worship, obedience, and submission to***  
34 ***mandates and precepts of supernatural or superior beings.** In its broadest sense*  
35 *includes all forms of **belief in the existence of superior beings exercising power***  
36 ***over human beings by volition, imposing rules of conduct, with future***  
37 ***rewards and punishments. Bond uniting man to God, and a virtue whose***  
38 ***purpose is to render God worship due him as source of all being and***  
39 ***principle of all government of things.** Nikulnikoff v. Archbishop, etc., of Russian Orthodox*  
40 *Greek Catholic Church, 142 Misc. 894, 255 N.Y.S. 653, 663."*  
41 *[Black's Law Dictionary, Sixth Edition, p. 1292]*

42 By "worship", we really mean "obedience" to the dictates of the supernatural or superior being.

43           *"worship 1. chiefly Brit: a person of importance—used as a title for various officials (as magistrates and some*  
44 *mayors) 2: **reverence [obedience] offered a divine being or supernatural power**; also: an act of expressing*  
45 *such reverence 3: a form of religious practice with its creed and ritual 4: extravagant respect or admiration for*  
46 *or devotion to an object of esteem <~ the dollar>."*  
47 *[Webster's Ninth New Collegiate Dictionary, 1983, ISBN 0-87779-510-X, p. 1361]*

1 In these respects, both law and religion are twin sisters, because the object of BOTH is “obedience” and “submission” to a  
2 “sovereign” of one kind or another. Those in such “submission” are called “subjects” in the legal field. The only difference  
3 between REAL religion and state worship is WHICH sovereign: God or man:

4 “Obedientia est legis essentia.

5 **Obedience is the essence of the law.** 11 Co. 100.”

6 [Bouvier’s Maxims of Law, 1856;

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

8 A quick way to determine whether you are engaging in idolatry is to look at whether the authority being exercised by a so-  
9 called “government” has a “natural” source, meaning whether any human being who is not IN the government can lawfully  
10 exercise such authority. If they cannot, you are dealing with a state-sponsored religion and a de facto government rather than  
11 a REAL, de jure government. The nature of that de facto government is described in:

Socialism: The New American Civil Religion, Form #05.016

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

12 Lastly, we discuss the concept of “justice” in the context of franchises and your right to contract later in section 29.1.

## 13 **25 Legislative “Franchise Courts”**

14 U.S. Tax Court, Federal District Court, and Federal Circuit Courts of the United States are what we call “franchise courts”.  
15 Ditto for “traffic court” and “family court” at the state level. A “franchise court” is one which hears disputes relating ONLY  
16 to a franchise or “public right” recognized in and CREATED BY statutory law. Below is a legal definition of the term  
17 “franchise court”:

18 “franchise court. Hist. A privately held court that (usu.) exists by virtue of a royal grant [privilege], with  
19 jurisdiction over a variety of matters, depending on the grant and whatever powers the court acquires over time.  
20 In 1274, Edward I abolished many of these feudal courts by forcing the nobility to demonstrate by what authority  
21 (quo warranto) they held court. If a lord could not produce a charter reflecting the franchise, the court was  
22 abolished. - Also termed courts of the franchise.

23 Dispensing justice was profitable. Much revenue could come from the fees and dues, fines and amercements. This  
24 explains the growth of the second class of feudal courts, the Franchise Courts. They too were private courts held  
25 by feudal lords. Sometimes their claim to jurisdiction was based on old pre-Conquest grants ... But many of them  
26 were, in reality, only wrongful usurpations of private jurisdiction by powerful lords. These were put down after  
27 the famous Quo Warranto enquiry in the reign of Edward I.” W.J.V. Windeyer, Lectures on Legal History 56-57  
28 (2d ed. 1949).”

29 [Black’s Law Dictionary, Seventh Edition, p. 668]

30 Franchise courts may not officiate over disputes involving PRIVATE, Constitutionally protected rights, which in turn may  
31 only be heard at the federal level in Article III Constitutional courts. Hence, they are ONLY what we call “property courts”,  
32 and the property is the franchise and all rights that attach to the franchise “res”. They dispense “property justice”, not “people  
33 justice”. The only remaining Article III courts at the federal level are the Court of International Trade and the United States  
34 Supreme Court. The following subsections provide evidence supporting these facts. If you would like to analyze this matter  
35 further, we refer you to the following book on our website:

What Happened to Justice?, Form #06.012

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

### 36 **25.1 Franchise (property) courts generally**

37 If any dispute arises under the franchise agreement, the franchise agreement normally specifies that the dispute must be heard  
38 in what we call a “property court”. For instance, all federal district and circuit courts are “property” courts established  
39 pursuant to Article 4, Section 3, Clause 2 of the United States Constitution, which states:

40 *United States Constitution*

41 *Article 4, Section 3, Clause 2*

1                   The Congress shall have Power to dispose of and **make all needful Rules and Regulations respecting the**  
2                   **Territory or other Property** belonging to the United States; and nothing in this Constitution shall be so construed  
3                   as to Prejudice any Claims of the United States, or of any particular State.

4 Federal district and circuit courts are NOT Article III constitutional courts, but simply property courts. This fact is  
5 exhaustively proven in the following book:

[What Happened to Justice?](http://sedm.org/Forms/FormIndex.htm), Form #06.012  
<http://sedm.org/Forms/FormIndex.htm>

6 For an example of why federal district and circuit courts are Article IV courts, we need look no further than the federal judge's  
7 oath. The judge oath is prescribed in [28 U.S.C. §453](#) and [5 U.S.C. §3331](#) and all federal judges take the same oath. The oath  
8 that all judges take is a combination of these two code sections and reads as follows:

9                   *"I, \_\_\_\_\_, do solemnly swear and affirm that I will administer justice **without regard to persons** and do equal*  
10                  *right to the poor and to the rich, and that I will faithfully and impartially discharge and perform all of the duties*  
11                  *incumbent upon me as \_\_\_\_\_ under the Constitution and laws of the United States, and that I will*  
12                  *support and defend the Constitution of the United States against all enemies foreign and domestic, that I will bear*  
13                  *true faith and allegiance to the same, and that I take this obligation freely without any mental reservation or*  
14                  *purpose of evasion, and that I will well and faithfully discharge the duties of the office on which I am about to*  
15                  *enter. So help me God."*

16 The federal judge oath says that they will "administer justice without regard to persons". If they don't "regard persons", then  
17 they can't care about the Constitutional rights of such "persons". Practical experience litigating in federal court has taught  
18 us that in fact, these "franchise courts" that administer federal franchises don't give a DAMN about your rights as a "person"  
19 under the USA Constitution. Those participating in federal franchises, in fact, don't have any rights, but only statutorily  
20 granted privileges or "public rights".

21 It is VERY important that even property courts such as federal district and circuit courts cannot proceed without your consent:

- 22 1. They are officiating over a franchise and all franchises are property.
- 23 2. The ONLY way that a specific franchise agreement could lawfully become "property" in the first place is through a  
24 legally enforceable contract or agreement you expressly or impliedly consented to, usually in writing.
  - 25 2.1. Rights are **not** conveyed to the government **without** express or implied consent.
  - 26 2.2. Without proof on the record of the proceeding that you VOLUNTARILY surrendered an interest in private property,  
27 title to the property is PRESUMED to be EXCLUSIVELY PRIVATE and therefore BEYOND the CIVIL control  
28 of the government.
- 29 3. The public office being exercised UNDER the franchise agreement MUST have been LAWFULLY created AND  
30 LAWFULLY exercised. This means the party enforcing the franchise against you has the burden of proving ON THE  
31 RECORD with WRITTEN evidence of the following. Failure to introduce such evidence results in the commission of  
32 the crime of impersonating a public office in violation of 18 U.S.C. §912 by the judge and the government prosecutor.
  - 33 3.1. You were either lawfully appointed or elected to said PUBLIC office.
  - 34 3.2. You are exercising said office in the ONLY place expressly authorized, which is the District of Columbia pursuant  
35 to 4 U.S.C. §72.
  - 36 3.3. You occupied said office BEFORE signing up for the franchise. Government cannot offer "benefits" to or pay  
37 PUBLIC FUNDS to PRIVATE parties and no franchise agreement we have ever read EXPRESSLY authorizes the  
38 creation of any NEW public offices by simply applying for the franchise or filling out a tax form.
- 39 4. In any litigation involving a franchise, the first step in the litigation must include proving you are:
  - 40 4.1. Domiciled within the EXCLUSIVE jurisdiction of the court in question and therefore subject to the CIVIL laws of  
41 that jurisdiction under Federal Rule of Civil Procedure 17(b)...AND
  - 42 4.2. Subject to the civil franchise agreement. This is proven by introducing a document evidencing EXPRESS  
43 WRITTEN CONSENT to the franchise agreement. In a tax case, for instance, the court would need to show that  
44 you are a franchisee called a "taxpayer" as legally defined in 26 U.S.C. §7701(a)(14) and 26 U.S.C. §1313.
- 45 5. The court cannot lawfully officiate over any dispute until you consent to their jurisdiction by making an "appearance" in  
46 the matter, which is legally defined as consenting to the jurisdiction of the court:

47                   **appearance.** A coming into court as a party to a suit, either in person or by attorney, whether as plaintiff or  
48                   defendant. The formal proceeding by which a defendant submits himself to the jurisdiction of the court. The  
49                   **voluntary submission to a court's jurisdiction.**



In civil actions the parties do not normally actually appear in person, but rather through their attorneys (who enter their appearance by filing written pleadings, or a formal written entry of appearance). Also, at many stages of criminal proceedings, particularly involving minor offenses, the defendant's attorney appears on his behalf. See e.g., Fed.R.Crim.P. 43.

An appearance may be either **general or special**; the former is a simple and unqualified or unrestricted submission to the jurisdiction of the court, the latter is a submission to the jurisdiction for some specific purpose only, not for all the purposes of the suit. A special appearance is for the purpose of testing or objecting to the sufficiency of service or the jurisdiction of the court over defendant without submitting to such jurisdiction; a general appearance is made where the defendant waives defects of service and submits to the jurisdiction of court. *Insurance Co. of North America v. Kunin*, 175 Neb. 260, 121 N.W.2d. 372, 375, 376. [Black's Law Dictionary, Sixth Edition, p. 97]

The party seeking to enforce a right under a franchise agreement in a court of law therefore has the burden of proving that you as the defendant or respondent did one or more of the following:

1. Expressly consented to the franchise agreement in writing at some point.
2. Never denied that you were engaged in the franchise.
3. Described yourself as a "franchisee" such as a "taxpayer".
4. Are in possession, use, or control of the franchise license number called a Social Security Number or Taxpayer Identification Number.
5. Waived sovereign immunity under the Foreign Sovereign Immunities Act by either:
  - 5.1. Engaging in any of the activities described in 28 U.S.C. §1605 OR . . .
  - 5.2. By declaring yourself to be a "citizen" under the law of the foreign sovereign pursuant to 28 U.S.C. §1603(b)(3).
6. Availed yourself of the "benefits" of the franchise by accepting payments in connection with it.

CALIFORNIA CIVIL CODE  
DIVISION 3. OBLIGATIONS  
PART 2. CONTRACTS  
CHAPTER 3. CONSENT  
[Section 1589](#)

1589. A voluntary acceptance of the benefit of a transaction is equivalent to a consent to all the obligations arising from it, so far as the facts are known, or ought to be known, to the person accepting.

Absent one or more of the above, you are presumed innocent until proven guilty, which means you are not a franchisee such as a "taxpayer" and cannot lawfully become the target of enforcement by the court.

***The presumption of innocence plays a unique role in criminal proceedings.*** As Chief Justice Burger explained in his opinion for the Court in *Estelle v. Williams*, [425 U.S. 501](#) (1976): [507 U.S. 284]:

**The presumption of innocence, although not articulated in the Constitution, is a basic component of a fair trial under our system of criminal justice.** Long ago this Court stated:

The principle that there is a presumption of innocence in favor of the accused is the undoubted law, axiomatic and elementary, and its enforcement lies at the foundation of the administration of our criminal law. *Coffin v. United States*, 156 U.S. 432, 453 (1895).

To implement the presumption, courts must be alert to factors that may undermine the fairness of the factfinding process. In the administration of criminal justice, courts must carefully guard against dilution of the principle that guilt is to be established by probative evidence and beyond a reasonable doubt. In *re Winship*, [397 U.S. 358, 364](#) (1970). [425 U.S. 501, 504]  
[*Delo v. Lashely*, 507 U.S. 272 (1993)]

## **25.2 Liberty and freedom are impossible if franchise courts hear disputes against private citizens**

The founding fathers in writing the U.S. Constitution relied on a book entitled *The Spirit of Laws*, by Charles de Montesquieu as the design for our republican form of government. In that book, Montesquieu describes how freedom is ended within a republican government, which is when the judicial branch exercises any of the functions of the executive branch.

"When the legislative and executive powers are united in the same person, or in the same body of magistrates, there can be no liberty; because apprehensions may arise, lest the same monarch or senate should enact tyrannical laws, to execute them in a tyrannical manner."

Again, there is no liberty, if the judiciary power be not separated from the legislative and executive. Were it joined with the legislative, the life and liberty of the subject would be exposed to arbitrary control; for the judge would be then the legislator. Were it joined to the executive power, the judge might behave with violence and oppression [sound familiar?].

There would be an end of everything, were the same man or the same body, whether of the nobles or of the people, to exercise those three powers, that of enacting laws, that of executing the public resolutions, and of trying the causes of individuals."

[ . . . ]

In what a situation must the poor subject be in those republics! The same body of magistrates are possessed, as executors of the laws, of the whole power they have given themselves in quality of legislators. They may plunder the state by their general determinations; and as they have likewise the judiciary power in their hands, every private citizen may be ruined by their particular decisions."

[The Spirit of Laws, Charles de Montesquieu, 1758, Book XI, Section 6;

SOURCE: [http://famguardian.org/Publications/SpiritOfLaws/sol\\_11.htm](http://famguardian.org/Publications/SpiritOfLaws/sol_11.htm)]

Franchise courts such as the U.S. Tax Court were identified by the U.S. Supreme Court in Freytag v. Commissioner, 501 U.S. 868 (1991) as exercising Executive Branch powers. Hence, such franchise courts are the most significant source of destruction of freedom and liberty in this country, according to Montesquieu. Other similar courts include family court and traffic court. We also wish to point out that the effect he criticizes also results when:

1. Any so-called "court" entertains "political questions". Constitutional courts are not permitted to act in this capacity and they cease to be "courts" in a constitutional sense when they do. The present U.S. Tax Court, for instance, was previously called the "Board of Tax Appeals" so that people would not confuse it with a REAL court. They renamed it to expand the FRAUD.
2. Litigants are not allowed to discuss the law in the courtroom or in front of the jury or are sanctioned for doing so. This merely protects efforts by the corrupt judge to substitute HIS will for what the law actually says and turns the jury from a judge of the law and the facts to a policy board full of people with a financial conflict of interest because they are "taxpayers". This sort of engineered abuse happens all the time both in U.S. Tax Court and Federal District and Circuit courts on income tax matters.
3. Judges are permitted to add anything they want to the definition and are not required to identify the thing they want to include within the statutory definition. This is equivalent to exercising the powers of the legislative branch. See:

Legal Deception, Propaganda, and Fraud, Form #05.014

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

4. A franchise court is the only administrative remedy provided and PRIVATE people are punished financially or inconvenienced for going to a constitutional court.
5. Judges in any court are allowed to wear two hats: a political hat when they hear franchises cases and a constitutional hat for others. This is how the present de facto federal district and circuit courts operate. This creates a criminal financial conflict of interest.
6. Franchise courts refuse to dismiss cases and stay enforcement against private citizens who are not legitimate public officers within the SAME branch of government as THEY are. It is a violation of the separation of powers for one branch of government to interfere with the personnel or functions of another.
7. Judges in franchise courts are allowed the discretion to make determinations about the status of the litigants before them and whether they are "franchisees" called "taxpayers", "drivers", etc. When they have this kind of discretion, they will always abuse it because of the financial conflict of interest they have. Such decisions must always be made by impartial decision makers who are not ALSO franchisees. That is why 28 U.S.C. §2201(a) forbids the exercise of this type of discretion by federal district and circuit judges.

Note that Montesquieu warns that franchise courts are the means for introducing what he calls "arbitrary control":

"Were it joined with the legislative, the life and liberty of the subject would be exposed to arbitrary control; for the judge would be then the legislator."

The U.S. Supreme Court has recognized that the exercise of such "arbitrary control" is repugnant to the Constitution. The reason is that it turns a "society of law" into a "society of men":

1 *"The government of the United States has been emphatically termed a government of laws, and not of men. It*  
2 *will certainly cease to deserve this high appellation, if the laws furnish no remedy for the violation of a vested*  
3 *legal right."*  
4 [[Marbury v. Madison](#), 5 U.S. 137, 163 (1803)]

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

### 9 **25.3 Franchise courts are only for disputes WITHIN governments and not with private citizens**

10 As we have repeatedly pointed out throughout this document, all franchises:

- 11 1. Are civil and not criminal law.
- 12 2. Are contracts between the government grantor and the (formerly) private human being. As contracts, they:
  - 13 2.1. Convey rights. All rights are property.
  - 14 2.2. Create agency on the part of BOTH parties in relation to the other party.
- 15 3. Require that all those who participate are public offices and public officers within the government.
- 16 4. Assume that the franchisee is a public officer who:
  - 17 4.1. Is surety for the actions of the office he occupies.
  - 18 4.2. Acting in a representative capacity over a government business trust under the authority of Federal Rule of Civil
  - 19 Procedure 17(b).
  - 20 4.3. Representing a federal corporation as such public officer, and hence is a statutory but not constitutional "U.S.
  - 21 citizen" pursuant to 8 U.S.C. §1401.
  - 22 4.4. May only serve in the District of Columbia as required by 4 U.S.C. §72, in the case of federal/national franchises.
- 23 5. Define the choice of law and the forum(s) governing all disputes under the franchise.
- 24 6. Can and often do relegate disputes under the franchise to a specialized administrative tribunal/body that is not a
- 25 constitutional court and which is NOT in the judicial branch, but usually the Executive Branch of the government.

26 The above facts are significant, because they essentially make the government into little more than an employer in relation  
27 to all those who participate. The so-called "benefits" of the franchise constitute the requisite consideration which forms the  
28 basis for making the franchise/employment contract binding against both parties to it. The U.S. Supreme Court has held that  
29 the government is NOT bound by the constitution among its own "employees" and public officers and that it essentially can  
30 place any demand it wants upon its own officers without encroaching on their Constitutional rights:

31 *"The restrictions that the Constitution places upon the government in its capacity as lawmaker, i.e., as the*  
32 *regulator of private conduct, are not the same as the restrictions that it places upon the government in its capacity*  
33 *as employer. We have recognized this in many contexts, with respect to many different constitutional guarantees.*  
34 *Private citizens perhaps cannot be prevented from wearing long hair, but policemen can. [Kelley v. Johnson](#), [425](#)*  
35 *[U.S. 238, 247](#) (1976). Private citizens cannot have their property searched without probable cause, but in many*  
36 *circumstances government employees can. [O'Connor v. Ortega](#), [480 U.S. 709, 723](#) (1987) (plurality opinion);*  
37 *id., at 732 (SCALIA, J., concurring in judgment). Private citizens cannot be punished for refusing to provide the*  
38 *government information that may incriminate them, but government employees can be dismissed when the*  
39 *incriminating information that they refuse to provide relates to the performance of their job. [Gardner v.](#)*  
40 *[Broderick](#), [[497 U.S. 62, 95](#)] [392 U.S. 273, 277](#)-278 (1968). With regard to freedom of speech in particular:*  
41 *Private citizens cannot be punished for speech of merely private concern, but government employees can be fired*  
42 *for that reason. [Connick v. Myers](#), [461 U.S. 138, 147](#) (1983). Private citizens cannot be punished for partisan*  
43 *political activity, but federal and state employees can be dismissed and otherwise punished for that reason. [Public](#)*  
44 *[Workers v. Mitchell](#), [330 U.S. 75, 101](#) (1947); [Civil Service Comm'n v. Letter Carriers](#), [413 U.S. 548, 556](#) (1973)*  
45 *; [Broadrick v. Oklahoma](#), [413 U.S. 601, 616](#)-617 (1973)."*  
46 [[Rutan v. Republican Party of Illinois](#), [497 U.S. 62](#) (1990) ]

47 Hence, franchise courts behave as the equivalent of administrative, binding arbitration boards for disputes internal to the  
48 government among government "employees" and public officers, but NOT ordinary common law employees or workers. We  
49 must remember that under the common law, anything you consent to, including binding arbitration under an "employment"  
50 agreement, cannot form the basis for an injury. No one, at least in theory can force you to occupy a public office in the  
51 government and thereby become a franchisee. Hence, you are presumed to have become a franchisee with your full  
52 knowledge and consent and participation, and once you become a franchisee, you can't complain how they administer so-  
53 called "justice" within the meaning of the franchise under the franchise contract.

1 *Consensus facit legem.*  
2 *Consent makes the law. A contract is a law between the parties, which can acquire force only by consent.*  
3 *[Bouvier's Maxims of Law, 1856;*  
4 *SOURCE: <http://famguardian.org/Publications/BouvierMaximsOfLaw/BouviereMaxims.htm>]*

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

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

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

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

15 There are significant differences between the way a Constitutional court and an administrative franchise court operate. Below  
16 is a tabular comparison of some of those differences:  
17

**Table 23: Comparison of Franchise Court to Constitutional Court**

#	Characteristic	Franchise Court	Constitutional Court
1	Clause of federal Constitution under which authorized	Article I Article IV	Article III
2	Statutes establishing the court must expressly invoke the Constitutional provision authorizing their creation?	No	Yes
3	Type of right officiated over	Public right	Private right
4	Property that may form the basis of the dispute	Public property	Private property
5	How property became “public property” under the franchise agreement	Donating it to a public use, public purpose, and public office by voluntarily connecting it with a government identifying number (e.g. TIN, EIN, etc.)	Not applicable
6	Authority for deciding dispute	Federal statutory franchise agreement such as Internal Revenue Code, Subtitles A or C	Constitution Common law
7	“Due process” defined by	The franchise agreement	The Constitution
8	Presumptions permitted during proceeding without violating “due process of law”? <sup>302</sup>	Yes	No
9	Term of “judges” in the court	Definite, fixed period	Life
10	Jury required?	No (depends on what franchise contract says)	Yes
11	Legal “person” who is party to the dispute	Public office Public officer who is surety for the office	Private human being
12	Jurors	All statutory “U.S. citizens” pursuant to 8 U.S.C. §1401 participating in government franchises as public officers	Private human beings who are Constitutional but not statutory “U.S. citizens” and who MAY NOT participate in said franchises because of criminal conflicts of interest. See 18 U.S.C. §§201, 208.

A court that is functioning as a franchise court or binding arbitration court is called a “assize” court in Black’s Law Dictionary:

*Assize, or assise (obsolete). An ancient species of court, consisting of a certain number of man, usually twelve, who were summoned together to try a disputed cause, performing the functions of a jury, **except that they gave a verdict from their own investigation and knowledge and not upon evidence adduced.** From the fact that they sat together (assideo), they were called the “assize”. **A court composed of an assembly of knights and other substantial men, with the baron or justice, in a certain place, at an appointed time.** The verdict or judgment of the jurors or recognitors of assize. 3 Bl.Comm. 57, 59.*

*In later English law, the name “assizes” or “assises” was given to the court, time, or place where the judges of assize and nisi prius, who were **sent by special commission from the crown on circuits through the kingdom,** proceeded to take indictments, and to try such disputed causes issuing out of the courts at Westminster as were then ready for trial, with the assistance of a jury from the particular county. These judges of assize were the successors of the ancient “justices in eyre.” They sat by virtue of four separate authorities: (1) Commission of Oyer and Terminer, (2) of goal delivery, (3) of nisi prius, and (4) Commission of Peace. IN 1971 the Crown Court was established which superseded the criminal jurisdiction of courts of assize and all the jurisdiction of quarter sessions. The assize courts were accordingly abolished.*

<sup>302</sup> See: *Presumption: Chief Weapon for Unlawfully Enlarging Federal Jurisdiction*, Form #05.017; <http://sedm.org/Forms/FormIndex.htm>.



Anything reduced to certainty in respect to time, number, quantity, weight, measure, etc.

A species of writ, or real action, said to have been invented by Glanville, chief justice to Henry II, and having for its object to determine the right of possession of lands, and to recover the possession. 3 Bl.Comm. 184, 185.

The whole proceedings in court upon a writ of assize. The verdict or finding of the jury upon such a writ. 3 Bl.Comm. 57.  
[Black's Law Dictionary, Sixth Edition, pp. 120-121]

Note the chief characteristics of an assize court, based on the above definition are:

1. The jurors are in a privileged, unequal status in relation to those being tried. This is the status of all those participating in government franchises, which are the equivalent of "Titles of Nobility" prohibited by the Constitution on land protected by the Constitution.
2. The decision is not based on "evidence", but upon presumption and discretion. Under the Constitution, all such presumption is a violation of the Constitution in matters involving PRIVATE rather than PUBLIC property.
3. The jurors are sent by commission from the crown.
4. The "assize" functions as the equivalent of what has been called the "star chamber".
5. The judge of the assize filters evidence heard by the assize.
6. The proceeding omits the original writ required by the common law. Ergo, every assize court is not operating under the rules of the common law.

Franchise courts function as "assize" courts by virtue of the fact that:

1. The judge is not domiciled on federal territory within the district as required by the Statutes At Large, and therefore must travel into the place he works just like the "assize".

*Every district judge shall reside in the district or one of the districts for which he is appointed, and **for offending against this provision shall be deemed guilty of a high misdemeanor.** (Mar. 3, 1911, ch. 231, §1, 36 Stat. 1087 as amended July 30, 1914, ch. 216, 38 Stat. 580 and supplemented Mar. 3, 1915, ch. 100; § 1, 38 Stat. 961; Apr. 11, 1916, ch. 64, § 1, 39 Stat. 48; Feb. 26, 1917, ch. 938, 39 Stat. 938; Feb. 26, 1919, ch. 50, §§ 1, 2, 40 Stat. 1183; Sept. 14, 1922, ch. 306, 42 Stat. 837, 838; Jan. 16, 1925, ch. 83, § 3, 43 Stat. 752; Feb. 16, 1925, ch. 233, §§ 2, 3, 43 Stat. 946; Mar. 2, 1925, ch. 397, §§ 1-3, 43 Stat. 1098; Mar. 3, 1927, ch. 297, 44 Stat. 1346; Mar. 3, 1927, ch. 298, 44 Stat. 1347; Mar. 3, 1927, ch. 300, 44 Stat. 1348; Mar. 3, 1927, ch. 332, 44 Stat. 1370; Mar. 3, 1927, ch. 336, §§ 1, 2, 44 Stat. 1372; Mar. 3, 1927, ch. 338, 44 Stat. 1374; Mar. 3, 1927, ch. 344, 44 Stat. 1380; Apr. 21, 1928, ch. 393, § 5, 45 Stat. 439; May 29, 1928, ch. 882, 45 Stat. 974; Jan. 17, 1929, ch. 72, 45 Stat. 1081; Feb. 26, 1929, ch. 334, 45 Stat. 1317; Feb. 26, 1929, ch. 337, 45 Stat. 1319; Feb. 28, 1929, ch. 358, 45 Stat. 1344; Feb. 28, 1929, ch. 380, 45 Stat. 1409; May 28, 1930, ch. 346, 46 Stat. 431; June 27, 1930, ch. 633, 46 Stat. 819; June 27, 1930, ch. 635, 46 Stat. 820; July 3, 1930, ch. 852, 46 Stat. 1006; Feb. 20, 1931, ch. 244, 46 Stat. 1196; Feb. 20, 1931, ch. 245, 46 Stat. 1197; Feb. 25, 1931, ch. 296, 46 Stat. 1417; May 20, 1932, ch. 196, 47 Stat. 161; Aug. 2, 1935, ch. 425, §§ 1, 2, 3, 49 Stat. 508; Aug. 19, 1935, ch. 558, §§ 1, 2, 49 Stat. 659; Aug. 28, 1935, ch. 793, 49 Stat. 945; June 5, 1936, ch. 515, §§ 1-3, 49 Stat. 1476, 1477; June 15, 1936, ch. 544, 49 Stat. 1491; June 16, 1936, ch. 585, § 1, 49 Stat. 1523; June 22, 1936, ch. 693, 49 Stat. 1804; June 22, 1936, ch. 694, 49 Stat. 1804; June 22, 1936, ch. 696, 49 Stat. 1806; Aug. 25, 1937, ch. 771, § 1, 50 Stat. 805; Mar. 18, 1938, ch. 47, 52 Stat. 110; May 31, 1938, ch. 290, §§ 4, 6, 52 Stat. 585; June 20, 1938, ch. 528, 52 Stat. 780; Jan. 20, 1940, ch. 11, 54 Stat. 16; May 24, 1940, Ch. 209, § 2 (C), 54 Stat. 220; June 8, 1940, ch. 282, 54 Stat. 253; Nov. 27, 1940, ch. 920, § 1, 54 Stat. 1216.)  
[Judicial Code of 1940, Section 1, pp. 2453-2454, Exhibit 3]*

2. The judge himself/herself is also in possession of royal/privileged status by virtue of:
  - 2.1. His participation in the franchises at issue before the court.
  - 2.2. His status as a statutory "U.S. citizen" pursuant to 8 U.S.C. §1401 rather than a constitutional citizen. This privileged status makes the judge have a criminal conflict of interest in violation of 18 U.S.C. §§201, 208 and 28 U.S.C. §§144 and 455.
3. The jurors do not maintain a domicile in the place where they serve and therefore "travel" into the place they serve, just like the "assize" described above. For instance, all federal trials require the jurors to reside on federal territory without the outer limits of the district per 28 U.S.C. §1865(b). 18 U.S.C. §1865(b)(1) says that jurors must be statutory "U.S. citizens" pursuant to 8 U.S.C. §1401 and you can't be such a "citizen" without a domicile on federal territory that is NO PART of any state of the Union.
  - 3.1. Very few juries in fact satisfy this criteria and therefore MUST be recused for cause. In practice, the franchise judges unlawfully dismiss challenges to jury qualifications based on this requirement and in effect appoints those domiciled in a foreign jurisdiction by "special privilege" to serve in federal trials in violation of 28 U.S.C. §1865.

3.2. In this context, the judge represents “the crown” or “parens patriae” government who then establishes the “assize” from people outside his territorial jurisdiction, and all those who are appointed are carefully chosen to be privileged participants in federal franchises and therefore in receipt of a “title of nobility”.

In the above circumstance, jurors no longer represent the “State” which is defined as the Sovereign People whom the government serves. Instead, these privileged jurors function mainly to protect the commercial privilege they are in receipt of and maintain the flow of plunder into their checking accounts in criminal violation of 18 U.S.C. §201 and 208.

4. Judges in franchise courts routinely and maliciously exclude evidence presented by the accused, leaving nothing but opinion, presumption, bias, and personal belief as the only deciding factors. In many if not the majority of cases, they prejudicially exclude ALL evidence of the accused in violation of due process and thus producing a void judgment.
5. Only licensed attorneys, meaning those in receipt of privileges and therefore possessing an unconstitutional “title of nobility”, are allowed by the franchise judge to “practice law” in the context of the proceeding.
6. The franchise judge PRESUMES, usually falsely, that you consented to his jurisdiction by making an “appearance”.

***appearance.** A coming into court as a party to a suit, either in person or by attorney, whether as plaintiff or defendant. The formal proceeding by which a defendant submits himself to the jurisdiction of the court. The **voluntary submission** to a court's jurisdiction.*

*In civil actions the parties do not normally actually appear in person, but rather through their attorneys (who enter their appearance by filing written pleadings, or a formal written entry of appearance). Also, at many stages of criminal proceedings, particularly involving minor offenses, the defendant's attorney appears on his behalf. See e.g., Fed.R.Crim.P. 43.*

*An appearance may be either **general** or **special**; the former is a simple and unqualified or unrestricted submission to the jurisdiction of the court, the latter is a submission to the jurisdiction for some specific purpose only, not for all the purposes of the suit. A special appearance is for the purpose of testing or objecting to the sufficiency of service or the jurisdiction of the court over defendant without submitting to such jurisdiction; a general appearance is made where the defendant waives defects of service and submits to the jurisdiction of court. **Insurance Co. of North America v. Kunin, 175 Neb. 260, 121 N.W.2d. 372, 375, 376.***

*[Black's Law Dictionary, Sixth Edition, p. 97]*

There is nothing inherently wrong or immoral about franchise courts so long as the following limits are strictly imposed upon their operation and all government participants:

1. Their rulings or precedents are not invoked, cited, or used against any of the following because this would be an abuse of legal process for political and propaganda purposes:
  - 1.1. PRIVATE HUMAN BEINGS.
  - 1.2. Those not lawfully engaged in federal franchises.
  - 1.3. Those domiciled/resident outside of federal territory and therefore NOT statutory “U.S. citizens” (8 U.S.C. §1401), “U.S. residents” (26 U.S.C. §7701(b)(4)), or “U.S. persons” (26 U.S.C. §7701(a)(30)).
  - 1.4. Those protected by the Constitution.
2. They do not rely on false reports that connect people with government franchises. For instance, they do NOT rely on false information returns (e.g. IRS Forms W-2, 1042-S, 1098, and 1099) as a justification for why they have jurisdiction to entertain the dispute.
3. They do not interfere with correcting false reports connecting innocent private parties to franchises and do not interfere with the introduction of evidence that such reports are false.
4. They immediately dismiss all cases before them involving false reports or false evidence connecting the participants with federal franchises.
5. They do not pretend that they are a REAL court and do not call those who properly identify them as a franchise court “frivolous” or try to penalize them.
6. They do not operate outside of their territorial jurisdiction. For instance, all federal franchises must be executed ONLY in the District of Columbia pursuant to 4 U.S.C. §72 and the U.S. Tax Court, which is an Article I franchise court, has offices in the District of Columbia but ALSO travels (ILLEGALLY, we might add) around the country hearing cases of parties domiciled elsewhere.

A franchise court judge who violates the above requirements is essentially:

1. Acting as a co-prosecutor in conspiracy with the government prosecutor.
2. Actively involved, with the prosecutor, in a conspiracy against rights protected by the Constitution in criminal violation of 18 U.S.C. §241.

3. Breaching their fiduciary duty as public officers to protect PRIVATE PROPERTY. Instead, they are abusing their authority as a judge or prosecutor to criminally convert PRIVATE property into a public use, public purpose, and public office in violation of 18 U.S.C. §654.
4. Proceeding with a criminal conflict of interest in violation of 18 U.S.C. §201, 208 and 28 U.S.C. §§144, 455. It is a conflict of interest because their pay and benefits derive DIRECTLY from the property that is the subject of the proceeding.
5. Engaged in a conspiracy to defraud the "United States" in criminal violation of 18 U.S.C. §287, because:
- 5.1. The jurors are public officers of the "United States" under 18 U.S.C. §201.
- 5.2. The defendant is a "public officer" as a "taxpayer". See:
- [Why Your Government is Either a Thief or You are a "Public Officer" for Income Tax Purposes](http://sedm.org/Forms/FormIndex.htm), Form #05.008  
<http://sedm.org/Forms/FormIndex.htm>
- 5.3. Both of these groups are being willfully deceived by the judge and prosecutor into believing that they are liable for a tax that doesn't actually apply to them.
6. Involved in a "confidence game". This is also called a "Ponzi scheme". To wit:

*"Confidence game. Obtaining money or property by means of some trick, device, or swindling operation in which advantage is taken of the confidence which the victim reposes in the swindler. The elements of the crime of "confidence game" are:*

*(1) an intentional false representation to the victim as to some present fact,*

*(2) knowing it to be false,*

*(3) with the intent that the victim rely on the representation,*

*(4) the representation being made to obtain the victim's confidence and thereafter his money and property,*

*(5) which confidence is then abused by defendant. U.S. v. Brown, D.C.App., 309 A.2d. 256, 257.*

*For distinction between false pretenses and confidence game, see False pretenses. See also Flim-flam."*  
[Black's Law Dictionary, Sixth Edition, p. 297]

## 25.4 Tax Court: Article I

The [U.S. Tax Court](#) is an [Article I](#) court established through the exclusive legislative authority of Congress under [Article 1](#), Section 8, Clause 17 of the Constitution.

[TITLE 26](#) > [Subtitle F](#) > [CHAPTER 76](#) > [Subchapter C](#) > [PART I](#) > § 7441  
[§ 7441. Status](#)

*There is hereby established, under [article I of the Constitution of the United States](#), a court of record to be known as the United States Tax Court. The members of the Tax Court shall be the chief judge and the judges of the Tax Court.*

Only "public rights" exercised by "public officers" may be officiated in this legislative franchise court. Below are the legal mechanisms involved as described by the Annotated U.S. Constitution:

### *The Public Rights Distinction*

*"That is, "public" rights are, strictly speaking, those in which the cause of action inheres in or lies against the Federal Government in its sovereign capacity, the understanding since Murray's Lessee. However, to accommodate Crowell v. Benson, Atlas Roofing, and similar cases, seemingly private causes of action between private parties will also be deemed "public" rights, when Congress, acting for a valid legislative purpose pursuant to its Article I powers, fashions a cause of action that is analogous to a common-law claim and so closely integrates it into a public regulatory scheme that it becomes a matter appropriate for agency resolution with limited involvement by the Article III judiciary. (83)"*

*[Footnote 83: Granfinanciera, S.A. v. Nordberg, 492 U.S. at 52-54. The Court reiterated that the Government need not be a party as a prerequisite to a matter being of "public right." Id. at 54. Concurring, Justice Scalia argued that public rights historically were and should remain only those matters to which the Federal Government is a party. Id. at 65.]*  
*[Annotated Constitution (2017), p. 676.]*  
SOURCE: <https://www.congress.gov/content/conan/pdf/GPO-CONAN-2017.pdf>

The judges in this administrative franchise "court" (which is actually a federal office building that is part of the Executive branch and not the Judicial branch) hold office for a limited term of 15 years under [26 U.S.C. §7443\(e\)](#). The U.S. Supreme

1 Court held the following of courts whose judges hold limited rather than lifetime terms, which in turn confirms that the  
2 income tax only applies in federal territories, keeping in mind that states of the Union are not territories:

3 *"As the only judicial power vested in Congress is to create courts whose judges shall hold their offices during*  
4 *good behavior, it necessarily follows that, if Congress authorizes the creation of courts and the appointment of*  
5 *judges for limited time, it must act independently of the Constitution upon territory which is not part of the*  
6 *United States within the meaning of the Constitution."*  
7 *[O'Donohue v. United States, 289 U.S. 516, 53 S.Ct. 740 (1933)]*

8 The "United States Tax Court" is merely a tax appeal board, and is NOT a part of the Judicial branch of the government, but  
9 instead is part of the Executive Branch. Trials are heard by one judge and without a jury. The judges travel all over the  
10 United States hearing cases.

11 Tax court has no more authority to compel payment of a tax than an administrative officer, but just as you can acknowledge  
12 his authority by voluntarily submitting information, you can also acknowledge the authority of the "Tax Court" by making  
13 an appeal to it. When you appeal to this so-called "court", you are giving it permission to make any decision it wants. You  
14 are "authorizing" it to adjudicate, just like you would a neutral binding arbitrator. You are giving it authority over you that it  
15 otherwise would not have. By appealing to it, you are voluntarily admitting (by implication) that an underlying liability  
16 already exists. Then the administrative body can end up with the administrative ruling that it wanted in the first place.

17 It is ILLEGAL for those who are "nontaxpayers" domiciled within states of the Union on other than federal territory to  
18 petition the U.S. Tax Court to do anything but dismiss their case altogether because:

- 19 1. It is UNLAWFUL for the United States government to offer federal franchises such as a "trade or business" to persons  
20 who are domiciled outside of its exclusive territorial jurisdiction called the "United States", which is defined in 26  
21 U.S.C. §7701(a)(9) and (a)(10) as the District of Columbia and nowhere expanded to include any part of any state of  
22 the Union. The Declaration of Independence says that men are created with certain "unalienable rights". An  
23 "unalienable right" is one that cannot be bargained away or transferred through any kind of commercial process, such  
24 as through a franchise agreement. That means that "nontaxpayers" are legally incapable and incompetent to enter into  
25 a franchise agreement with the United States government that would surrender any of their rights and that any attempt  
26 to offer such public rights or enforce franchises outside of federal territory within the exclusive jurisdiction of a state  
27 constitutes a criminal conspiracy against my rights.

28 *"We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator*  
29 *with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness.--That to secure*  
30 *these rights, Governments are instituted among Men, deriving their just powers from the consent of the governed,*  
31 *--"*  
32 *[Declaration of Independence]*

- 33 2. Tax Court Rule 13(a)(1) requires that only "taxpayers" may petition the court for relief from a Notice of Deficiency,  
34 and therefore "nontaxpayers" are not eligible for any relief from said court and would be misrepresenting their status to  
35 pay the filing fee.

36 *United States Tax Court*  
37 *RULE 13. JURISDICTION*

38 *(a) Notice of Deficiency or of Transferee or Fiduciary Liability Required: Except in actions for declaratory*  
39 *judgment, for disclosure, for readjustment or adjustment of partnership items, for administrative costs, or for*  
40 *review of failure to abate interest (see Titles XXI, XXII, XXIV, XXVI, and XXVII), the jurisdiction of the Court*  
41 *depends (1) in a case commenced in the Court by a taxpayer, upon the issuance by the Commissioner of a notice*  
42 *of deficiency in in-come, gift, or estate tax or, in the taxes under Code chapter 41, 42, 43, or 44 (relating to the*  
43 *excise taxes on certain organizations and persons dealing with them), or in the tax under Code chapter 45*  
44 *(relating to the windfall profit tax), or in any other taxes which are the subject of the issuance of a notice of*  
45 *deficiency by the Commissioner; and (2) in a case commenced in the Court by a transferee or fiduciary, upon the*  
46 *issuance by the Commissioner of a notice of liability to the transferee or fiduciary. See Code secs. 6212, 6213,*  
47 *and 6901.*

- 48 3. The Declaratory Judgments Act, 28 U.S.C. §2201(a), forbids all courts including this court from making declaratory  
49 judgments relating to federal taxes, which means this court lacks jurisdiction to declare anyone a "taxpayer" that is  
50 within its jurisdiction and entitled to relief if they provide admissible evidence under penalty of perjury to the contrary.

Specifically, Rowen seeks a declaratory judgment against the United States of America with respect to "whether or not the plaintiff is a taxpayer pursuant to, and/or under 26 U.S.C. §7701(a)(14)." (See Compl. at 2.) **This Court lacks jurisdiction to issue a declaratory judgment "with respect to Federal taxes other than actions brought under section 7428 of the Internal Revenue Code of 1986," a code section that is not at issue in the instant action. See 28 U.S.C. § 2201; see also Hughes v. United States, 953 F.2d. 531, 536-537 (9th Cir. 1991) (affirming dismissal of claim for declaratory relief under § 2201 where claim concerned question of tax liability).** Accordingly, defendant's motion to dismiss is hereby GRANTED, and the instant action is hereby DISMISSED. [Rowen v. U.S., 05-3766MMC. (N.D.Cal. 11/02/2005)]

4. The federal courts have ruled the Internal Revenue Code may not lawfully be enforced against "nontaxpayers", and the ONLY purpose of the U.S. Tax Court is to enforce it.

*"The revenue laws are a code or system in regulation of tax assessment and collection. They relate to taxpayers, and not to nontaxpayers. The latter are without their scope. No procedure is prescribed for nontaxpayers, and no attempt is made to annul any of their rights and remedies in due course of law. With them Congress does not assume to deal, and they are neither of the subject nor of the object of the revenue laws..."*  
[Long v. Rasmussen, 281 F. 236 (1922)]

*"A reasonable construction of the taxing statutes does not include vesting any tax official with absolute power of assessment against individuals not specified in the statutes as a person liable for the tax without an opportunity for judicial review of this status before the appellation of 'taxpayer' is bestowed upon them and their property is seized..."*  
[Botta v. Scanlon, 288 F.2d. 504, 508 (1961)]

*"Revenue Laws relate to taxpayers and not to non-taxpayers. The latter are without their scope. No procedures are prescribed for non-taxpayers and no attempt is made to annul any of their Rights or Remedies in due course of law."*  
[Economy Plumbing & Heating v. U.S., 470 F.2d. 585 (1972)]

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

5. The Internal Revenue Code provides only one remedy for "nontaxpayers" in 26 U.S.C. §7426, and Notice of Deficiency relief is not included in that remedy.
6. The U.S. Supreme Court has held that NO COURT, much less itself, has any jurisdiction to declare an innocent person called a "nontaxpayer" as a guilty person called a "taxpayer".

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

U.S. Tax Court cannot therefore entertain any presumptions about the status of "nontaxpayers" which might prejudice their constitutionally protected rights as persons domiciled on land protected by the Constitution without violating your oath. They MUST be presumed innocent until proven guilty, which means they are an innocent "nontaxpayer" and therefore cannot lawfully petition this court for anything but a dismissal for lack of jurisdiction.

*"Keeping in mind the well-settled rule that the citizen is exempt from taxation unless the same is imposed by clear and unequivocal language, and that where the construction of a tax law is doubtful, the doubt [or PRESUMPTION about status] is to be resolved in favor of those upon whom the tax is sought to be laid."*  
[Spreckels Sugar Refining Co. v. McClain, 192 U.S. 397 (1904)]

7. The U.S. Tax Court is an Article I court within the Executive and not Judicial branch of the United States government. See 26 U.S.C. §7441 and Northern Pipeline Const. Co. v. Marathon Pipe Line Co., 458 U.S. at 83-84, 102 S.Ct. 2858



(1983). Because it is within the Executive and not Judicial Branch of the Government, any penalties or “taxes” it institutes (both of which are equivalent) would constitute an unlawful “bill of attainder” if ordered against a person protected by the United States Constitution domiciled outside of federal territory. Nontaxpayers are NOT “franchisees” (such as a “taxpayers” or “public offices”) of the federal government and they derive no “benefits” from the “trade or business”/“public office” franchise defined in 26 U.S.C. §7701(a)(26). In fact, they are not lawfully allowed to participate in any federal franchises because they never consented to participate, have no delegated authority to do so, and do not maintain a domicile on federal territory, which is the only audience that federal franchises can even lawfully be offered to, since our Constitutionally protected rights are “unalienable”, meaning that they cannot be bargained away any place they exist, such as within a state of the Union.

**Bill of attainder.** Legislative acts, no matter what their form, that apply either to named individuals or to easily ascertainable members of a group in such a way as to inflict punishment on them without a judicial trial. *United States v. Brown*, 381 U.S. 437, 448-49, 85 S.Ct. 1707, 1715, 14 L.Ed. 484, 492; *United States v. Lovett*, 328 U.S. 303, 315, 66 S.Ct. 1073, 1079, 90 L.Ed. 1252. An act is a “bill of attainder” when the punishment is death and a “bill of pains and penalties” when the punishment is less severe; both kinds of punishment fall within the scope of the constitutional prohibition. U.S.Const. Art. I, Sect 9, Cl. 3 (as to Congress); Art. I, Sec. 10 (as to state legislatures).  
[*Black’s Law Dictionary*, Sixth Edition, p. 165]

8. The only occasion where administrative, non-judicial penalties (such as 26 U.S.C. §6651) may lawfully be instituted is against those consensually engaged in federal franchises who therefore implicitly consent to the terms of the franchise agreement and the penalties that are part of it. This sole exception was described by the U.S. Supreme Court as follows:

**“The Government urges that *the Power Company is estopped to question the validity of the Act creating the Tennessee Valley Authority*, and hence that the stockholders, suing in the right of the corporation, cannot [297 U.S. 323] maintain this suit. .... The principle is invoked that one who accepts the benefit of a statute cannot be heard to question its constitutionality. *Great Falls Manufacturing Co. v. Attorney General*, 124 U.S. 581; *Wall v. Parrot Silver & Copper Co.*, 244 U.S. 407; *St. Louis Casting Co. v. Prendergast Construction Co.*, 260 U.S. 469.”**  
[*Ashwander v. Tennessee Valley Auth.*, 297 U.S. 288 (1936)]

**“The restrictions that the Constitution places upon the government in its capacity as lawmaker, i.e., as the regulator of private conduct, are not the same as the restrictions that it places upon the government in its capacity as employer. We have recognized this in many contexts, with respect to many different constitutional guarantees. Private citizens perhaps cannot be prevented from wearing long hair, but policemen can. *Kelley v. Johnson*, 425 U.S. 238, 247 (1976). Private citizens cannot have their property searched without probable cause, but in many circumstances government employees can. *O’Connor v. Ortega*, 480 U.S. 709, 723 (1987) (plurality opinion); *id.*, at 732 (SCALIA, J., concurring in judgment). Private citizens cannot be punished for refusing to provide the government information that may incriminate them, but government employees can be dismissed when the incriminating information that they refuse to provide relates to the performance of their job. *Gardner v. Broderick*, [497 U.S. 62, 95] 392 U.S. 273, 277-278 (1968). With regard to freedom of speech in particular: Private citizens cannot be punished for speech of merely private concern, but government employees can be fired for that reason. *Connick v. Myers*, 461 U.S. 138, 147 (1983). Private citizens cannot be punished for partisan political activity, but federal and state employees can be dismissed and otherwise punished for that reason. *Public Workers v. Mitchell*, 330 U.S. 75, 101 (1947); *Civil Service Comm’n v. Letter Carriers*, 413 U.S. 548, 556 (1973); *Broadrick v. Oklahoma*, 413 U.S. 601, 616-617 (1973).”**  
[*Rutan v. Republican Party of Illinois*, 497 U.S. 62 (1990)]

In point of fact, every government franchise must make the franchisee into a “public officer”, “employee”, or agent of the government of one kind or another because the ability to regulate private conduct is repugnant to the Constitution:

**“The power to “legislate generally upon” life, liberty, and property, as opposed to the “power to provide modes of redress” against offensive state action, was “repugnant” to the Constitution. *Id.*, at 15. See also *United States v. Reese*, 92 U.S. 214, 218 (1876); *United States v. Harris*, 106 U.S. 629, 639 (1883); *James v. Bowman*, 190 U.S. 127, 139 (1903). Although the specific holdings of these early cases might have been superseded or modified, see, e.g., *Heart of Atlanta Motel, Inc. v. United States*, 379 U.S. 241 (1964); *United States v. Guest*, 383 U.S. 745 (1966), their treatment of Congress’ §5 power as corrective or preventive, not definitional, has not been questioned.”**  
[*City of Boerne v. Flores*, *Archbishop of San Antonio*, 521 U.S. 507 (1997)]

9. The U.S. Tax Court itself is a “franchise court” which administers the “trade or business”/“public office” franchise as defined in 26 U.S.C. §7701(a)(26). It constitutes a penalty, a “bill of attainder”, and an injury to the constitutionally protected rights of a “nontaxpayer” to be compelled to satisfy the obligations of a franchise which they *do not* consent

to and derive no benefit from and never lawfully participated in. It is, in fact, involuntary servitude to be subjected to the jurisdiction of an Executive Branch administrative franchise court in violation of the Thirteenth Amendment, 42 U.S.C. §1994, and 18 U.S.C. §1583.

10. If a “nontaxpayer” does enter the U.S. Tax Court, the presumption that they are a “taxpayer” would prejudice their constitutional rights. The court can only cite cases and authorities relating to “taxpayers” in its rulings because it can only entertain suits by franchisees called “taxpayers”, and all such cases would be inapposite, irrelevant, and prejudicial to the rights of a “nontaxpayer”:

*Statutes creating permanent irrebuttable presumptions have long been disfavored under the Due Process Clauses of the Fifth and Fourteenth Amendments.* In *Heiner v. Donnan*, 285 U.S. 312, 52 S.Ct. 358, 76 L.Ed. 772 (1932), the Court was faced with a constitutional challenge to a federal statute that created a conclusive presumption that gifts made within two years prior to the donor's death were made in contemplation of death, thus requiring payment by his estate of a higher tax. In holding that this irrefutable assumption was so arbitrary and unreasonable as to deprive the taxpayer of his property without due process of law, *the Court stated that it had 'held more than once that a statute creating a presumption which operates to deny a fair opportunity to rebut it violates the due process clause of the Fourteenth Amendment.'* *Id.*, at 329, 52 S.Ct., at 362. See, e.g., *Schlesinger v. Wisconsin*, 270 U.S. 230, 46 S.Ct. 260, 70 L.Ed. 557 (1926); *Hooper v. Tax Comm'n*, 284 U.S. 206, 52 S.Ct. 120, 76 L.Ed. 248 (1931). See also *Tot v. United States*, 319 U.S. 463, 468-469, 63 S.Ct. 1241, 1245-1246, 87 L.Ed. 1519 (1943); *Leary v. United States*, 395 U.S. 6, 29-53, 89 S.Ct. 1532, 1544-1557, 23 L.Ed.2d. 57 (1969). Cf. *Turner v. United States*, 396 U.S. 398, 418-419, 90 S.Ct. 642, 653-654, 24 L.Ed.2d. 610 (1970). [*Vlandis v. Kline*, 412 U.S. 441 (1973)]

Those who would like to further investigate the nature and history of the U.S. Tax Court are encouraged to read *Freytag v. Commissioner*, 501 U.S. 868 (1991), which contains an extensive history of the U.S. Tax Court. Justice Scalia in his concurring opinion in that case referred to “independent agencies” of the national government operating in an administrative mode as “the fourth branch” of the government and referred to their rulings as “non-judicial”. He also said that even consent by the litigant cannot cure what he called a “structural defect” whereby the court is officiating over a nontaxpayer not part of the government, when he said the following in his concurring opinion:

*“It is true, of course, that a litigant's prior agreement to a judge's expressed intention to disregard a structural limitation [separation of powers] upon his power cannot have any legitimating effect -- i.e., cannot render that disregard lawful. Even if both litigants not only agree to, but themselves propose, such a course, the judge must tell them no.”*  
[*Freytag v. Commissioner*, 501 U.S. 868 (1991)]

If you would like to learn more about how the United States Tax Court is used to scam “nontaxpayers” into acting like franchisees called “taxpayers”, please read the following enlightening document on our website:

*The Tax Court Scam*, Form #05.039  
<http://sedm.org/Forms/FormIndex.htm>

## 25.5 District Court: Article IV

United States District Courts, including all those situated within states of the Union, are established pursuant to Article IV of the United States Constitution. Authorities documenting this fact include those below:

1. There is no statute within Title 28 of the United States Code establishing any of them pursuant to Article III of the Constitution.
2. When Congress wants to invoke Article III of the Constitution and directly confer Article III jurisdiction, they know EXACTLY how to do it. Below is an example of such language expressly conferring Article III jurisdiction upon an earlier version of the Court of Claims prior to 1982. The legislative notes under 28 U.S.C. §171 indicate that the Court of Claims originally was an Article III court but became an Article I court when the Court of Appeals for the Federal Circuit was created. Since 1982, only TWO federal courts remain with Constitution Article III jurisdiction, which is the Court of International Trade and the U.S. Supreme Court's original and not appellate jurisdiction.

### 28 U.S.C. §171 Legislative Notes

#### Amendments

1982—Pub. L. 97-164 designated existing provisions as subsec. (a), substituted “sixteen judges who shall constitute a court of record known as the United States Claims Court” for “a chief judge and six associate judges

who shall constitute a court of record known as the United States Court of Claims” and “The court is declared to be a court established under article I of the Constitution of the United States” for “Such court is hereby declared to be a court established under article III of the Constitution of the United States in subsec. (a) as so designated, and added subsec. (b).”

3. The U.S. Supreme Court admitted they are established pursuant to Article IV of the Constitution:

*“The United States District Court is not a true United States court established under Article III of the Constitution to administer the judicial power of the United States therein conveyed. It is created by virtue of the sovereign congressional faculty, granted under Article IV, Section 3, of that instrument, of making all needful rules and regulations respecting the territory belonging to the United States. The resemblance of its jurisdiction to that of true United States courts in offering an opportunity to nonresidents of resorting to a tribunal not subject to local influence, does not change its character as a mere territorial court.”*  
[Balzac v. Porto Rico, [258 U.S. 298](#) at 312, 42 S.Ct. 343, 66 L.Ed. 627 (1921), Chief Justice Taft, former President of the United States]

4. Appeals Courts have admitted that United States District Courts are legislative franchise courts, and that all of their authority derives only from acts of Congress, which implies that NONE of their authority derives directly from the Constitution of the United States.

*“United States District Courts have only such jurisdiction as is conferred by an Act of Congress under the Constitution [U.S.C.A. Const. art. 3, sec. 2; 28 U.S.C.A. 1344]”*  
[Hubbard v. Ammerman, 465 F.2d 1169 (5th Cir. 1972)]  
[headnote 2. Courts]

## **25.6 Courts hearing income tax matters are acting in an “administrative” and not “judicial” capacity as part of the Executive and not Judicial Branch**

This section will prove that:

1. The term “Internal” within the phrase “INTERNAL Revenue Service” means INTERNAL to the Executive Branches of the United States government and NOT internal to states of the Union.
2. Any court which is officiating over an income tax matter is:
  - 2.1. Engaging in “political questions”.
  - 2.2. Acting as an administrative agency within the Executive Branch because it is engaging in “political questions” and because it is interfering with the activities of “public officers” within other branches of the government.
  - 2.3. Not exercising true “judicial power” within the meaning of the U.S. Constitution Article III, regardless of the origins of its authority as an Article III court.
3. Since courts exercising true “judicial power” within the meaning of the U.S. Constitution Article III may not engage in political questions, then they may not interfere with the collection of taxes associated with a “public office” or a “trade or business”. This, in fact, is the basis:
  - 3.1. For the authority of the Anti-Injunction Act, [26 U.S.C. §7421](#): The judicial branch may not lawfully intrude on the internal affairs of the other two branches of the government.
  - 3.2. For prohibiting federal courts from making declaratory judgments in relation to “taxes” under the authority of [28 U.S.C. §2201\(a\)](#).
4. Compelling a person against their will to become a “public officer” or statutory “employee” within the Executive Branch of the government who is surety for the “taxpayer” public office represents a denial of the ONLY guarantee MANDATED within the U.S. Constitution of providing a “republican form of government”. See U.S. Const. Art. 4, Section 4. A republican form of government requires separation of powers, and forcing everyone into becoming a “franchisee” and an “employee” within the U.S. Government:
  - 4.1. Destroys the separation of powers between the state and federal government by making everyone into federal officers.
  - 4.2. Destroys the separation between what is “public” and what is “private” by connecting everything to the public office using the Social Security Number, which is a license number to act as a trustee, fiduciary, and public officer of the U.S. government.
  - 4.3. Effectively imposes eminent domain over all private property and brings it under the control of the federal government by connecting it with public property called a “Social Security Number”. 20 C.F.R. §422.104 says that the Social Security Number and the card are property of the U.S. government and not the person carrying it. You cannot use this “public property” for a “private use” because that would be embezzlement and impersonating a

public officer. Therefore, everything you connect the “trustee license number” to becomes “private property donated to a temporary public use to procure the benefit of a federal franchise”.

We showed earlier in section 23.1 that all “franchisees” are “officers” and/or “employees” of the government. Internal Revenue Code, Subtitles A and C are franchises that apply only to those acting as “public officers” for the U.S. government. They are excise taxes upon an “activity” called a “trade or business”, which is defined in [26 U.S.C. §7701\(a\)\(26\)](#) as “the functions of a public office”. As such:

1. The tax is upon “public officers” of the United States, all of whom are in the Executive Branch of the government. The Executive and Legislative branches of government are what is called the “political branches”.
2. The tax can only be imposed or collected where these “public officers” serve by law. 4 U.S.C. §72 requires that all public offices shall be exercised in the District of Columbia and NOT elsewhere except as expressly provided by law. Congress has never enacted any law that “expressly extends” any public office that is the subject of Internal Revenue Code, Subtitles A and C taxes to any place within any state of the Union. That is why
  - 2.1. The term “United States” is defined within 26 U.S.C. §7701(a)(9) and (a)(10) for the purposes of Internal Revenue Code, Subtitles A and C to mean the District of Columbia and no part of any state of the Union.
  - 2.2. 26 U.S.C. §7701(a)(39) and 26 U.S.C. §7408(d) moves the effective domicile of all “U.S. citizens” and “U.S. residents” to the District of Columbia for the purposes of judicial jurisdiction.
3. The tax is only upon federal “officers” and “employees” while they are “abroad”, which means in a foreign country that is NOT a state of the Union pursuant to 26 U.S.C. §911. There is no provision within the I.R.C. that imposes a tax upon “citizens or residents of the United States” while they are NOT “abroad”, and therefore they don’t owe a tax when geographically located “domestically”. By “domestic”, we mean within the “United States” (District of Columbia). 26 U.S.C. §911 imposes a tax upon “citizens and residents of the United States” while abroad. What these two entities have in common is a legal “domicile” within the “United States”, which is defined as the District of Columbia in 26 U.S.C. §7701(a)(9) and (a)(10) and nowhere extended to any state of the Union within the I.R.C. These statutory “citizens” and “residents” all work for the U.S. government as officers and employees because while they are on official duty, they are representing a federal corporation and take on the character of that corporation. That corporation, in turn, is a statutory (per 8 U.S.C. §1401) but not constitutional “citizen” of the place it was incorporated, which is the District of Columbia.

*"A corporation is a citizen, [resident](#), or inhabitant of the state or country by or under the laws of which it was created, and of that state or country only."  
[19 Corpus Juris Secundum (C.J.S.), Corporations, §886 (2003)]*

For further details on the nature of Internal Revenue Code, Subtitle A as an excise tax upon “public offices” in the United States government, see:

[The “Trade or Business” Scam, Form #05.001](http://sedm.org/Forms/FormIndex.htm)  
<http://sedm.org/Forms/FormIndex.htm>

The Constitution, Article 1, Section 8, Clause 1 confers the power to both LAY and COLLECT taxes upon the Legislature, and not upon any other branch.

*U.S. Constitution  
Article 1, Section 8, Clause 1*

*The Congress shall have Power To lay and collect Taxes, Duties, Imposts and Excises, to pay the Debts and provide for the common Defence and general Welfare of the United States; but all Duties, Imposts and Excises shall be uniform throughout the United States;*

Note that the above clause delegates BOTH laying AND collecting in the same person in the Congress. This is the basis for “taxation with representation”.

1. This power may not lawfully be delegated to another branch, including the Judiciary or anyone in the Executive Branch, in the context of anything having to do with a state of the Union.
2. If it is delegated to another branch, can only be delegated in the context of tax collection or enforcement INTERNAL to the federal government itself and INTERNAL to federal territory where the Constitution does NOT apply.



A court which interferes with the collection or assessment of taxes is interfering with the exclusive functions delegated by the Constitution to the Legislative Branch, which it cannot lawfully do and which is a strictly “political question”. The power to lay and collect taxes was delegated by the Constitution to the Legislative branch in the context of states of the Union only. Here is the way the U.S. Supreme Court stated it:

“...a power definitely assigned by the Constitution to one department can neither be surrendered nor delegated by that department, nor vested by statute in another department or agency. Compare [Springer v. Philippine Islands](#), 277 U.S. 189, 201, 202, 48 S.Ct. 480, 72 L.Ed. 845.”  
[Williams v. U.S., 289 U.S. 553, 53 S.Ct. 751 (1933)]

Currently the collection and assessment of federal Subtitles A and C income taxes is being done by the Executive Branch and it can only be done lawfully when done internal to federal territory or internal to the GOVERNMENT, where the Constitution does not apply. Consequently, tax collection is a “political” function that is inherently non-judicial in nature. On the subject of taxes and the enforcement of lawful collection in a court of law, the U.S. Supreme Court has furthermore said that:

1. Any subject of litigation which can be delegated to an Article I administrative agency such as U.S. Tax Court does not involve the “judicial power” of the government.

“The view under discussion—that, Congress having consented that the United States may be sued, the judicial power defined in [article 3](#) at once attaches to the court authorized to hear and determine the suits—must then be rejected, for the further reason, or, perhaps, what comes to the same reason differently stated, that it cannot be reconciled with the limitation fundamentally implicit in the constitutional separation of the powers, namely, that a power definitely assigned by the Constitution to one department can neither be surrendered nor delegated by that department, nor vested by statute in another department or agency. Compare [Springer v. Philippine Islands](#), 277 U.S. 189, 201, 202, 48 S.Ct. 480, 72 L.Ed. 845. And since Congress, whenever it thinks proper, undoubtedly may, without infringing the Constitution, confer upon an executive officer or administrative board, or an existing or specially constituted court, or retain for itself, the power to hear and determine controversies respecting claims against the United States, it follows indubitably that such power, in whatever guise or by whatever agency exercised, is no part of the judicial power vested in the constitutional courts by the third article. That is to say, a power which may be devolved, at the will of Congress, upon any of the three departments, plainly is not within the doctrine of the separation and independent exercise of governmental powers contemplated by the tripartite distribution of such powers. Compare [Kilbourn v. Thompson](#), 103 U.S. 168, 190-191, 26 L.Ed. 377.  
[Williams v. U.S., 289 U.S. 553, 53 S.Ct. 751 (1933)]

Therefore, at least in the context of “taxes”, regardless of what federal court the dispute is being heard in, the courts are operating in an “administrative mode” as part of the Legislative rather than Judicial branch of the government, even if the judges themselves are ordained as Article III judges.

2. All tax subjects are “political” in nature.

“Thus, the Court has frequently held that domicile or residence, more substantial than mere presence in transit or sojourn, is an adequate basis for taxation, including income, property, and death taxes. Since the Fourteenth Amendment makes one a citizen of the state wherein he resides, the fact of residence creates universally reciprocal duties of protection by the state and of allegiance and support by the citizen. The latter obviously includes a duty to pay taxes, and their nature and measure is largely a political matter. Of course, the situs of property may tax it regardless of the citizenship, domicile, or residence of the owner, the most obvious illustration being a tax on realty laid by the state in which the realty is located.”  
[Miller Brothers Co. v. Maryland, [347 U.S. 340](#) (1954)]

Note the phrase “their nature and measure is largely a “political matter”.

3. The Judicial Branch is the only branch of the three branches of government that is NOT “political” and is prohibited from involving itself in “political questions”.

“But, fortunately for our freedom from political excitements in judicial duties, this court [the U.S. Supreme Court] can never with propriety be called on officially to be the umpire in questions merely political. The adjustment of these questions belongs to the people and their political representatives, either in the State or general government. These questions relate to matters not to be settled on strict legal principles. They are adjusted rather by inclination, or prejudice or compromise, often.

[. . .]

Another evil, alarming and little foreseen, involved in regarding these as questions for the final arbitrament of judges would be that, in such an event, all political privileges and rights would, in a dispute among the people, depend on our decision finally. We would possess the power to decide against, as well as for, them, and, under a prejudiced or arbitrary judiciary, the public liberties and popular privileges might thus be much



perverted, if not entirely prostrated. But, allowing the people to make constitutions and unmake them, allowing their representatives to make laws and unmake them, and without our interference as to their principles or policy in doing it, yet, when constitutions and laws are made and put in force by others, then the courts, as empowered by the State or the Union, commence their functions and may decide on the rights which conflicting parties can legally set up under them, rather than about their formation itself. Our power begins after theirs [the Sovereign People] ends. Constitutions and laws precede the judiciary, and we act only under and after them, and as to disputed rights beneath them, rather than disputed points in making them. We speak what is the law, jus dicere, we speak or construe what is the constitution, after both are made, but we make, or revise, or control neither. The disputed rights beneath constitutions already made are to be governed by precedents, by sound legal principles, by positive legislation [e.g. "positive law"], clear contracts, moral duties, and fixed rules; they are per S.E. questions of law, and are well suited to the education and habits of the bench. But the other disputed points in making constitutions, depending often, as before shown, on policy, inclination, popular resolves and popular will and arising not in respect to private rights, not what is meum and tuum, but in relation to politics, they belong to politics, and they are settled by political tribunals, and are too dear to a people bred in the school of Sydney and Russel for them ever to intrust their final decision, when disputed, to a class of men who are so far removed from them as the judiciary, a class also who might decide them erroneously, as well as right, and if in the former way, the consequences might not be able to be averted except by a revolution, while a wrong decision by a political forum can often be peacefully corrected by new elections or instructions in a single month; and if the people, in the distribution of powers under the constitution, should ever think of making judges supreme arbiters in political controversies when not selected by nor, frequently, amenable to them nor at liberty to follow such various considerations in their judgments as [48 U.S. 53] belong to mere political questions, they will dethrone themselves and lose one of their own invaluable birthrights; building up in this way -- slowly, but surely -- a new sovereign power in the republic, in most respects irresponsible and unchangeable for life, and one more dangerous, in theory at least, than the worst elective oligarchy in the worst of times. Again, instead of controlling the people in political affairs, the judiciary in our system was designed rather to control individuals, on the one hand, when encroaching, or to defend them, on the other, under the Constitution and the laws, when they are encroached upon. And if the judiciary at times seems to fill the important station of a check in the government, it is rather a check on the legislature, who may attempt to pass laws contrary to the Constitution, or on the executive, who may violate both the laws and Constitution, than on the people themselves in their primary capacity as makers and amenders of constitutions."

[Luther v. Borden, 48 U.S. 1 (1849)]

Here is another example of the above phenomenon, from the United States Constitution annotated:

#### *The Public Rights Distinction*

"That is, "public" rights are, strictly speaking, those in which the cause of action inheres in or lies against the Federal Government in its sovereign capacity, the understanding since *Murray's Lessee*. However, to accommodate *Crowell v. Benson*, *Atlas Roofing*, and similar cases, seemingly private causes of action between private parties will also be deemed "public" rights, when Congress, acting for a valid legislative purpose pursuant to its Article I powers, fashions a cause of action that is analogous to a common-law claim and so closely integrates it into a public regulatory scheme that it becomes a matter appropriate for agency resolution with limited involvement by the Article III judiciary. (83)"

[Footnote 83: *Granfinanciera, S.A. v. Nordberg*, 492 U.S. at 52-54. The Court reiterated that the Government need not be a party as a prerequisite to a matter being of "public right." *Id.* at 54. Concurring, Justice Scalia argued that public rights historically were and should remain only those matters to which the Federal Government is a party. *Id.* at 65.]

[Annotated Constitution (2017), p. 676.

SOURCE: <https://www.congress.gov/content/conan/pdf/GPO-CONAN-2017.pdf>]

Based on the foregoing, whenever a court is hearing any matter relating to income taxation, then they are:

1. Not part of the judicial branch of the government.
2. Engaging in "political questions".
3. Acting as an administrative agency within the Executive Branch because it is engaging in "political questions" and because it is interfering with the activities of "public officers" within its own branch of the government.
4. Not exercising true "judicial power" within the meaning of the U.S. Constitution Article III, regardless of the origins of its authority as an Article III court.
5. Engaging in criminal identify theft and kidnapping to take jurisdiction over such a matter if you are not, in fact lawfully serving in a public office in the U.S. government and administering a public right as part of such office. Note that tax forms and statutes DO NOT, in fact, create any new public offices, but simply regulate the exercise of EXISTING public offices lawfully created by means other than the tax code itself, such as under Title 5 of the U.S. Code.

Recognizing the above constraints imposed by the separation of powers between branches of the government, the Congress has enacted the following:

1. The Anti-Injunction Act, 26 U.S.C. §7421, prohibits federal courts from enjoining the assessment or collection of income taxes.
2. The Declaratory Judgments Act, 28 U.S.C. §2201(a) prohibits courts from declaring rights or status in the context of federal income taxes.

Both of these acts would be unconstitutional if used to adversely affect or undermine the rights of a person who is a “nontaxpayer”, which we define as a person who is not the “taxpayer” defined in 26 U.S.C. §7701(a)(14) and 26 U.S.C. §1313. This was confirmed by the federal courts when they said:

*"The revenue laws are a code or system in regulation of tax assessment and collection. They relate to taxpayers, and not to nontaxpayers. The latter are without their scope. No procedure is prescribed for nontaxpayers, and no attempt is made to annul any of their rights and remedies in due course of law. With them Congress does not assume to deal, and they are neither of the subject nor of the object of the revenue laws..."*  
[Long v. Rasmussen, 281 F. 236 (1922)]

*"Revenue Laws relate to taxpayers [officers, employees, and elected officials of the Federal Government] and not to non-taxpayers [American Citizens/American Nationals not subject to the exclusive jurisdiction of the Federal Government]. The latter are without their scope. No procedures are prescribed for non-taxpayers and no attempt is made to annul any of their Rights or Remedies in due course of law."*  
[Economy Plumbing & Heating v. U.S., 470 F.2d. 585 (1972)]

Courts may not undermine the Constitutional rights of those domiciled in places protected by the Constitution and the Bill of Rights without violating their oath to support and defend the Constitution. A consequence of this fact is that they may not engage in any of the following self-serving activities:

1. Declare a person who is a “nontaxpayer” as instead being a “taxpayer”. The Declaratory Judgments Act, 28 U.S.C. §2201(a) prohibits all such presumptions or declarations by the court. Therefore, a person who declares under penalty of perjury that he is a “nontaxpayer” not domiciled in the “United States” must be presumed by the court and the government to be such from that point on.
2. Self-servingly presume that everyone is a franchisee called a “taxpayer”. All such presumptions which prejudice constitutional rights are unconstitutional. See:

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

3. Refuse to acknowledge the existence of “nontaxpayers”. This perpetuates the false presumption that everyone is a “taxpayer”.
4. Compel a person to accept the duties of a franchisee called a “taxpayer” or a “public office” without any PROVEN compensation or benefit. This constitutes slavery in violation of the Thirteenth Amendment.
5. Refuse “nontaxpayers” the ability to discuss laws in front of the jury that prove the existence of “nontaxpayers” or the limitations upon the authority of the IRS or the Court. This advantages the government at the expense of individual Constitutional rights.
6. Extend definitions within the Internal Revenue Code by abusing the word “includes” to extend or enlarge his importance or jurisdiction by compelling false presumptions about his jurisdiction. This:
  - 6.1. Violates the rules of statutory construction.

*"Expressio unius est exclusio alterius. A maxim of statutory interpretation meaning that the expression of one thing is the exclusion of another. Burgin v. Forbes, 293 Ky. 456, 169 S.W.2d. 321, 325; Newblock v. Bowles, 170 Okl. 487, 40 P.2d. 1097, 1100. Mention of one thing implies exclusion of another. When certain persons or things are specified in a law, contract, or will, an intention to exclude all others from its operation may be inferred. Under this maxim, if statute specifies one exception to a general rule or assumes to specify the effects of a certain provision, other exceptions or effects are excluded." [Black's Law Dictionary, Sixth Edition, p. 581]*

*"It is axiomatic that the statutory definition of the term excludes unstated meanings of that term. Colautti v. Franklin, 439 U.S. 379, 392, and n. 10 (1979). Congress' use of the term "propaganda" in this statute, as indeed in other legislation, has no pejorative connotation.[19] As judges, it is our duty to [481 U.S. 485] construe legislation as it is written, not as it might be read by a layman, or as it might be understood by someone who has not even read it."*  
[Meese v. Keene, 481 U.S. 465, 484 (1987)]

*"When a statute includes an explicit definition, we must follow that definition, even if it varies from that term's ordinary meaning. Meese v. Keene, 481 U.S. 465, 484-485 (1987) ("It is axiomatic that the statutory definition of the term excludes unstated meanings of that term"); Colautti v. Franklin, 439 U.S. at 392-393, n. 10 ("As a rule, `a definition which declares what a term "means" . . . excludes any meaning that is not stated"); Western*

Union Telegraph Co. v. Lenroot, 323 U.S. 490, 502 (1945); Fox v. Standard Oil Co. of N.J., 294 U.S. 87, 95-96 (1935) (Cardozo, J.); see also 2A N. Singer, Sutherland on Statutes and Statutory Construction, §47.07, p. 152, and n. 10 (5th ed. 1992) (collecting cases). That is to say, the statute, read "as a whole," post at 998 [530 U.S. 943] (THOMAS, J., dissenting), leads the reader to a definition. That definition does not include the Attorney General's restriction -- "the child up to the head." Its words, "substantial portion," indicate the contrary." [Stenberg v. Carhart, 530 U.S. 914 (2000)]

6.2. Turns a society of law into a society of men.

*"The government of the United States has been emphatically termed a government of laws, and not of men. It will certainly cease to deserve that high appellation, if the laws furnish no remedy for the violation of a vested legal right."*  
[Marbury v. Madison, 5 U.S. 137; 1 Cranch 137, 2 L.Ed. 60 (1803)]

6.3. Makes the judge into an imperial monarch and a pagan deity to be worshipped in violation of the First Amendment establishment of religion clauses. See:

Socialism: The New American Civil Religion, Form #05.016  
<http://sedm.org/Forms/FormIndex.htm>

6.4. Unlawfully enlarges federal jurisdiction beyond its clear constitutional limits.

6.5. Completely destroys the separation of powers between states of the Union. See:

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

6.6. Causes the judge to engage in "treason":

*"In another, not unrelated context, Chief Justice Marshall's exposition in Cohens v. Virginia, 6 Wheat. 264 (1821), could well have been the explanation of the Rule of Necessity; he wrote that a court "must take jurisdiction if it should. The judiciary cannot, as the legislature may, avoid a measure because it approaches the confines of the constitution. We cannot pass it by, because it is doubtful. With whatever doubts, with whatever difficulties, a case may be attended, we must decide it, if it be brought before us. We have no more right to decline the exercise of jurisdiction which is given, than to usurp that which is not given. The one or the other would be treason to the constitution. Questions may occur which we would gladly avoid; but we cannot avoid them." Id., at 404 (emphasis added)*  
[U.S. v. Will, 449 U.S. 200 (1980)]

For further details on this scam, see:

Legal Deception, Propaganda, and Fraud, Form #05.014  
<http://sedm.org/Forms/FormIndex.htm>

7. Admit into evidence any provision of the I.R.C. as proof of an obligation or duty against a person who is not a "taxpayer" and who instead is a "nontaxpayer". All franchise agreements are "private law" and "Special law" and in essence behave as "contracts" or agreements. The U.S. Supreme Court, in fact, referred to income taxes, in fact, as "quasi-contractual" in *Milwaukee v. White*, 296 U.S. 268 (1935). As such, the provisions of these contracts or agreements may not lawfully be enforced or cited against those who are not party to them.
8. Refuse to enforce the government's duty as moving party to prove that the existence of either explicit or implicit consent to the franchise agreement codified in Internal Revenue Code, Subtitles A and C before these provisions may be enforced against anyone.

*"Waivers of constitutional rights not only must be voluntary but must be knowing, intelligent acts done with sufficient awareness of the relevant circumstances and likely consequences."*  
[Brady v. U.S., 397 U.S. at 749, 90 S.Ct. 1463 at 1469 (1970)]

Consent may not be "presumed", and must be PROVEN with evidence. Absent demonstrable consent in some form, the provisions of the franchise agreement may not be enforced against those who do not consent. See:

Requirement for Consent, Form #05.003  
<http://sedm.org/Forms/FormIndex.htm>

9. Refuse to acknowledge that the basis for authority to impose an income tax is domicile within federal territory and the exclusive jurisdiction of the United States, regardless of where the "taxpayer" is physically located.

*"Thus, the Court has frequently held that domicile or residence, more substantial than mere presence in transit or sojourn, is an adequate basis for taxation, including income, property, and death taxes. Since the Fourteenth Amendment makes one a citizen of the state wherein he resides, the fact of residence creates universally reciprocal duties of protection by the state and of allegiance and support by the citizen. The latter obviously includes a duty to pay taxes, and their nature and measure is largely a political matter. Of course, the situs of*

property may tax it regardless of the citizenship, domicile, or residence of the owner, the most obvious illustration being a tax on realty laid by the state in which the realty is located."  
[Miller Brothers Co. v. Maryland, 347 U.S. 340 (1954)]

For details, see:

Why Domicile and Becoming a "Taxpayer" Require Your Consent, Form #05.002  
<http://sedm.org/Forms/FormIndex.htm>

10. Refuse to acknowledge or enforce the requirement that domicile within any state of the Union on other than federal territory does not represent domicile within the "United States" as defined in 26 U.S.C. §7701(a)(9) and (a)(10). This:
  - 10.1. Leads to a complete destruction of the separation of powers and devolves a republican form of government into a totalitarian socialist monopoly and oligarchy.
  - 10.2. Denies a "republican form of government" to person domiciled in states of the Union, which is MANDATED by Article 4, Section 4 of the United States Constitution.

All of the above tactics are typically used by unscrupulous judges and U.S. attorneys to self-servingly, unlawfully, and criminally expand their importance, jurisdiction, revenues, and to advantage the government at the expense of your Constitutional rights. You as a vigilant citizen concerned about protecting your constitutional rights should anticipate all the above very common tactics and expose and oppose them in your pleadings and correspondence BEFORE they are even used.

The only way we can have a true "republican form of government" mandated by Article 4, Section 4 of the U.S. Constitution is:

1. To have separate franchise courts within the Executive Branch for administering federal franchises such as income taxes.
2. To prohibit judges in federal district courts from entertaining any franchise issue and to focus exclusively on Article III functions of protecting rights.
3. Establish true Article III federal courts. Right now, the U.S. federal District and Circuit courts are Article IV legislative courts, not Article III courts. See:

What Happened to Justice?, Form #06.012  
<http://sedm.org/Forms/FormIndex.htm>

4. To prevent Congress from determining directly the compensation of federal judges. Right now, federal judges salaries are determined directly by the U.S. Congress. Instead, Congress must establish a separate Judicial Branch and fund the ENTIRE branch and let the branch and not the Congress determine the pay.
5. To prohibit Article III judges from also representing the "taxpayer" public office and thereby being subject to IRS extortion and conflict of interest. This will allow "nontaxpayers" to have impartial decision makers who will not violate their due process rights.
6. To prevent the Legislative Branch from unlawfully delegating the authority to "collect" to another branch of the government, such as the Treasury within the Executive Branch because this separates the "taxation" from the "representation" functions and only encourages lack of accountability and usurpation. Article 1, Section 8, Clause 1 empowers Congress to 'LAY AND COLLECT' taxes and they delegated the collect part unlawfully to the Executive Branch, and more particularly to the Treasury and the IRS who serves them. Right now Congressmen conveniently uses the IRS and the separation of powers as a "scapegoat" why they can't remedy the evil activities of the IRS. Well, THEY created this problem by a treasonous act of unlawfully delegating the power to COLLECT taxes to another branch of the government while retaining the power to LAY those same taxes delegated by Article 1, Section 8, Clause 1 of the Constitution.
7. To modify the Anti-Injunction Act, 26 U.S.C. §7421, and the Declaratory Judgments Act, 28 U.S.C. §2201(a) to indicate that these provisions in the context of "taxes" only apply to "taxpayer" and not to "nontaxpayers" so that federal courts don't unlawfully and criminally abuse these acts against private citizens who are not within the United States federal government as "franchisees". Typically, they unlawfully abuse these acts in conjunction with the Full Payment Rule found in *Flora v. United States*, 362 U.S. 145, 80 S.Ct. 630, 647 (1960). to avoid litigation and force "nontaxpayers" to use franchise courts. This:
  - 7.1. Deprives "nontaxpayers" of their constitutional rights.
  - 7.2. Deprives persons protected by the Constitution of a trial by jury. U.S. Tax Court has no jury.
  - 7.3. Compels "nontaxpayers" into becoming "taxpayers". Tax Court Rule 13(a) says that only "taxpayers" can employ the Tax Court to resolve disputes. There is no equivalent court for "nontaxpayers".

Consistent with the above, the U.S. Supreme Court has held the following. Note that they indicated that they cannot exercise administrative jurisdiction as part of the Executive Branch, because they recognize that this would violate the separation of powers:



Referring to the provisions for patent appeals this court said in *Butterworth v. U.S.*, 112 U.S. 50, 60, 5 S.Ct. 25, 28 L.Ed. 656, that the function of the court thereunder was not that of exercising ordinary jurisdiction at law or in equity, but of taking a step in the statutory proceeding under the patent laws in aid of the Patent Office. And in *Postum Cereal Company v. California Fig Nut Company*, 272 U.S. 693, 698, 47 S.Ct. 284, 285, 71 L.Ed. 478, which related to a provision for a like appeal in a trade-mark proceeding, this court held: **'The decision of the Court of Appeals under section 9 of the act of 1905<sup>FN2</sup> is not a judicial judgment. It is a mere administrative decision.** It is merely an instruction to the Commissioner of Patents by a court which is made part of the machinery of the Patent Office for administrative purposes.' Another case in point is *Keller v. Potomac Electric Power Co.*, 261 U.S. 428, 442-444, 43 S.Ct. 445, 67 L.Ed. 731, which involved a statutory proceeding in the courts of the District of Columbia to revise an order of a commission fixing the valuation of the property of a public utility for future rate-making purposes. **There this court held that the function assigned to the courts of the District in the statutory proceeding was not judicial in the sense of the Constitution, but was legislative and advisory, because it was that of instructing and aiding the commission in the exertion of power which was essentially legislative.**

<sup>FN2</sup>. Now section 89, title 15, U.S. Code (15 U.S.C.A. s 89). This jurisdiction also was transferred to the Court of Customs and Patent Appeals by the act cited in note 1.

**In the cases just cited, as also in others, it is recognized that the courts of the District of Columbia are not created under the judiciary article of the Constitution but are legislative courts, and therefore that Congress may invest them with jurisdiction of appeals and proceedings such as have been just described.**

**But this court [the U.S. Supreme Court] cannot be invested with jurisdiction of that character, whether for purposes of review or otherwise. It was brought into being by the judiciary article of the Constitution, is invested with judicial power only, and can have no jurisdiction other than of cases and controversies falling within the classes enumerated in that article. It cannot give decisions which are merely advisory; nor can it exercise or participate in the exercise of functions which are essentially legislative or administrative.** *Keller v. Potomac Electric Power Co.*, *supra*, page 444, of 261 U.S., 43 S.Ct. 445, 67 L.Ed. 731, and cases cited; *Postum Cereal Co. v. California Fig Nut Company*, *supra*, pages 700-701 of 272 U.S., 47 S.Ct. 284, 71 L.Ed. 478; *Liberty Warehouse Co. v. Grannis*, 273 U.S. 70, 74, 47 S. 282, 71 L.Ed. 541; *Willing v. Chicago Auditorium Association*, 277 U.S. 274, 289, 48 S.Ct. 507, 72 L.Ed. 880; *Ex parte Bakelite Corporation*, 279 U.S. 438, 449, 49 S.Ct. 411, 73 L.Ed. 789.

The proceeding on the appeal from the commission's action is quite unlike the proceeding, under sections 1001(a) to 1004(b) of the Revenue Act of 1926, c. 27, 44 Stat., pt. 2, p. 109 (26 U.S.C.A. §§ 1224-1227), on a petition for the review of a decision of the Board of Tax Appeals; for, as this court heretofore has pointed out, such a petition

(a) brings before the reviewing court the United States or \*\*391 its representative on the one hand and the interested **taxpayer** on the other,

(b) presents for consideration either the right of the United States to the payment of a tax claimed to be due from the **taxpayer** or his **right** to have refunded to him money which he has paid to satisfy a tax claimed to have been erroneously charged against him, and

(c) calls for a judicial and binding determination of the matter so presented-all of which makes the proceeding a case or controversy within the scope of the judicial power as defined in the judiciary article. *Old Colony Trust Co. v. Commissioner of Internal Revenue*, 279 U.S. 716, 724-727, 49 S.Ct. 499, 73 L.Ed. 918. [*Federal Radio Commission v. General Electric Co.*, 281 U.S. 464, 50 S.Ct. 389 (U.S.,1930)]

The end of the above ruling compares the issue in the case with taxation and contains a deliberate deception. They refer to the function of the "Board of Tax Appeals", which today we know of as "U.S. Tax Court". They try to create the deception that the U.S. Tax Court as an Article III court that officiates over "rights". However, we now know by reading section 25.3 that "U.S. Tax Court is in the Executive Branch and that it officiates over the "trade or business" franchise that forms the heart of the income tax within Internal Revenue Code, Subtitle A. 26 U.S.C. §7441 identifies U.S. Tax Court as an Article I court within the Executive and not Judicial Branch. They use the word "taxpayer", which is synonymous with a franchisee under the Internal Revenue Code, Subtitle A franchise agreement. Franchisees do not have "rights", but only privileges granted by their "parens patriae", the government. Yet the Supreme Court uses the word "rights" in describing the transaction. This is FRAUD. Obviously, either they don't know the difference between a "right" and a "privilege" or they are trying to deceive you into thinking that a "taxpayer" is a person who has rights and who is NOT the subject of a franchise agreement. The distinction we wish to emphasize is that the only time "rights" instead of "privileges" can really be at issue in any court is when:

1. The court is willing and able to recognize the existence of persons who are not party to the franchise agreement, and who are called "non-taxpayers".
2. The court is willing and able to declare that you are a "non-taxpayer" not subject to the I.R.C. The only people who have REAL rights are those who don't participate in government franchises and who have this status recognized by the courts.



3. The court does not enforce the provisions of the franchise agreement in Internal Revenue Code, Subtitle A against a non-participant such as a “non-taxpayer”.
4. The court does not interfere with the rights of “non-taxpayers” by invoking the Anti-Injunction Act, 26 U.S.C. §7421 to dismiss lawsuits brought by “non-taxpayers” intended to prevent illegal enforcement of the “trade or business” franchise against non-participants..
5. The court does not invoke the Declaratory Judgments Act, 28 U.S.C. §2201(a) as an excuse to avoid declaring the rights of a “non-taxpayer” who has illegally become the target of IRS enforcement.

We would like to conclude this section by emphasizing the following constraints imposed by the separation of powers doctrine upon the federal courts:

1. No judge or court can lawfully serve in TWO branches of the government at the same time. This would constitute an ongoing conflict of interest.
2. A judge or court that serves as an Executive Branch agency in the context of income taxes that apply to domiciliaries of federal territory cannot ALSO serve as an Article III judge under the Constitution.
3. A judge who is serving in a franchise court within the Executive Branch, if he orders any kind of penalty against a party before him, is violating the Constitutional prohibition against “bills of attainder”, which are penalties administered by the Executive Branch rather than true “judicial power” under the Constitution.

**Bill of attainder.** Legislative acts, no matter what their form, that apply either to named individuals or to easily ascertainable members of a group in such a way as to inflict punishment on them without a judicial trial. *United States v. Brown*, 381 U.S. 437, 448-49, 85 S.Ct. 1707, 1715, 14 L.Ed. 484, 492; *United States v. Lovett*, 328 U.S. 303, 315, 66 S.Ct. 1073, 1079, 90 L.Ed. 1252. An act is a “bill of attainder” when the punishment is death and a “bill of pains and penalties” when the punishment is less severe; both kinds of punishment fall within the scope of the constitutional prohibition. U.S.Const. Art. I, Sect 9, Cl. 3 (as to Congress); Art. I, Sec. 10 (as to state legislatures).  
[Black’s Law Dictionary, Sixth Edition, p. 165]

The only way for a legislative franchise court to bypass the constitutional prohibition against “bills of attainder” in the case of a litigant before it who is protected by the Constitution of the United States is for the individual to consent to it. At the point it is consensual is the point at which it ceases to be injurious:

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

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

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

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

Therefore, those who are protected by the Constitution and who are compelled to appear before a franchise court such as the U.S. Tax Court, a U.S. District Court, or a federal Circuit Court must:

- 3.1. Emphasize that they do not consent to the jurisdiction of the court and thereby do not surrender their right to be protected from “bills of attainder” mandated under Article 1, Section 10 of the United States Constitution.
- 3.2. Remind the court that they may not institute any penalties, duties, or “taxes” without express written consent on a writing that fully discloses ALL of the rights surrendered.
- 3.3. Emphasize that you reserve all your rights without prejudice, U.C.C. §1-308 and its predecessor, U.C.C. §1-207.
- 3.4. Never make an “appearance” and thereby consent to the jurisdiction of the court.

**appearance.** A coming into court as a party to a suit, either in person or by attorney, whether as plaintiff or defendant. The formal proceeding by which a defendant submits himself to the jurisdiction of the court. The **voluntary submission** to a court’s jurisdiction.

*In civil actions the parties do not normally actually appear in person, but rather through their attorneys (who enter their appearance by filing written pleadings, or a formal written entry of appearance). Also, at many stages*

of criminal proceedings, particularly involving minor offenses, the defendant's attorney appears on his behalf. See e.g., Fed.R.Crim.P. 43.

An appearance may be either **general** or **special**; the former is a simple and unqualified or unrestricted submission to the jurisdiction of the court, the latter is a submission to the jurisdiction for some specific purpose only, not for all the purposes of the suit. A special appearance is for the purpose of testing or objecting to the sufficiency of service or the jurisdiction of the court over defendant without submitting to such jurisdiction; a general appearance is made where the defendant waives defects of service and submits to the jurisdiction of court. *Insurance Co. of North America v. Kunin*, 175 Neb. 260, 121 N.W.2d. 372, 375, 376. [Black's Law Dictionary, Sixth Edition, p. 97]

3.5. Continually emphasize that they are under financial duress.

4. A judge cannot participate as a "public officer" engaged in a "trade or business" within the Executive Branch in the context of income taxes, and yet also claim to be a "judicial officer" within another branch of the government for other purposes. This is an absurd contradiction. The Federalist Papers confirms that power over a man's subsistence is power over his will. This means that judges cannot be subject to enforcement by an Executive Branch agency within the Department of the Treasury called the IRS on the one hand, and at the same time have "judicial independence" and objectivity in any sense of the word in the context of income tax cases being heard before them.

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

## 26 How statutory franchises and "public rights" effect your standing in federal court

### 26.1 Background

A very important aspect of determining choice of law in any controversy that could be heard in either a state or federal court is the concept of government "franchises". A franchise is any statutory system created by the government which results in some kind of perceived "benefit" or "privilege". Such franchises are frequently called "public rights" by the courts.

**FRANCHISE. A special privilege conferred by government on individual or corporation, and which does not belong to citizens of country generally of common right.** *Elliott v. City of Eugene*, 135 Or. 108, 294 P. 358, 360. In England it is defined to be a royal privilege in the hands of a subject.

A "franchise," as used by Blackstone in defining quo warranto, (3 Com. 262 [4th Am. Ed.] 322), had reference to a royal privilege or branch of the king's prerogative subsisting in the hands of the subject, and must arise from the king's grant, or be held by prescription, but today we understand a franchise to be some special privilege conferred by government on an individual, natural or artificial, which is not enjoyed by its citizens in general. *State v. Fernandez*, 106 Fla. 779, 143 So. 638, 639, 86 A.L.R. 240.

**In this country a franchise is a privilege or immunity of a public nature, which cannot be legally exercised without legislative grant. To be a corporation is a franchise.** The various powers conferred on corporations are franchises. The execution of a policy of insurance by an insurance company [e.g. *Social Insurance/Socialist Security*], and the issuing a bank note by an incorporated bank [such as a *Federal Reserve NOTE*], are franchises. *People v. Utica Ins. Co.*, 15 Johns. (N.Y.) 387, 8 Am.Dec. 243. But it does not embrace the property acquired by the exercise of the franchise. *Bridgeport v. New York & N.H. R. Co.*, 36 Conn. 255, 4 Am.Rep. 63. Nor involve interest in land acquired by grantee. *Whitbeck v. Funk*, 140 Or. 70, 12 P.2d. 1019, 1020. **In a popular sense, the political rights of subjects and citizens are franchises, such as the right of suffrage, etc. Pierce v. Emery, 32 N.H. 484; State v. Black Diamond Co., 97 Ohio.St. 24, 119 N.E. 195, 199, L.R.A.1918E, 352.**

*Elective Franchise.* The right of suffrage; the right or privilege of voting in public elections.

*Exclusive Franchise.* See *Exclusive Privilege or Franchise*.

*General and Special.* The charter of a corporation is its "general" franchise, while a "special" franchise consists in any rights granted by the public to use property for a public use but-with private profit. *Lord v. Equitable Life Assur. Soc.*, 194 N.Y. 212, 87 N.E. 443, 22 L.R.A. (N.S.) 420.

*Personal Franchise.* A franchise of corporate existence, or one which authorizes the formation and existence of a corporation, is sometimes called a "personal" franchise. as distinguished from a "property" franchise, which authorizes a corporation so formed to apply its property to some particular enterprise or exercise some special

1 privilege in its employment, as, for example, to construct and operate a railroad. See *Sandham v. Nye*, 9 Misc.Rep.  
2 541, 30 N.Y.S. 552.

3 *Secondary Franchises.* The franchise of corporate existence being sometimes called the "primary" franchise of a  
4 corporation, its "secondary" franchises are the special and peculiar rights, privileges, or grants which it may,  
5 receive under its charter or from a municipal corporation, such as the right to use the public streets, exact tolls,  
6 collect fares, etc. *State v. Topeka Water Co.*, 61 Kan. 547, 60 P. 337; *Virginia Canon Toll Road Co. v. People*,  
7 22 Colo. 429, 45 P. 398 37 L.R.A. 711. The franchises of a corporation are divisible into (1) corporate or general  
8 franchises; and (2) "special or secondary franchises. The former is the franchise to exist as a corporation, while  
9 the latter are certain rights and privileges conferred upon existing corporations. *Gulf Refining Co. v. Cleveland*  
10 *Trust Co.*, 166 Miss. 759, 108 So. 158, 160.

11 *Special Franchisee.* See *Secondary Franchises*, *supra*.  
12 [Black's Law Dictionary, Fourth Edition, pp. 786-787]

13 The most important fact which emerges from the above is that when you agree to accept a franchise, then you agree, based  
14 on the above to:

- 15 1. Abide by all the legal obligations associated with the statutory franchise:

16 CALIFORNIA CIVIL CODE  
17 DIVISION 3. OBLIGATIONS  
18 PART 2. CONTRACTS  
19 CHAPTER 3. CONSENT  
20 [Section 1589](#)  
21

22 1589. A voluntary acceptance of the benefit of a transaction is equivalent to a consent to all the obligations  
23 arising from it, so far as the facts are known, or ought to be known, to the person accepting.

- 24 2. Become a "privileged subject" and nominate a "king" to rule over you by "royal prerogative".

25 "In England it is defined to be a royal privilege in the hands of a subject.

26 A "franchise," as used by Blackstone In defining quo warranto, (3 Com. 262 [4th Am. Ed.] 322), had reference  
27 to a royal privilege or branch of the king's prerogative subsisting in the hands of the subject, and must arise from  
28 the king's grant, or be held by prescription,. . ."  
29 [Black's Law Dictionary, Fourth Edition, pp. 786-787]

- 30 3. May no longer approach the government in equity as an equal sovereign with all the same powers as them, but instead  
31 become simply an "employee" who must abide by whatever the "employment" agreement says, which is ALL FEDERAL  
32 STATUTORY LAW. The government's legislative authority is almost exclusively over ONLY its own "employees"  
33 and "public officers" and not private human beings, as proven by the following:

Why Statutory Civil Law is Law for Government and Not Private Persons, Form #05.037 <a href="http://sedm.org/Forms/FormIndex.htm">http://sedm.org/Forms/FormIndex.htm</a>
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34 Generally, anything that includes a "license" is a statutory franchise or "public right" that is voluntary, and all the laws that  
35 implement it function essentially as private law and the equivalent of a contract between the "applicant" for the license, and  
36 the government:

37 The court held that the first company's charter was a contract between it and the state, within the protection of  
38 the constitution of the United States, and that the charter to the last company was therefore null and void., Mr.  
39 Justice DAVIS, delivering the opinion of the court, said that, if anything was settled by an unbroken chain of  
40 decisions in the federal courts, it was that an act of incorporation [which is a FRANCHISE] was a contract  
41 between the state and the stockholders, 'a departure from which now would involve dangers to society that  
42 cannot be foreseen, would shock the sense of justice of the country, unhinge its business interests, and weaken,  
43 if not destroy, that respect which has always been felt for the judicial department of the government.'  
44 [New Orleans Gas Co. v. Louisiana Light Co., 115 U.S. 650 (1885)]

45 "Private law. That portion of the law which defines, regulates, enforces, and administers relationships among  
46 individuals, associations, and corporations. As used in contradistinction to public law, the term means all that  
47 part of the law which is administered between citizen and citizen, or which is concerned with the definition,  
48 regulation, and enforcement of rights in cases where both the person in whom the right inheres and the person  
49 upon whom the obligation is incident are private individuals. See also Private bill; Special law. Compare Public  
50 Law."  
51 [Black's Law Dictionary, Sixth Edition, p. 1196]

1 Examples of “public rights” and statutory franchises include such things as:

- 2 1. Income tax
- 3 2. Social Security
- 4 3. Medicare
- 5 4. Medicaid
- 6 5. Driver’s licenses
- 7 6. Marriage licenses
- 8 7. Nearly every form of “public assistance”
- 9 8. Professional licenses of every description

10 The Bible forbids Christians to allow anyone but the true and living God to be their king or ruler. Under God’s law, all  
11 persons are equal and any attempt to make them unequal is an attempt at idolatry. In God’s eyes, when we show partiality in  
12 judgment of others based on the “privileges” or “franchises” they are in receipt of or other forms of “social status”, then we  
13 are condemned as Christians:

14 *“You shall not show partiality in judgment; you shall hear the small as well as the great; you shall not be afraid*  
15 *in any man's presence, for the judgment is God's. The case that is too hard for you, bring to me, and I will hear*  
16 *it.”*  
17 *[Deut. 1:17, Bible, NKJV]*

18 *“**You shall not pervert justice; you shall not show partiality, nor take a bribe,** for a bribe blinds the eyes of the*  
19 *wise and twists the words of the righteous.”*  
20 *[Deut. 16:19, Bible, NKJV]*

21 *“For the LORD your God is God of gods and Lord of lords, the great God, mighty and awesome, **who shows no***  
22 ***partiality nor takes a bribe.**”*  
23 *[Deut. 10:17, Bible, NKJV]*

24 *“**He [God] will surely rebuke you If you secretly show partiality.**”*  
25 *[Job 13:10, Bible, NKJV]*

26 *“The rich and the poor have this in common, the **LORD is the maker of them all.**”*  
27 *[Prov. 22:2, Bible, NKJV]*

28 *“But you, do not be called ‘Rabbi’; for One is your Teacher, the Christ, and you are all brethren. Do not call*  
29 *anyone on earth your father; for One is your Father, He who is in heaven. And do not be called teachers; for One*  
30 *is your Teacher, the Christ. **But he who is greatest among you shall be your servant. And whoever exalts***  
31 ***himself will be humbled, and he who humbles himself will be exalted”.***  
32 *[Jesus in Matt. 23:8-12, Bible, NKJV]*

33 *But Jesus called them to Himself and said to them, “You know that those who are considered rulers over the*  
34  *Gentiles lord it over them, and their great ones exercise authority over them. Yet it shall not be so among you;*  
35 *but **whoever desires to become great among you shall be your servant. And whoever of you desires to be first***  
36 ***shall be slave of all.** For even the Son of Man did not come to be served, but to serve, and to give His life a*  
37 *ransom for many.”*  
38 *[Mark 10:42-45, Bible, NKJV. See also Matt. 20:25-28]*

39 *“There is neither Jew nor Greek, there is neither slave nor free, there is neither male nor female; **for you are all***  
40 ***one in Christ Jesus.**”*  
41 *[Gal. 3:28, Bible, NKJV]*

42 *Is it fitting to say to a king, “You are worthless,”*  
43 *And to nobles, “You are wicked”?*  
44 ***Yet He [God] is not partial to princes,***  
45 ***Nor does He regard the rich more than the poor;***  
46 *For they are all the work of His hands.*  
47 *[Job. 34:18-19, Bible, NKJV]*

48 *“The poor man is hated even by his own neighbor,*  
49 *But the rich has many friends.*  
50 ***He who despises his neighbor sins;***  
51 ***But he who has mercy on the poor, happy is he.”***  
52 *[Prov. 14:20-21]*

1 **"You shall not show partiality to a poor man in his dispute."**

2 [Exodus 23:3, Bible, NKJV]

3 *"The rich shall not give more and the poor shall not give less than half a shekel, when you give an offering to*  
4 *the LORD, to make atonement for yourselves."*

5 [Exodus 30:15, Bible, NKJV]

6 *"Better is the poor who walks in his integrity Than one perverse in his ways, though he be rich."*

7 [Prov. 28:6, Bible, NKJV]

8 *"And again I say to you, it is easier for a camel to go through the eye of a needle than for a rich man to enter*  
9 *the kingdom of God."*

10 [Matt. 19:24, Bible, NKJV]

11 **"For there is no distinction between Jew and Greek, for the same Lord over all is rich to all who call upon**  
12 **Him."**

13 [Rom. 10:12, Bible, NKJV]

14 *"Command those who are rich in this present age not to be haughty, nor to trust in uncertain riches but in the*  
15 *living God, who gives us richly all things to enjoy."*

16 [1 Tim. 6:17, Bible, NKJV]

17 Therefore, accepting any kind of government "privilege" for a Christian encourages unlawful partiality and constitutes  
18 idolatry. The "privilege" described by God in the passage below is the "privilege" of having a King (man) to protect, care  
19 for, and "govern" the people as a substitute for God's protection. The price exchanged for receipt of the "privilege" is  
20 becoming "subjects" and paying usurious "tribute" in many forms to the king using their labor, property, and life:

21 *Then all the elders of Israel gathered together and came to Samuel at Ramah, and said to him, "Look, you are*  
22 *old, and your sons do not walk in your ways. Now make us a king to judge us like all the nations [and be OVER*  
23 *them]".*

24 *But the thing displeased Samuel when they said, "Give us a king to judge us." So Samuel prayed to the Lord.*  
25 *And the Lord said to Samuel, "Heed the voice of the people in all that they say to you; for they have rejected*  
26 *Me [God], that I should not reign over them.* According to all the works which they have done since the day that  
27 *I brought them up out of Egypt, even to this day—with which they have forsaken Me and served other gods*  
28 *[Kings, in this case]—so they are doing to you also [government becoming idolatry]. Now therefore, heed their*  
29 *voice. However, you shall solemnly forewarn them, and show them the behavior of the king who will reign*  
30 *over them."*

31 *So Samuel told all the words of the LORD to the people who asked him for a king. And he said, "This will be the*  
32 *behavior of the king who will reign over you: He will take [STEAL] your sons and appoint them for his own*  
33 *chariots and to be his horsemen, and some will run before his chariots. He will appoint captains over his*  
34 *thousands and captains over his fifties, will set some to plow his ground and reap his harvest, and some to*  
35 *make his weapons of war and equipment for his chariots. He will take [STEAL] your daughters to be*  
36 *perfumers, cooks, and bakers. And he will take [STEAL] the best of your fields, your vineyards, and your olive*  
37 *groves, and give them to his servants. He will take [STEAL] a tenth of your grain and your vintage, and give*  
38 *it to his officers and servants. And he will take [STEAL] your male servants, your female servants, your finest*  
39 *young men, and your donkeys, and put them to his work [as SLAVES]. He will take [STEAL] a tenth of your*  
40 *sheep. And you will be his servants. And you will cry out in that day because of your king whom you have*  
41 *chosen for yourselves, and the LORD will not hear you in that day."*

42 *Nevertheless the people refused to obey the voice of Samuel; and they said, "No, but we will have a king over us,*  
43 *that we also may be like all the nations, and that our king may judge us and go out before us and fight our battles."*  
44 [1 Sam. 8:4-20, Bible, NKJV]

45 The right to be protected by the King above is earned by giving him allegiance, and thereby withdrawing allegiance from  
46 God as your personal sovereign:

47 **"Allegiance and protection [by the government from harm] are, in this connection, reciprocal obligations. The**  
48 **one is a compensation for the other; allegiance for protection and protection for allegiance."**

49 [Minor v. Happersett, 88 U.S. (21 Wall.) 162, 166-168 (1874)]

50 *"No servant can serve two masters; for either he will hate the one and love the other, or else he will be loyal to*  
51 *the one and despise the other. You cannot serve God and mammon [Government, in this case]."*

52 [Jesus [God] speaking in [Luke 16:13](#), Bible, NKJV]



## 26.2 Franchises under the common law

Franchises are litigated under the common law as what is called a “General assumpsit action”, which is also called “indebitatus assumpsit”. This type of action involves a quasi-contract. *Indebitatus assumpsit*, unlike special *assumpsit*, did not create a new substantive right; it was primarily only a new form of procedure”, whose introduction was facilitated by the same circumstances which had already made ‘Case concurrent with Detinue. But as an express *assumpsit* was requisite to charge the bailee, so it was for a long time indispensable to charge a debtor. The basis or cause of the action was, of course, the same as the basis of debt, i.e., *quid pro quo*, or benefit. This may explain the inveterate practice of defining consideration as either a detriment to the plaintiff or a benefit to the defendant.

An example of a general assumpsit, according to the U.S. Supreme Court, is income taxes, which, it held, are the subject of a “quasi-contract”:

“Even if the judgment is deemed to be colored by the nature of the obligation whose validity it establishes, and we are free to re-examine it, and, if we find it to be based on an obligation penal in character, to refuse to enforce it outside the state where rendered, see *Wisconsin v. Pelican Insurance Co.*, 127 U.S. 265, 292, et seq. 8 S.Ct.

1370, compare *Fauntleroy v. Lum*, 210 U.S. 230, 28 S.Ct. 641, **still the obligation to pay taxes is not penal. It is a statutory liability, quasi contractual in nature, enforceable, if there is no exclusive statutory remedy, in the civil courts by the common-law action of debt or indebitatus assumpsit.** *United States v. Chamberlin*, 219 U.S. 250, 31 S.Ct. 155; *Price v. United States*, 269 U.S. 492, 46 S.Ct. 180; *Dollar Savings Bank v. United States*, 19 Wall. 227; and see *Stockwell v. United States*, 13 Wall. 531, 542; *Meredith v. United States*, 13 Pet. 486, 493. **This was the rule established in the English courts before the Declaration of Independence.** *Attorney General v. Weeks*, Bunbury's Exch. Rep. 223; *Attorney General v. Jewers and Batty*, Bunbury's Exch. Rep. 225; *Attorney General v. Hatton*, Bunbury's Exch. Rep. [296 U.S. 268, 272] 262; *Attorney General v. —*, 2 Ans.Rep. 558; see *Comyn's Digest* (Title ‘Dett,’ A, 9); *I Chitty on Pleading*, 123; cf. *Attorney General v. Sewell*, 4 M.&W. 77. “  
[*Milwaukee v. White*, 296 U.S. 268 (1935)]

Below is the meaning of “quasi-contract” from the above quote:

***“Quasi contract.*** An obligation which law creates in absence of agreement; it is invoked by courts where there is unjust enrichment. *Andrews v. O'Grady*, 44 Misc.2d. 28, 252 N.Y.S.2d. 814, 817. Sometimes referred to as implied-in-law contracts (as a legal fiction) to distinguish them from implied-in-fact contracts (voluntary agreements inferred from the parties' conduct). Function of “quasi-contract” is to raise obligation in law where in fact the parties made no promise, and it is not based on apparent intention of the parties. *Fink v. Goodson-Todman Enterprises, Limited*, 9 C.A.3d. 996, 88 Cal.Rptr. 679, 690. See also *Contract*.”  
[*Black's Law Dictionary*, Sixth Edition, p. 1245]

It is also important to note that according to the U.S. Supreme Court in *Erie Railroad v. Tompkins*, there IS no federal common law applicable to parties domiciled within states of the Union. Hence, an general assumpsit cannot be entertained in a federal court against a state domiciled citizen:

“There is no Federal Common Law, and Congress has no power to declare substantive rules of Common Law applicable in a state. Whether they be local or general in their nature, be they commercial law or a part of the Law of Torts”  
[*Erie Railroad v. Tompkins*, 304 U.S. 64 (1938)]

## 26.3 Effect of franchises on choice of forum

The U.S. Supreme Court has said that when Congress creates what it calls a “public right” and, by implication a “statutory privilege”, Congress has the authority to circumscribe and prescribe how that right may be exercised and which forums it is enforced within. Hence, for instance, Congress can prescribe that if you dispute your income tax liability, you must first enter U.S. Tax Court, which isn't a Constitutional court at all, but an Article I administrative agency within the Executive rather than Judicial Branch of the government.

Although *Crowell and Raddatz* do not explicitly distinguish between rights created by Congress and other rights, such a distinction underlies in part *Crowell's* and *Raddatz's* recognition of a critical difference between rights created by federal statute and rights recognized by the Constitution. Moreover, such a distinction seems to us to be necessary in light of the delicate accommodations required by the principle of separation of powers reflected

in Art. III. The constitutional system of checks and balances is designed to guard against “encroachment or aggrandizement” by Congress at the expense of the other branches of government. [Buckley v. Valeo, 424 U.S., at 122, 96 S.Ct., at 683](#). But when Congress creates a statutory right [a “privilege” in this case, such as a “trade or business”], it clearly has the discretion, in defining that right, to create presumptions, or assign burdens of proof, or prescribe remedies; it may also provide that persons seeking to vindicate that right must do so before particularized tribunals created to perform the specialized adjudicative tasks related to that right.<sup>FN35</sup> Such provisions do, in a sense, affect the exercise of judicial power, but they are also incidental to Congress’ power to define the right that it has created. No comparable justification exists, however, when the right being adjudicated is not of congressional creation. In such a situation, substantial inroads into functions that have traditionally been performed by the Judiciary cannot be characterized merely as incidental extensions of Congress’ power to define rights that it has created. Rather, such inroads suggest unwarranted encroachments upon the judicial power of the United States, which our Constitution reserves for Art. III courts. [Northern Pipeline Const. Co. v. Marathon Pipe Line Co., 458 U.S. at 83-84, 102 S.Ct. 2858 (1983)]

The U.S. Supreme Court also said that the only circumstances when Congress may remove the enforcement of a right to a non-Article III, legislative tribunal or, by implication, remove it from a state court to federal court is in connection with a statutory franchise or “public right”:

“The distinction between public rights and private rights has not been definitively explained in our precedents.<sup>FN22</sup> Nor is it necessary to do so in the present cases, for it suffices to observe that a matter of public rights must at a minimum arise “between the government and others.” [Ex parte Bakelite Corp., supra, at 451, 49 S.Ct., at 413](#).<sup>FN23</sup> In contrast, “the liability of one individual to another under the law as defined,” [Crowell v. Benson, supra, at 51, 52 S.Ct., at 292](#), is a matter of private rights. Our precedents clearly establish that only controversies in the former category may be removed from Art. III courts and delegated to legislative courts or administrative agencies for their determination. See [Atlas Roofing Co. v. Occupational Safety and Health Review Comm’n, 430 U.S. 442, 450, n. 7, 97 S.Ct. 1261, 1266, n. 7, 51 L.Ed.2d. 464 \(1977\)](#); [Crowell v. Benson, supra, 285 U.S., at 50-51, 52 S.Ct., at 292](#). See also Katz, Federal Legislative Courts, 43 Harv.L.Rev. 894, 917-918 (1930).<sup>FN24</sup> Private-rights disputes, on the other hand, lie at the core of the historically recognized judicial power.” [Northern Pipeline Const. Co. v. Marathon Pipe Line Co., 458 U.S. 50, 102 S.Ct. 2858 (1983)]

The key to determining whether a matter must be heard in federal court or state court then, is to first determine whether it involves a state or federal “public right” or “statutory franchise”.

1. If it is a state statutory privilege or public right, it must be litigated in a state court.
2. If it is a federal statutory privilege or public right, then it can be litigated only in a federal court.

The Separation of Powers Doctrine and the sovereign immunity of the states and federal governments towards each other prohibit state matters from being heard in a federal court or federal matters being heard in a state court. Alden v. Maine, 527 U.S. 706 (1999).

## **26.4 Effect of franchises on Constitutional Requirement for “due process of law”: NONE REQUIRED**

Due process of law is defined as follows:

**Due process of law.** Law in its regular course of administration through courts of justice. Due process of law in each particular case means such an exercise of the powers of the government as the settled maxims of law permit and sanction, and **under such safeguards for the protection of individual rights as those maxims prescribe for the class of cases to which the one in question belongs.** A course of legal proceedings according to those rules and principles which have been established in our systems of jurisprudence **for the enforcement and protection of private rights.** To give such proceedings any validity, there must be a tribunal competent by its constitution—that is, by the law of the creation—to pass upon the subject-matter of the suit; and, if that involves merely a determination of the personal liability of the defendant, he must be brought within its jurisdiction by service of process within the state, or his voluntary appearance. *Pennoy v. Neff*, 95 U.S. 714, 24 L.Ed. 565. Due process of law implies the right of the person affected thereby to be present before the tribunal which pronounces judgment upon the question of life, liberty, or property, in its most comprehensive sense; to be heard, by testimony or otherwise, and to have the right of controverting, by proof, every material fact which bears on the question of right in the matter involved. **If any question of fact or liability be conclusively presumed [rather than proven] against him, this is not due process of law.**

An orderly proceeding wherein a person with notice, actual or constructive, and has an opportunity to be heard and to enforce and protect his rights before a court having the power to hear and determine the case. *Kazubowski v. Kazubowski*, 45 Ill.2d. 405, 259 N.E.2d. 282, 290. Phrase means that no person shall be deprived of life, liberty, property or of any right granted him by statute, unless matter involved first shall have been adjudicated

against him upon trial conducted according to established rules regulating judicial proceedings, and it forbids condemnation without a hearing. *Pettit v. Penn*, LaApp., 180 So.2d. 66, 69. The concept of “due process of law” as it is embodied in the Fifth Amendment demands that a law shall not be unreasonable, arbitrary, or capricious and that the means selected shall have a reasonable and substantial relation to the object being sought. *U.S. v. Smith*, D.C.Iowa, 249 F.Supp. 515, 516. Fundamental requisite of “due process of law” is the opportunity to be heard, to be aware that a matter is pending, to make an informed choice whether to acquiesce or contest, and to assert before the appropriate decision-making body the reasons for such choice. *Trinity Episcopal Corp. v. Romney*, D.C.N.Y., 387 F.Supp. 1044, 1084. Aside from all else, “due process” means fundamental fairness and substantial justice. *Vaughn v. State*, 3 Tenn.Crim.App. 54, 456 S.W.2d. 879, 883.

**Embodied in the due process concept are the basic rights of a defendant in criminal proceedings and the requisites for a fair trial.** These rights and requirements have been expanded by Supreme Court decisions and include, timely notice of a hearing or trial which informs the accused of the charges against him or her; the opportunity to confront accusers and to present evidence on one’s own behalf before an impartial jury or judge; the presumption of innocence under which **guilt must be proven by legally obtained evidence** and the verdict must be supported by the evidence presented; rights at the earliest stage of the criminal process; and the guarantee that an individual will not be tried more than once for the same offence (double jeopardy). [Black’s Law Dictionary, Sixth Edition, p. 500]

As indicated above, the purpose of due process of law is to:

1. Protect rights identified within but not granted by the Constitution of the United States.

**“The rights of individuals and the justice due to them, are as dear and precious as those of states. Indeed the latter are founded upon the former; and the great end and object of them must be to secure and support the rights of individuals, or else vain is government.”**  
[Chisholm v. Georgia, 2 U.S. (2 Dall.) 419, 1 L.Ed. 440 (1793)]

2. Protect private rights but not public rights. Those engaged in any of the following are not exercising private rights, but public rights:

- 2.1. Government franchises.

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

- 2.2. Government “benefits”. See:

The Government “Benefits” Scam, Form #05.040  
<http://sedm.org/Forms/FormIndex.htm>

- 2.3. Public office.

- 2.4. “trade or business”, which is defined in 26 U.S.C. §7701(a)(26) as “the functions of a public office”.

- 2.5. Licensed activities, which are franchises.

3. Prevent litigants before a court of being deprived of their property by the court or their opponent without just compensation. In law, all rights are property and any deprivation of rights without consideration is a deprivation of property in violation of the Fifth Amendment takings clause. Those who violate due process essentially are STEALING from their opponent.

**“Men are endowed by their Creator with certain unalienable rights, -life, liberty, and the pursuit of happiness;’ and to ‘secure,’ not grant or create, these rights, governments are instituted. That property [or income] which a man has honestly acquired he retains full control of, subject to these limitations: First, that he shall not use it to his neighbor’s injury, and that does not mean that he must use it for his neighbor’s benefit [e.g. SOCIAL SECURITY, Medicare, and every other public “benefit”]; second, that if he devotes it to a public use, he gives to the public a right to control that use; and third, that whenever the public needs require, the public may take it upon payment of due compensation.”**

[Budd v. People of State of New York, [143 U.S. 517](#) (1892)]

4. Prevent presumptions, and especially conclusive presumptions, that may injure the rights of the litigants by insisting that only physical evidence with foundational testimony may form the basis for any inferences by the court or the jury.

**“If any question of fact or liability be conclusively be presumed [rather than proven] against him, this is not due process of law.”**

[Black’s Law Dictionary, Sixth Edition, p. 500]

(1) [8:4993] **Conclusive presumptions affecting protected interests:**

A conclusive presumption may be defeated where its application would impair a party's constitutionally-protected liberty or property interests. In such cases, conclusive **presumptions have been held to violate a party's due process and equal protection rights.** [Vlandis v. Kline (1973) [412 U.S. 441](#), 449, 93 S.Ct. 2230, 2235; Cleveland Bd. of Ed. v. LaFleur (1974) [414 U.S. 632](#), 639-640, 94 S.Ct. 1208, 1215-presumption under Illinois law that unmarried fathers are unfit violates process] [[Federal Civil Trials and Evidence, Rutter Group, paragraph 8:4993, p. 8K-34](#)]

From the above, we can see that if the controversy being litigated involves a franchise, which means a public and not private right, then those representing the “public office” personified by the franchise:

1. Are NOT entitled to due process of law in a constitutional sense because public offices are domiciled on federal territory not protected by the constitution. As an example, see the following holding of the Supreme Court, in which the “trade or business” franchise was at issue. The reason the U.S. Supreme Court in Turpin below had never ruled on “due process” in the context of tax collection up to that time should be obvious: Income taxation is a franchise and a public right, rather than a private right:

**“Exactly what due process of law requires in the assessment and collection of general taxes has never been decided by this court,** although we have had frequent occasion to hold that, in proceedings for the condemnation of land under the laws of eminent domain, or for the imposition of special taxes for local improvements, notice to the owner at some stage of the proceedings, as well as an opportunity to defend, is essential. [Cites omitted.] **But laws for the assessment and collection of general taxes stand upon a somewhat different [meaning statutory rather than constitutional] footing, and are construed with the utmost liberality, sometimes even to the extent of holding that no notice whatever is necessary.** Due process of law was well defined by Mr. Justice Field in Hagar v. Reclamation Dist., No. 108, 111 U.S. 701, 28 L.Ed. 569, 4 Sup.Ct.Rep. 663, in the following words: “It is sufficient to observe here, that by ‘due process’ is meant one which, following the forms of law, is appropriate to the case, and just to the parties to be affected. It must be pursuant in the ordinary mode prescribed by the law; it must be adapted to the end to be attained; and wherever it is necessary for the protection of the parties, it must give them an opportunity to be heard respecting the justice of the judgment sought. The clause in question means, therefore, that there can be no proceeding against life, liberty, or property which may result in deprivation of either, without the observance of those general rules established in our system of jurisprudence for the security of private rights.”

Under the Fourth Amendment, the legislature is bound to provide a method for the assessment and collection of taxes that shall not be inconsistent with natural justice; but it is not bound to provide that the particular steps of a procedure for the collection of such taxes shall be proved by written evidence; and it may properly impose upon the taxpayer the burden of showing that in a particular case the statutory method was not observed.” [[Turpin v. Lemon, 187 U.S. 51, 23 S.Ct. 20 \(1902\)](#)]

**“We can hardly find a denial of due process in these circumstances, particularly since it is even doubtful that appellee's burdens under the program outweigh his benefits. It is hardly lack of due process for the Government to regulate that which it subsidizes.”** [Wickard v. Filburn, 317 U.S. 111, 63 S.Ct. 82 (1942)]

2. Are subject to the arbitrary whims of whatever bureaucrat administers the franchise and may not pursue recourse in a true, constitutional Article III court. Instead, their case must be heard in an Article IV territorial franchise court, because the case involves public property. All franchises are public property of the grantor, which is the government.

**“These general rules are well settled:**

**(1) That the United States, when it creates rights in individuals against itself [a “public right”, which is a euphemism for a “franchise” to help the court disguise the nature of the transaction], is under no obligation to provide a remedy through the courts.** [United States ex rel. Dunlap v. Black, 128 U.S. 40, 9 Sup.Ct. 12, 32 L.Ed. 354](#); [Ex parte Atocha, 17 Wall. 439, 21 L.Ed. 696](#); [Gordon v. United States, 7 Wall. 188, 195, 19 L.Ed. 35](#); [De Groot v. United States, 5 Wall. 419, 431, 433, 18 L.Ed. 700](#); [Comegys v. Vasse, 1 Pet. 193, 212, 7 L.Ed. 108](#).

**(2) That where a statute creates a right and provides a special remedy, that remedy is exclusive.** [Wilder Manufacturing Co. v. Corn Products Co., 236 U.S. 165, 174, 175, 35 Sup.Ct. 398, 59 L.Ed. 520, Ann.Cas. 1916A, 118](#); [Armon v. Murphy, 109 U.S. 238, 3 Sup.Ct. 184, 27 L.Ed. 920](#); [Barnet v. National Bank, 98 U.S. 555, 558, 25 L.Ed. 212](#); [Farmers' & Mechanics' National Bank v. Dearing, 91 U.S. 29, 35, 23 L.Ed. 196](#).

1 Still the fact that the right and the remedy are thus intertwined might not, if the provision stood alone, require us  
2 to hold that the remedy expressly given excludes a right of review by the Court of Claims, where the decision of  
3 the special tribunal involved no disputed question of fact and the denial of compensation was rested wholly upon  
4 the construction of the act. See Medbury v. United States, 173 U.S. 492, 198, 19 Sup.Ct. 503, 43 L.Ed. 779;  
5 Parish v. MacVeagh, 214 U.S. 124, 29 Sup.Ct. 556, 53 L.Ed. 936; McLean v. United States, 226 U.S. 374, 33  
6 Sup.Ct. 122, 57 L.Ed. 260; United States v. Laughlin (No. 200), 249 U.S. 440, 39 Sup.Ct. 340, 63 L.Ed. 696,  
7 decided April 14, 1919.”  
8 [U.S. v. Babcock, 250 U.S. 328, 39 S.Ct. 464 (1919) ]

- 9 3. Should not be arguing that due process of law has been violated, unless:
- 10 3.1. They have stated under penalty of perjury that the controversy does not involve a franchise.
- 11 3.2. They have stated under penalty of perjury that they are not representing a public officer nor acting as a public officer  
12 in the context of the proceeding.
- 13 3.3. They have rebutted all evidence that might connect them to the franchise, such as government identifying numbers,  
14 statutory “citizen” or resident status, and all information returns (e.g. IRS Forms W-2, 1042-S, 1098, and 1099).
- 15 3.4. They have evidence to show that they do not consent to receive any of the “benefits” of the franchise. The following  
16 form ensures this, if attached to all tax forms you fill out:
- Tax Form Attachment, Form #04.201  
<http://sedm.org/Forms/FormIndex.htm>
- 17 3.5. They were not domiciled on federal territory at the time and therefore were not eligible to participate in the  
18 franchise.

## 19 **26.5 How to determine whether you are engaged in a “franchise” or “public right”**

20 This task of determining whether the controversy involves a “public right” or “statutory privilege” can be difficult, because  
21 the statutes themselves that confer the right very deliberately do not specify because they don’t want you to know that  
22 participation is voluntary and that you can un-volunteer. In that sense, statutory franchises are what we call a “roach trap  
23 statute”. The trap has honey in the center to attract needy and hungry insects like you, and once you enter inside the trap,  
24 you must obey all the unjust and prejudicial edicts of your new landlord. It is up to you as the vigilant and informed citizen  
25 to research and know this in the defense of your Constitutional rights.

26 Every government “privilege” carries with it some kind of usually pecuniary benefit or entitlement. Examples include: Social  
27 Security benefits, unemployment benefits, Medicare insurance benefits, etc. The U.S. Supreme Court has said that the  
28 government may not lawfully pay money to anyone except in the course of what it calls a “public purpose”, which means  
29 that the payment of all such benefits can only lawfully be made to “public officials” who are part of the government in the  
30 lawful exercise of their Constitutionally authorized employment duties.

31 “To lay, with one hand, the power of the government on the property of the citizen, and with the other to bestow  
32 it upon favored individuals to aid private enterprises and build up private fortunes, is none the less a robbery  
33 because it is done under the forms of law and is called taxation. This is not legislation. It is a decree under  
34 legislative forms.

35 Nor is it taxation. ‘A tax,’ says Webster’s Dictionary, ‘is a rate or sum of money assessed on the person or  
36 property of a citizen by government for the use of the nation or State.’ ‘Taxes are burdens or charges imposed  
37 by the Legislature upon persons or property to raise money for public purposes.’ Cooley, Const. Lim., 479.

38 Coulter, J., in Northern Liberties v. St. John’s Church, 13 Pa.St. 104 says, very forcibly, ‘I think the common  
39 mind has everywhere taken in the understanding that taxes are a public imposition, levied by authority of the  
40 government for the purposes of carrying on the government in all its machinery and operations—that they are  
41 imposed for a public purpose.’ See, also Pray v. Northern Liberties, 31 Pa.St., 69; Matter of Mayor of N.Y., 11  
42 Johns., 77; Camden v. Allen, 2 Dutch., 398; Sharpless v. Mayor, *supra*; Hanson v. Vernon, 27 Ia., 47; Whiting v.  
43 Fond du Lac, *supra*.”  
44 [Loan Association v. Topeka, 20 Wall. 655 (1874)]

45  
46 “A tax, in the general understanding of the term and as used in the constitution, signifies an exaction for the  
47 support of the government. The word has never thought to connote the expropriation of money from one group  
48 for the benefit of another.”  
49 [U.S. v. Butler, 297 U.S. 1 (1936)]

50 Another angle on this situation is that the government cannot pass any law that imposes any duty upon you without violating  
51 the Thirteenth Amendment prohibition against “involuntary servitude”.



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

4       The U.S. Supreme Court has said that there are only four ways for the government to obtain lawful authority over a man's  
5       property, which includes his life, liberty, and property. Labor, for instance, and all "rights" for that matter, constitute  
6       "property" from a legal perspective:

7           *"Men are endowed by their Creator with certain unalienable rights, -'life, liberty, and the pursuit of happiness;'*  
8           *and to 'secure,' not grant or create, these rights, governments are instituted. **That property [or income] which a***  
9           ***man has honestly acquired he retains full control of, subject to these limitations: First, that he shall not use it***  
10          ***to his neighbor's injury, and that does not mean that he must use it for his neighbor's benefit; second, that***  
11          ***if he devotes it to a public use, he gives to the public a right to control that***  
12          ***use;** and third, that whenever the public needs require, the public may take it upon payment of due*  
13          ***compensation.***  
14          *[Budd v. People of State of New York, 143 U.S. 517 (1892)]*

15       We have summarized the ONLY four distinct ways the government can lawfully take a man's property away from him from  
16       the above ruling as follows:

- 17       1. He can involuntarily lose his property if he uses it to hurt others. This, by the way, is the foundation of all criminal laws,  
18       because "rights", including constitutional rights, are considered property. You lose your rights when you exercise them  
19       in such a way that you abuse them to destroy the equal rights of others. Thus, crimes against others are the only basis  
20       for non-consensual taking of a person's life, liberty, property, or labor.
- 21       2. He cannot be compelled to benefit his neighbor. That means indirectly that he can't be compelled to participate in any  
22       government "benefit" or entitlement program such as Social Security, and that he can quit all such programs  
23       IMMEDIATELY.
- 24       3. When he devotes it to a "public use", he gives the right to the public to control that use. Every provision of the Internal  
25       Revenue Code, Subtitles A and C can only be applied against property and labor that have been connected to a "public  
26       office", which is one kind of "public use".
- 27       4. When the public needs require, the public may take his property from him upon payment of due compensation. This is  
28       the provision the government uses to assert eminent domain over real property in the building of public roads.

29       Notice that provisions 2 through 4 require his explicit consent in some form and that the ONLY way a man's property,  
30       including his labor and the fruits from his labor, can be taken from him WITHOUT his consent is if he abuses it to hurt others.  
31       For instance, when you murder someone, the government can take your liberty and labor from you by putting you in jail or  
32       your life from you by instituting the death penalty against you. Both your life and your labor are "property". Therefore, the  
33       basis for the "taking" was violation of the equal rights of a fellow sovereign "neighbor".

34       The main method the government uses to lawfully take your property, your labor, your earnings from labor is item number 3  
35       above. What the government does is procure your consent through fraud using vague or ambiguous "words of art" on  
36       government forms which effectively trick you into donating your private property to a "public use" to procure the benefits of  
37       a franchise. This makes your formerly private property into "public property" which the government can then control, levy,  
38       and lien because it is theirs while it is dedicated to a "public use". Everything that has a government issued SSN or Taxpayer  
39       Identification Number associated with it essentially amounts to "private property" donated to "public use" to procure the  
40       benefits of the "trade or business" franchise. The use of these government owned numbers effectively constitutes a license  
41       to act as a "public officer" as well as "prima facie" evidence of consent to engage in the "trade or business" franchise.<sup>303</sup>

42       Consequently, the most effective way to determine whether a particular government program is a "privilege" is to look at  
43       whether you must be a government employee or "public officer" to receive its benefits. If you must declare yourself to be

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<sup>303</sup> 20 C.F.R. §422.104 says that the Social Security Number is NOT "yours", but instead belongs to the U.S. government and the Social Security Administration (S.S.A.). The card itself has printed on the back "Property of the Social Security Administration (S.S.A.). Must be returned upon request." This effectively makes you into a "fiduciary" and a "trustee" and a "public officer" in temporary custody of government property whose actions are governed by federal law in the using of said property. If you use the number for your own personal benefit as anything other than a "public officer" engaged in the federal franchise, you are embezzling and abusing government property for private gain, which is a criminal violation of 18 U.S.C. §641.

such a person, then it is a voluntary statutory privilege and not a common law or constitutional right. Examples of this phenomenon include the following:

1. The Social Security Program, which makes all those who participate into “federal personnel”:

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

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

(13) the term “Federal personnel” means [not “includes”, but 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).

2. Serving as a juror in a federal court. [18 U.S.C. §201](#) identifies all federal jurors as “public officers”.
3. [26 U.S.C. §6331](#)(a) limits all enforcement within the Internal Revenue Code to employees, officers, and instrumentalities of the United States Government. The IRS knows this, so they “conveniently” omit this provision of law from their citation of 26 U.S.C. §6331 on the back of a notice of levy to deceive the recipient. See:

[IRS Form 668A\(c\)](#)  
[http://famguardian.org/TaxFreedom/Forms/IRS/IRSForm668-A\(c\)\(DO\).pdf](http://famguardian.org/TaxFreedom/Forms/IRS/IRSForm668-A(c)(DO).pdf)

4. Signing up for employment withholding using an IRS Form W-4. The upper left corner says “**Employee** Withholding Allowance Certificate” and the statutes and regulations at [26 U.S.C. §3401](#)(c) and 26 C.F.R. §31.3401(c)-1 both define this “**employee**” as a “public official” of the United States Government. Therefore, the W-4 constitutes BOTH a federal employment application and a voluntary agreement which donates your labor and your earnings from labor to a “public office” and a “public use”.
5. [31 C.F.R. §202.2](#) says that all FDIC insured banks are “Financial Agents of the Government”. In other words, participating in the FDIC insurance franchise makes them “public officers”.
6. All federal law that does not have implementing regulations published in the Federal Register may only be enforced against agents, instrumentalities, “**employees**”, and “officers” of the United States Government. The Internal Revenue Code has no enforcement implementing regulations and therefore it fits into this category. See:

[IRS Due Process Meeting Handout](#), Form #03.008  
<http://sedm.org/Forms/FormIndex.htm>

The government has no delegated constitutional or statutory authority to regulate private conduct.

*“There is a clear distinction in this particular case between an individual and a corporation, and that the latter has no right to refuse to submit its books and papers for an examination at the suit of the State. The individual may stand upon his constitutional rights as a citizen. He is entitled to carry on his private business in his own way. His power to contract is unlimited. He owes no such duty to the State, since he receives nothing therefrom, beyond the protection of his life and property. His rights are such as existed by the law of the land long antecedent to the organization of the State, and can only be taken from him by due process of law, and in accordance with the constitution. Among his rights are a refusal to incriminate himself, and the immunity of himself and his property from arrest or seizure except under a warrant of the law. He owes nothing to the public so long as he does not trespass upon their rights.”*  
[Hale v. Henkel, 201 U.S. 43, 74 (1906)]

Therefore if you want to receive any benefits from them, they can’t regulate the benefits without making you into one of their employees, instrumentalities, or agents using private/contract law that you must either implicitly or explicitly consent to in some form:

*“The restrictions that the Constitution places upon the government in its capacity as lawmaker, i.e., as the regulator of private conduct, are not the same as the restrictions that it places upon the government in its capacity as employer. We have recognized this in many contexts, with respect to many different constitutional guarantees. Private citizens perhaps cannot be prevented from wearing long hair, but policemen can. Kelley v. Johnson, [425 U.S. 238, 247](#) (1976). Private citizens cannot have their property searched without probable cause, but in many circumstances government employees can. O’Connor v. Ortega, [480 U.S. 709, 723](#) (1987) (plurality opinion); id., at 732 (SCALIA, J., concurring in judgment). Private citizens cannot be punished for refusing to provide the government information that may incriminate them, but government employees can be dismissed when the incriminating information that they refuse to provide relates to the performance of their job. Gardner v. Broderick, [497 U.S. 62, 95] [392 U.S. 273, 277](#)-278 (1968). With regard to freedom of speech in particular: Private citizens cannot be punished for speech of merely private concern, but government employees can be fired*

for that reason. *Connick v. Myers*, 461 U.S. 138, 147 (1983). Private citizens cannot be punished for partisan political activity, but federal and state employees can be dismissed and otherwise punished for that reason. *Public Workers v. Mitchell*, 330 U.S. 75, 101 (1947); *Civil Service Comm'n v. Letter Carriers*, 413 U.S. 548, 556 (1973); *Broadrick v. Oklahoma*, 413 U.S. 601, 616-617 (1973).”  
[*Rutan v. Republican Party of Illinois*, 497 U.S. 62 (1990)]

Once you make voluntary application to become a federal “public officer” (e.g. a federal agent or instrumentality) using an IRS Forms W-4 or 1040 or SSA Form SS-5, you then must live your entire financial and work life under the following MAJOR legal disabilities as a fiduciary and “trustee” over federal property temporarily in your custody. This property includes your own labor and all the earnings from your labor in the context of the “trust” or “public trust” or “public office” that you have voluntarily chosen to exercise!:

“As expressed otherwise, the powers delegated to a public officer are held in trust for the people and are to be exercised in behalf of the government or of all citizens who may need the intervention of the officer.”<sup>304</sup>  
**Furthermore, the view has been expressed that all public officers, within whatever branch and whatever level of government, and whatever be their private vocations, are trustees of the people, and accordingly labor under every disability and prohibition imposed by law upon trustees relative to the making of personal financial gain from a discharge of their trusts.**<sup>305</sup> **That is, a public officer occupies a fiduciary relationship to the political entity on whose behalf he or she serves.**<sup>306</sup> **and owes a fiduciary duty to the public.**<sup>307</sup> **It has been said that the fiduciary responsibilities of a public officer cannot be less than those of a private individual.**<sup>308</sup>  
Furthermore, it has been stated that any enterprise undertaken by the public official which tends to weaken public confidence and undermine the sense of security for individual rights is against public policy.<sup>309</sup>”  
[63C American Jurisprudence 2d, Public Officers and Employees, §247 (1999)]

Therefore, you can deduce whether you are engaged in a “statutory franchise” if the government calls you by any of the following statutory names and defines these names to be federal instrumentalities in the “codes” that administer the program, such as the Internal Revenue Code, Subtitle A or the Social Security Act:

1. “**individual**”: Means a “resident alien” engaged in a privileged “trade or business” or a nonresident alien who has made an election to be treated as a “resident alien”. Notice the definition of “individual” below does not include “citizens”. This is no accident, but an admission that you must volunteer to surrender your sovereign non-resident non-person status and consent to be treated instead as a “resident alien” in respect to your government in order to procure privileges from it. Once you engage in the franchise, your status as a person domiciled in a state of the Union shifts from that of a nonresident alien not engaged in a “trade or business” to that of a “resident alien”. More on this later.

26 C.F.R. §1.1441-1 Requirement for the deduction and withholding of tax on payments to foreign persons.  
(c ) Definitions

(3) Individual.

(i) Alien individual.

The term alien individual means an individual who is not a citizen or a national of the United States. See Sec. 1.1-1(c).

(ii) [Reserved]

<sup>304</sup> State ex rel. Nagle v. Sullivan, 98 Mont. 425, 40 P.2d. 995, 99 A.L.R. 321; Jersey City v. Hague, 18 N.J. 584, 115 A.2d. 8.

<sup>305</sup> Georgia Dep’t of Human Resources v. Sistrunk, 249 Ga. 543, 291 S.E.2d. 524. A public official is held in public trust. *Madlener v. Finley* (1st Dist) 161 Ill.App.3d. 796, 113 Ill.Dec. 712, 515 N.E.2d. 697, app gr 117 Ill.Dec. 226, 520 N.E.2d. 387 and revd on other grounds 128 Ill.2d. 147, 131 Ill.Dec. 145, 538 N.E.2d. 520.

<sup>306</sup> Chicago Park Dist. v. Kenroy, Inc., 78 Ill.2d. 555, 37 Ill.Dec. 291, 402 N.E.2d. 181, appeal after remand (1st Dist) 107 Ill.App.3d. 222, 63 Ill.Dec. 134, 437 N.E.2d. 783.

<sup>307</sup> United States v. Holzer (CA7 Ill), 816 F.2d. 304 and vacated, remanded on other grounds 484 U.S. 807, 98 L.Ed. 2d 18, 108 S.Ct. 53, on remand (CA7 Ill) 840 F.2d. 1343, cert den 486 U.S. 1035, 100 L.Ed. 2d 608, 108 S.Ct. 2022 and (criticized on other grounds by United States v. Osser (CA3 Pa) 864 F.2d. 1056) and (superseded by statute on other grounds as stated in United States v. Little (CA5 Miss) 889 F.2d. 1367) and (among conflicting authorities on other grounds noted in United States v. Boylan (CA1 Mass), 898 F.2d. 230, 29 Fed.Rules.Evid.Serv. 1223).

<sup>308</sup> Chicago ex rel. Cohen v. Keane, 64 Ill.2d. 559, 2 Ill.Dec. 285, 357 N.E.2d. 452, later proceeding (1st Dist) 105 Ill.App.3d. 298, 61 Ill.Dec. 172, 434 N.E.2d. 325.

<sup>309</sup> Indiana State Ethics Comm’n v. Nelson (Ind App), 656 N.E.2d. 1172, reh gr (Ind App) 659 N.E.2d. 260, reh den (Jan 24, 1996) and transfer den (May 28, 1996).

26 C.F.R. §301.7701-5 Domestic, foreign, resident, and nonresident persons.

A domestic corporation is one organized or created in the United States, including only the States (and during the periods when not States, the Territories of Alaska and Hawaii), and the District of Columbia, or under the law of the United States or of any State or Territory. A foreign corporation is one which is not domestic. A domestic corporation is a resident corporation even though it does no business and owns no property in the United States. A foreign [ALIEN] corporation engaged in trade or business within the United States is referred to in the regulations in this chapter as a **resident** foreign corporation, and a foreign corporation not engaged in trade or business within the United States, as a nonresident foreign corporation. A partnership engaged in trade or business within the United States is referred to in the regulations in this chapter as a resident partnership, and a partnership not engaged in trade or business within the United States, as a nonresident partnership. Whether a partnership is to be regarded as **resident or nonresident** is not determined by the nationality or residence of its members or by the place in which it was created or organized.

[T.D. 8813, Federal Register: February 2, 1999 (Volume 64, Number 21), P. 4967-4975]

2. “federal personnel”: 5 U.S.C. §552a(a)(13) above defines this as anyone eligible to receive a federal retirement benefit, such as social security.
3. “public office”: an elected, appointed, or franchise office within the federal government
4. “officer of a corporation”: an officer of a corporation that is an instrumentality of the federal government.
5. “employee”: Someone who performs “personal services” for the U.S. government, “Personal services” are then defined as work performed in connection with a “trade or business” (public office) in 26 C.F.R. §1.469-9:

26 C.F.R. §31.3401(c)-1 Employee:

*“...the term [employee] includes officers and employees, whether elected or appointed, of the United States, a [federal] State, Territory, Puerto Rico or any political subdivision, thereof, or the District of Columbia, or any agency or instrumentality of any one or more of the foregoing. The term ‘employee’ also includes an officer of a corporation.”*

6. “employer”: Means someone who has “employees”.

TITLE 26 > Subtitle C > CHAPTER 24 > § 3401  
§ 3401. Definitions

*(d) Employer*

*For purposes of this chapter, the term “employer” means the person for whom an individual performs or performed any service, of whatever nature, as the employee of such person, except that—*

*(1) if the person for whom the individual performs or performed the services does not have control of the payment of the wages for such services, the term “employer” (except for purposes of subsection (a)) means the person having control of the payment of such wages, and*

*(2) in the case of a person paying wages on behalf of a nonresident alien individual, foreign partnership, or foreign corporation, not engaged in trade or business within the United States, the term “employer” (except for purposes of subsection (a)) means such person.*

7. “taxpayer”: Means a person subject to the Internal Revenue Code as defined in 26 U.S.C. §7701(a)(14) and 26 U.S.C. §1313(b). The only persons who can be subject are those engaged in the “trade or business” franchise as “public offices” working for the federal government. A person’s property can be subject through “in rem” jurisdiction without them personally being subject.

If you would like to learn more than you could ever possibly want to know about how this scam works, see the following fascinating pamphlet:

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

A franchise associated with taxation is called by any one of the following names which are all synonymous:

1. “Excise tax”: Notice that even the legal dictionary below attempts to disguise and obfuscate the true nature of the income tax as an excise tax.

*“Excise tax. A tax imposed on the performance of an act, the engaging in an occupation, or the enjoyment of a privilege [e.g. “franchise”]. Rapa v. Haines, Ohio Comm.Pl., 101 N.E.2d. 733, 735. A tax on the manufacture, sale, or use of goods or on the carrying on of an occupation or activity or tax on the transfer of property. In current usage the term has been extended to include various license fees and practically every internal revenue tax except income tax (e.g., federal alcohol and tobacco excise taxes, I.R.C. §5011 et seq.)”*  
[Black’s Law Dictionary, Sixth Edition, p. 563]

*“Excises are taxes laid upon the manufacture, sale or consumption of commodities within the country, upon licenses to pursue certain occupations and upon corporate privileges...the requirement to pay such taxes involves the exercise of privileges, and the element of absolute and unavoidable demand is lacking..*

*...It is therefore well settled by the decisions of this court that when the sovereign authority has exercised the right to tax a legitimate subject of taxation as an exercise of a franchise or privilege, it is no objection that the measure of taxation is found in the income produced in part from property which of itself considered is nontaxable...*  
[Flint v. Stone Tracy Co., 220 U.S. 107 (1911)]

2. “Privilege tax”.
3. “Indirect excise tax”: These are excise taxes instituted by the federal government only within states of the Union. If the tax is levied only on federal territory or franchises, it instead is simply called an “excise tax” without the word “indirect” in front of it.

*“...by the previous ruling it was settled that the provisions of the Sixteenth Amendment conferred no new power of taxation but simply prohibited the previous complete and plenary power of income taxation possessed by Congress from the beginning from being taken out of the category of indirect taxation to which it inherently belonged and being placed in the category of direct taxation subject to apportionment by a consideration of the sources from which the income was derived, that is by testing the tax not by what it was -- a tax on income, but by a mistaken theory deduced from the origin or source of the income taxed.”*  
[Stanton v. Baltic Mining (240 U.S. 103), 1916]

Let’s now apply what we have just learned to unraveling the most prevalent statutory “franchise” that forms the heart of our federal income tax system, which is a “trade or business”. A “trade or business” is defined as follows:

[26 U.S.C. §7701\(a\)\(26\)](#)

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

A “trade or business” is a franchise or “public right”, because it carries with it certain economic “privileges”, such as:

1. “Public right”/privilege (as a “public officer”) to claim benefits of a tax treaty with a foreign country so that one is not subject to double-taxation by both countries.
2. “Public right” to claim deductions on a tax return pursuant to [26 U.S.C. §162](#).
3. “Public right” to claim credits on a tax return pursuant to [26 U.S.C. §32](#).
4. “Public right” to claim a reduced, graduated rate of tax pursuant to [26 U.S.C. §1](#). Those not engaged in a “trade or business” must apply a flat rate of 30% described in [26 U.S.C. §871](#), which is usually higher than the graduated rate found in [26 U.S.C. §1](#).

The “trade or business” franchise is exclusive to the federal government, because the “public office” described in that code is an office within only the federal government and not in any state or other government. Under the principles of a judicial doctrine known as “sovereign immunity”, the U.S. Supreme Court has furthermore said that the federal government may not be sued in a state court.

*“It is unquestioned that the Federal Government retains its own immunity from suit not only in state tribunals but also in its own courts.”*  
[Alden v. Maine, 527 U.S. 706 (1999) ]

*“The exemption of the United States from being impleaded without their consent is, as has often been affirmed by this court, as absolute as that of the crown of England or any other sovereign.”*



[U.S. v. Lee, 106 U.S. 196 (1882)]

The U.S. Constitution itself, in Article III, Section 2 also says that a state may not be sued in any federal court OTHER than the U.S. Supreme Court.

U.S. Constitution:  
Article III, Section 2

In all Cases affecting Ambassadors, other public Ministers and Consuls, and those in which a State shall be Party, the supreme Court shall have original Jurisdiction. In all the other Cases before mentioned, the supreme Court shall have appellate Jurisdiction, both as to Law and Fact, with such Exceptions, and under such Regulations as the Congress shall make.

## 26.6 Summary of Choice of Law Rules Involving Federal Franchises

"Privilegium est quasi privata lex. A privilege is, as it were, a private law. 2 Buls. 8."  
[Bouvier's Maxims of Law, 1856;  
SOURCE: <http://famguardian.org/Publications/BouvierMaximsOfLaw/BouviersMaxims.htm>]

Therefore, in the adjudication of "public rights" or "statutory franchises" or "privileges", if they are created by federal statute or legislation, then the choice of law rules are as follows:

1. The franchise agreement behaves as "private law", meaning that only parties who implicitly or explicitly consent can have its provisions enforced against them.
2. Legal disputes relating to a federal franchise may not be litigated in a state or foreign court, even under equity, because the United States cannot be sued in a foreign court without its express consent provided in legislative form.
3. Disputes relating to a federal franchise must be litigated ONLY in federal courts.
4. The franchise agreement itself prescribes and fixes all the "statutory rights" or "public rights" that exist among both parties. Franchise agreements include:
  - 4.1. [Internal Revenue Code, Subtitle A](#)
  - 4.2. Social Security Act and [42 U.S.C. Chapter 7](#).
5. The statutes creating the franchise need not identify it as a franchise. This is implied by the franchise agreement or legislation itself.
6. Those who are not party to the franchise agreement may not cite or invoke it in defense of their "public rights" because they DON'T HAVE any "public rights"! For them, the franchise agreement is "foreign law" and their estate is a "foreign estate" relative to that law or statute. The only thing you accomplish by citing the franchise agreement is convey your consent to be bound by it, and thereby submit yourself to its jurisdiction. See the following supporting information for examples:
  - 6.1. [26 U.S.C. §7701\(a\)\(31\)](#) : Defines the estate of those not engaged in the "trade or business" franchise as a "foreign estate".
  - 6.2. The following court rulings:

"The revenue laws are a code or system in regulation of tax assessment and collection. They relate to taxpayers, and not to nontaxpayers. The latter are without their scope. No procedure is prescribed for nontaxpayers, and no attempt is made to annul any of their rights and remedies in due course of law. With them Congress does not assume to deal, and they are neither of the subject nor of the object of the revenue laws..."  
[Long v. Rasmussen, 281 F. 236 (1922)]

"Revenue Laws relate to taxpayers [officers, employees, instrumentalities, and elected officials of the Federal Government] and not to non-taxpayers [American Citizens/American Nationals not subject to the exclusive jurisdiction of the Federal Government and who did not volunteer to participate in the federal "trade or business" franchise]. The latter are without their scope. No procedures are prescribed for non-taxpayers and no attempt is made to annul any of their Rights or Remedies in due course of law."  
[Economy Plumbing & Heating v. U.S., 470 F.2d. 585 (1972)]

"A reasonable construction of the taxing statutes does not include vesting any tax official with absolute power of assessment against individuals not specified in the statutes as a person liable for the tax without an opportunity for judicial review of this status before the appellation of 'taxpayer' is bestowed upon them and their property is seized..."  
[Botta v. Scanlon, 288 F.2d. 504, 508 (1961) ]

### 6.3. Why You Shouldn't Cite Federal Statutes for Protecting Your Rights, Family Guardian Fellowship:

<http://famguardian.org/Subjects/Discrimination/CivilRights/DontCiteFederalLaw.htm>

7. Anyone who cites provisions or case law of the statutory franchise or “public right” against you:

7.1. If they cited inapposite case law involving a franchisee against you when you in fact are NOT a franchisee, is abusing case law for political purposes to prejudice your rights. See:

*Political Jurisdiction*, Form #05.004

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

7.2. Is making a presumption that you consented to participate in the franchise.

7.2.1. This “prima facie presumption” will stick if you don’t challenge the jurisdiction at that point and vociferously deny the applicability of the statute.

7.2.2. If you don’t consent but also don’t speak up to challenge the misapplication of the franchise statute, your opponent has effectively:

7.2.2.1. Asserted unlawful eminent domain over your life, liberty, and property without just compensation and connected it to the government as “public property”.

7.2.2.2. Exploited your ignorance and/or laziness to enslave you.

7.2.2.3. Can claim you acquiesced to the “taking” of your property and assert an equitable estoppel and laches defense. See:

*Silence as a Weapon and a Defense in Legal Discovery*, Form #05.021

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

7.2.2.4. Has enslaved you against your will in violation of the Thirteenth Amendment, [42 U.S.C. §1994](#), and [18 U.S.C. §1589](#).

7.2.3. If you want to know how to challenge these unlawful and unconstitutional presumptions, see:

*Presumption: Chief Weapon for Unlawfully Enlarging Federal Jurisdiction*, Form #05.017

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

7.3. Should be challenged to produce evidence of consent ON THE RECORD at every point in the proceeding in order to communicate to them that you don’t consent to the franchise agreement and are deriving no benefits or protection from it. The method for challenging this presumption and FORCING them to admit they are making it is to use the following:

*Federal Enforcement Authority Within States of the Union*, Form #05.032

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

8. Explicit consent of each party to the franchise agreement in a legal dispute before a court must be proven on the record before any of the terms of the franchise may be enforced against that party. Otherwise, a violation of due process occurs because presumption of consent is acting as an unlawful substitute for evidence of consent. A court which does not prove consent on the record is:

8.1. Engaging in involuntary servitude against the party whose consent was never proven, in violation of the Thirteenth Amendment, [42 U.S.C. §1994](#), and [18 U.S.C. §1589](#).

8.2. Unlawfully interfering with the right to contract or not contract of the parties.

*"Independent of these views, there are many considerations which lead to the conclusion that the power to impair contracts [either the Constitution or the Holy Bible], by direct action to that end, does not exist with the general [federal] government. In the first place, one of the objects of the Constitution, expressed in its preamble, was the establishment of justice, and what that meant in its relations to contracts is not left, as was justly said by the late Chief Justice, in Hepburn v. Griswold, to inference or conjecture. As he observes, at the time the Constitution was undergoing discussion in the convention, the Congress of the Confederation was engaged in framing the ordinance for the government of the Northwestern Territory, in which certain articles of compact were established between the people of the original States and the people of the Territory, for the purpose, as expressed in the instrument, of extending the fundamental principles of civil and religious liberty, upon which the States, their laws and constitutions, were erected. By that ordinance it was declared, that, in the just preservation of rights and property, 'no law ought ever to be made, or have force in the said Territory, that shall, in any manner, interfere with or affect private contracts or engagements bona fide and without fraud previously formed.' The same provision, adds the Chief Justice, found more condensed expression in the prohibition upon the States [in Article 1, Section 10 of the Constitution] against impairing the obligation of contracts, which has ever been recognized as an efficient safeguard against injustice; and though the prohibition is not applied in terms to the government of the United States, he expressed the opinion, speaking for himself and the majority of the court at the time, that it was clear 'that those who framed and those who adopted the Constitution intended that the spirit of this prohibition should pervade the entire body of legislation, and that the justice which the Constitution was ordained to establish was not thought by them to be compatible with legislation [or judicial precedent] of an opposite tendency.' 8 Wall. 623. [99 U.S. 700, 765] Similar views are found expressed in the opinions of other judges of this court."*  
[\[Sinking Fund Cases, 99 U.S. 700 \(1878\)\]](#)

8.3. Committing fraud, by misrepresenting what is actually “private law” as “public law”.

8.4. Violating the judge's oath to support and defend the Constitution.

9. For those not engaged in the franchise:

9.1. The "code" or statute that implements the franchise is "foreign law" and they are nonresident persons or "nonresident aliens" in respect to it.

9.2. Courts litigating disputes under the franchise agreement must satisfy the requirements of Minimum Contacts Doctrine of the U.S. Supreme Court.

*In International Shoe Co. v. Washington, 326 U.S. 310 (1945), the Supreme Court held that a court may exercise personal jurisdiction over a defendant consistent with due process only if he or she has "certain minimum contacts" with the relevant forum "such that the maintenance of the suit does not offend 'traditional notions of fair play and substantial justice.'" Id. at 316 (quoting Milliken v. Meyer, 311 U.S. 457, 463 (1940)). Unless a defendant's contacts with a forum are so substantial, continuous, and systematic that the defendant can be deemed to be "present" in that forum for all purposes, a forum may exercise only "specific" jurisdiction - that is, jurisdiction based on the relationship between the defendant's forum contacts and the plaintiff's claim.*

[. . .]

*In this circuit, we analyze specific jurisdiction according to a three-prong test:*

- (1) *The non-resident defendant must purposefully direct his activities or consummate some transaction with the forum or resident thereof; or perform some act by which he purposefully avails himself of the privilege of conducting activities in the forum, thereby invoking the benefits and protections of its laws;*
- (2) *the claim must be one which arises out of or relates to the defendant's forum-related activities; and*
- (3) *the exercise of jurisdiction must comport with fair play and substantial justice, i.e. it must be reasonable.*

*Schwarzenegger v. Fred Martin Motor Co., 374 F.3d. 797, 802 (9th Cir. 2004) (quoting Lake v. Lake, 817 F.2d. 1416, 1421 (9th Cir. 1987)). The first prong is determinative in this case. We have sometimes referred to it, in shorthand fashion, as the "purposeful availment" prong. Schwarzenegger, 374 F.3d. at 802. Despite its label, this prong includes both purposeful availment and purposeful direction. It may be satisfied by purposeful availment of the privilege of doing business in the forum; by purposeful direction of activities at the forum; or by some combination thereof.*

*[Yahoo! Inc. v. La. Ligue Contre Le Racisme Et L'Antisemitisme, 433 F.3d. 1199 (9th Cir. 01/12/2006)]*

9.3. Their estate is a "foreign estate" not within the jurisdiction of the code which administers the program. See [26 U.S.C. §7701\(a\)\(31\)](#).

10. Governments and courts frequently will go to great lengths to disguise the nature of the transaction as a voluntary franchise and the accompanying requirement to prove consent by the following means, in order to unlawfully enlarge their jurisdiction and enslave the people by:

10.1. Referring to everyone as a "franchisee". For instance, the IRS calls absolutely EVERYONE a "taxpayer", when in fact, only those who partake of the privilege are "taxpayers". They also refuse on their website to even mention the term "nontaxpayer", which is a person who is not subject to the I.R.C., even though the courts routinely do. For further details, see:

["Taxpayer" v. "Nontaxpayer": Which One are You?, Family Guardian Fellowship  
<http://famguardian.org/Subjects/Taxes/Articles/TaxpayerVNontaxpayer.htm>](#)

10.2. Allowing case law to be cited by the government party against you that deals only with franchisees and which is irrelevant or inapposite to a person such as yourself who is NOT a franchisee. This constitutes an abuse of "foreign law" for political purposes to promote the selfish whims of the judge or the prosecutor who engages in it for his own personal pecuniary gain in violation of [18 U.S.C. §208](#) and [28 U.S.C. §455](#). See:

[Political Jurisdiction, Form #05.004  
<http://sedm.org/Forms/FormIndex.htm>](#)

10.3. Refusing to acknowledge or enforce the constitutional or "private rights" of those who are not party to the franchise agreement, in order to coerce them into volunteering for the franchise. This turns the court essentially into a "franchise court" where only privileged persons may appear to conduct business in front of the court, which at that point simply becomes an Executive Branch legislatively created agency for conducting "business" of the federal government and turns judges from "justices" to federal administrators who arbitrate disputes under the franchise agreement.

10.4. Inventing new names for the word "privilege", such as "public right", to disguise the true nature of the transaction being arbitrated. See Northern Pipeline Const. Co. v. Marathon Pipe Line Co., 458 U.S. 50, 102 S.Ct. 2858 (1983) for a good example of this. Not ONCE does the court admit that what they are really describing is a voluntary franchise or excise that requires the explicit consent of those whose terms it is being enforced against.

- 10.5. Refusing to require in a legal dispute that evidence of consent and the jurisdiction that it creates be produced on the court record.
- 10.6. Evading the discussion of words that describe the existence of the franchise and diverting attention away from them by bending the rules of statutory construction. See:

Legal Deception, Propaganda, and Fraud, Form #05.014  
<http://sedm.org/Forms/FormIndex.htm>

11. The protection and enforcement of constitutional rights in a court of law does NOT involve “public rights”, but rather “private rights”.
- 11.1. A Constitutional Tort Action under [42 U.S.C. §1983](#) for deprivation of rights is always directed at specific individuals who have violated your personal rights by either violating a law or acting outside their lawfully delegated authority. It is usually never directed at the government, because this would require a waiver of sovereign immunity that seldom is given.
- 11.2. The enforcement of constitutional or “private rights” must always be litigated in an Article III Constitutional court and may not be litigated in a legislative court. Legislative courts include all United States District Courts, which are Article IV legislative courts that may not lawfully officiate over Article III matters or “private rights” or Constitutional rights. See:

What Happened to Justice?, Form #06.012  
<http://sedm.org/Forms/FormIndex.htm>

- 11.3. No federal legislative court, such as any Article IV “United States District Court” or Article I “U.S. Tax Court”, may lawfully rule on any matter that involves “private rights” nor may they lawfully remove such a matter to such a legislative court. This would violate the separation of powers doctrine. *Northern Pipeline Const. Co. v. Marathon Pipe Line Co.*, 458 U.S. 50, 102 S.Ct. 2858 (1983).
- 11.4. Matters involving “private rights” or “constitutional rights” may be litigated in EITHER state courts or Article III federal courts. State courts may rule against federal actors or Article III federal courts may rule against state actors in cases involving violations of “private rights” because in nearly all cases, they are acting outside of their lawful authority and in violation of the Constitution and consequently surrender official, judicial, and sovereign immunity to become private persons. To wit:

*“The Government may not be sued except by its consent. The United States has not submitted to suit for specific performance\*99 or for an injunction. This immunity may not be avoided by naming an officer of the Government as a defendant. **The officer may be sued only if he acts in excess of his statutory authority or in violation of the Constitution for then he ceases to represent the Government.**”*  
[*U.S. ex. rel. Brookfield Const. Co. v. Stewart*, 284 F.Supp. 94 (1964)]

*“... the maxim that the King can do no wrong has no place in our system of government; yet it is also true, in respect to the State itself, that whatever wrong is attempted in its name is imputable to its government and not to the State, for, as it can speak and act only by law, whatever it does say and do must be lawful. That which therefore is unlawful because made so by the supreme law, the Constitution of the United States, is not the word or deed of the State, but is the mere wrong and trespass of those individual persons who falsely spread and act in its name.”*

*“This distinction is essential to the idea of constitutional government. To deny it or blot it out obliterates the line of demarcation that separates constitutional government from absolutism, free self- government based on the sovereignty of the people from that despotism, whether of the one or the many, which enables the agent of the state to declare and decree that he is the state; to say ‘L’Etat, c’est moi.’ Of what avail are written constitutions, whose bills of right, for the security of individual liberty, have been written too often with the blood of martyrs shed upon the battle-field and the scaffold, if their limitations and restraints upon power may be overpassed with impunity by the very agencies created and appointed to guard, defend, and enforce them; and that, too, with the sacred authority of law, not only compelling obedience, but entitled to respect? And how else can these principles of individual liberty and right be maintained, if, when violated, the judicial tribunals are forbidden to visit penalties upon individual offenders, who are the instruments of wrong, whenever they interpose the shield of the state? **The doctrine is not to be tolerated.** The whole frame and scheme of the political institutions of this country, state and federal, protest against it. Their continued existence is not compatible with it. **It is the doctrine of absolutism, pure, simple, and naked, and of communism which is its twin, the double progeny of the same evil birth.**”*  
[*Poindexter v. Greenhow*, 114 U.S. 270, 5 S.Ct. 903 (1885)]

## 26.7 Effects of Participating in the “Trade or Business” and Social Security franchises upon standing

The entirety of Subtitle A of Title 26 of the U.S. Code, also called the Internal Revenue Code (I.R.C.), describes the administration of the TOP SECRET “trade or business” franchise, which is an excise tax upon federal “privileges” or “public rights” associated with a “public office” in the United States government. This body of law is “private law” that only applies against those who individually and expressly consent. For exhaustive details on how this franchise operates, see:

The “Trade or Business” Scam, Form #05.001  
<http://sedm.org/Forms/FormIndex.htm>

Since no sane person would knowingly make an informed decision to participate if they knew it was a voluntary franchise, then your public dis-servants have taken great pains to hide the requirement for consent, but to respect it using silent presumptions which they will do everything within their power to avoid disclosing to the American public who they are SUPPOSED to serve. See the following for how this SCAM works in the courts:

Requirement for Consent, Form #05.003  
<http://sedm.org/Forms/FormIndex.htm>

Yet another type of “public right” or “statutory franchise” is the Social Security system. The operation of this franchise is exhaustively explained in the link below:

Resignation of Compelled Social Security Trustee, Form #06.002  
<http://sedm.org/Forms/FormIndex.htm>

Based on the exhaustive analysis of the “trade or business” and the “social security” franchises listed in the references above, we can safely conclude the following:

1. Participating in any government franchise always creates contractual agency through the operation of a “trust” or “public trust”. That agency subjects you to the laws of a foreign jurisdiction in the District of Columbia pursuant to [Federal Rules of Civil Procedure 17\(b\)](#), [26 U.S.C. §7701\(a\)\(39\)](#), and [26 U.S.C. §7408\(d\)](#) under the terms of the franchise agreements codified in [Internal Revenue Code, Subtitle A](#) and the Social Security Act.
2. The agency created is that of a “trustee” over “public property”, which usually becomes public property by voluntarily donating one’s private property to a “public use” for the purposes of procuring the privilege. That process of donating private property to a public use implicitly grants the government the authority to control that use:

*“Men are endowed by their Creator with certain unalienable rights, -life, liberty, and the pursuit of happiness;’ and to ‘secure,’ not grant or create, these rights, governments are instituted. **That property [or income] which a man has honestly acquired he retains full [and EXCLUSIVE] control of, subject to these limitations: First, that he shall not use it to his neighbor’s injury, and that does not mean that he must use it for his neighbor’s benefit [that is why Social Security is voluntary!]; second, that if he devotes it to a public use, he gives to the public a right to control that use; and third, that whenever the public needs require, the public may take it upon payment of due compensation.**”*  
[Budd v. People of State of New York, 143 U.S. 517 (1892)]

3. The trust relation is a cestuis que trust, which is a charitable trust created for the equal benefit of all those who participate. All those acting as “trustees” represent a federal corporation pursuant to [28 U.S.C. §3002\(15\)\(A\)](#) and the corporation they represent is a statutory “U.S. citizen” pursuant to [8 U.S.C. §1401](#). All corporations are classified as “citizens” of the place where they were incorporated.

*“A foreign corporation is one that derives its existence solely from the laws of another state, government, or country, and the term is used indiscriminately, sometimes in statutes, to designate either a corporation created by or under the laws of another state or a corporation created by or under the laws of a foreign country.”*

*“A federal corporation operating within a state is considered a domestic corporation rather than a foreign corporation. **The United States government is a foreign corporation with respect to a state.**”*  
[19 Corpus Juris Secundum (C.J.S.), Corporations, §883 (2003)]



"A corporation is a citizen, resident, or inhabitant of the state or country by or under the laws of which it was created, and of that state or country only."  
[19 Corpus Juris Secundum (C.J.S.), Corporations, §886 (2003)]

4. You cannot participate in any "public right" or "public franchise" without becoming a "public officer" of the government granting the privilege.
5. Participating in any government franchise makes one a "resident alien" for the purposes of federal jurisdiction and causes an implied surrender of sovereign immunity pursuant to 28 U.S.C. §1605(a)(2) . There is also an implied surrender of sovereign immunity pursuant to 28 U.S.C. §1603(b)(3) because a "citizen", which is what the corporation is that you represent, cannot be a "foreign state" or "foreign sovereign" under the Foreign Sovereign Immunities Act (F.S.I.A.), 28 U.S.C. Part IV, Chapter 97.
6. All privileged activities are usually licensed by the government. The application of the license causes a surrender of constitutional rights.

*"And here a thought suggests itself. As the Meadors, subsequently to the passage of this act of July 20, 1868, applied for and obtained from the government a license or permit to deal in manufactured tobacco, snuff and cigars, I am inclined to be of the opinion that they are, by this their own voluntary act, precluded from assailing the constitutionality of this law, or otherwise controverting it. For the granting of a license or permit-the yielding of a particular privilege-and its acceptance by the Meadors, was a contract, in which it was implied that the provisions of the statute which governed, or in any way affected their business, and all other statutes previously passed, which were in pari materia with those provisions, should be recognized and obeyed by them. When the Meadors sought and accepted the privilege, the law was before them. And can they now impugn its constitutionality or refuse to obey its provisions and stipulations, and so exempt themselves from the consequences of their own acts?"*  
[In re Meador, 1 Abb.U.S. 317, 16 F.Cas. 1294, D.C.Ga. (1869)]

7. The Social Security Number is the "de facto" license number which is used to track and control all those who voluntarily engage in public franchises and "public rights".
  - 7.1. The number is "de facto" rather than "de jure" because Congress cannot lawfully license any trade or business, including a "public office" in a state of the Union, by the admission of no less than the U.S. Supreme Court:

*"Thus, Congress having power to regulate commerce with foreign nations, and among the several States, and with the Indian tribes, may, without doubt, provide for **granting** coasting **licenses**, licenses to pilots, licenses to trade with the Indians, and any other **licenses** necessary or proper for the exercise of that great and extensive power; and the same observation is applicable to every other power of Congress, to the exercise of which the granting of licenses may be incident. All such licenses confer authority, and give rights to the licensee.*

*But very different considerations apply to the **internal commerce** or **domestic trade** of the States. Over this commerce and trade Congress has **no power of regulation nor any direct control**. This power belongs **exclusively** to the States. **No interference by Congress with the business of citizens transacted within a State is warranted by the Constitution, except such as is strictly incidental to the exercise of powers clearly granted to the legislature.** The power to authorize a business within a State is plainly repugnant to the exclusive power of the State over the same subject. It is true that the power of Congress to tax is a very extensive power. It is given in the Constitution, with only one exception and only two qualifications. Congress cannot tax exports, and it must impose direct taxes by the rule of apportionment, and indirect taxes by the rule of uniformity. Thus limited, and thus only, it reaches every subject, and may be exercised at discretion. But, it reaches only existing subjects. **Congress cannot authorize a trade or business within a State in order to tax it.**"  
[License Tax Cases, 72 U.S. 462, 18 L.Ed. 497, 5 Wall. 462, 2 A.F.T.R. 2224 (1866) ]*

- 7.2. If you don't want to be in a "privileged" state and suffer the legal disabilities of accepting the privilege, then you CANNOT have or use Social Security Numbers.
8. Those participating in the "benefits" of the franchise have implicitly surrendered the right to challenge any encroachments against their "private rights" or "constitutional rights" that result from said participation:

*The Court developed, for its own governance in the cases confessedly within its jurisdiction, a series of rules under which it has avoided passing upon a large part of all the constitutional questions pressed upon it for decision. They are:*

[. . .]

6. The Court will not pass upon the constitutionality of a statute at the instance of one who has availed himself of its benefits. <sup>EN7</sup> Great Falls Mfg. Co. v. Attorney General, 124 U.S. 581, 8 S.Ct. 631, 31 L.Ed. 527; Wall v. Parrot Silver & Copper Co., 244 U.S. 407, 411, 412, 37 S.Ct. 609, 61 L.Ed. 1229; St. Louis Malleable Casting Co. v. Prendergast Construction Co., 260 U.S. 469, 43 S.Ct. 178, 67 L.Ed. 351.

1 [FN7 Compare \*Electric Co. v. Dow\*, 166 U.S. 489, 17 S.Ct. 645, 41 L.Ed. 1088; \*Pierce v. Somerset Ry.\*, 171 U.S.](#)  
2 [641, 648, 19 S.Ct. 64, 43 L.Ed. 316; \*Leonard v. Vicksburg, etc., R. Co.\*, 198 U.S. 416, 422, 25 S.Ct. 750, 49 L.Ed.](#)  
3 [1108.](#)  
4 [\[\*Ashwander v. Tennessee Valley Authority\*, 297 U.S. 288, 56 S.Ct. 466 \(1936\)\]](#)

5 9. Use of a Social Security Number constitutes prima facie consent to engage in the franchise. Use of this number  
6 constitutes prima facie evidence of implied consent because:

7 9.1. It is a crime to compel use or disclosure of Social Security Numbers. [42 U.S.C. §408.](#)

8 9.2. You can withdraw from the franchise lawfully at any time if you don't want to participate. See SSA Form 521.

9 See:

*Resignation of Compelled Social Security Trustee*, Form #06.002

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

10 9.3. If the government uses the SSN trustee licenses number to communicate with you and you don't object or correct  
11 them, then you once again consented to their jurisdiction to administer the program. See:

*Wrong Party Notice*, Form #07.105

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

12 10. The Social Security Number is property of the government and NOT the person using it. 20 C.F.R. §422.103(d).

13 10.1. The Social Security card confirms this, which says: "Property of the Social Security Administration (S.S.A.) and  
14 must be returned upon request.

15 10.2. Anything the Social Security Number is attached to becomes "private property" voluntarily donated to a "public  
16 use" to procure the benefits of the "public right" or franchise. Only "public officers" on official business may have  
17 public property in their possession such as the Social Security Number.

18 We will now further analyze items 1 and 2 above by giving you an example of how partaking of a franchise creates agency  
19 and constitutes a "trust" or "public trust". The following supreme Court ruling proves that a corporate railroad is a  
20 government franchise which makes the corporation into a "cestuis que trust", the officers into "public officers" and  
21 "trustees" of the United States government through the operation of private law, which is the corporate charter.

22 *The proposition is that the United States, as the grantor of the franchises of the company, the author of its*  
23 *charter, and the donor of lands, rights, and privileges of immense value, and as parens patriae, is a trustee,*  
24 *invested with power to enforce the proper use of the property and franchises granted for the benefit of the*  
25 *public.*

26 *The legislative power of Congress over this subject has already been considered, and need not be further alluded*  
27 *to. The trust here relied on is one which is supposed to grow out of the relations of the corporation to the*  
28 *government, which, without any aid from legislation, are cognizable in the ordinary courts of equity.*

29 *It must be confessed that, with every desire to find some clear and well-defined statement of the foundation for*  
30 *relief under this head of jurisdiction, and after a very careful examination of the authorities cited, the nature of*  
31 *this claim of right remains exceedingly vague. Nearly all the cases- we may almost venture to say all of them-fall*  
32 *under two heads:--*

33 *1. Where municipal, charitable, religious, or eleemosynary corporations, public in their character, had abused*  
34 *their franchises, perverted the purpose of their organization, or misappropriated their funds, and as they, from*  
35 *the nature of their corporate functions, were more or less under government supervision, the Attorney-General*  
36 *proceeded against them to obtain correction of the abuse; or,*

37 *2. Where private corporations, chartered for definite and limited purposes, had exceeded their powers, and were*  
38 *restrained \*618 or enjoined in the same manner from the further violation of the limitation to which their powers*  
39 *were subject.*

40 *The doctrine in this respect is well condensed in the opinion in *The People v. Ingersoll*, recently decided by the*  
41 *Court of Appeals of New York, 58 N.Y. 1. 'If,' says the court, 'the property of a corporation be illegally interfered*  
42 *with by corporation officers and agents or others, the remedy is by action at the suit of the corporation, and not*  
43 *of the Attorney-General. Decisions are cited from the reports of this country and of this State, entitled to*  
44 *consideration and respect, affirming to some extent the doctrine of the English courts, and applying it to like*  
45 *cases as they have arisen here. But in none has the doctrine been extended beyond the principles of the English*  
46 *cases; and, aside from the jurisdiction of courts of equity over trusts of property for public uses and over the*  
47 *trustees, either corporate or official, the courts have only interfered at the instance of the Attorney-General to*  
48 *prevent and prohibit some official wrong by municipal corporations or public officers, and the exercise of usurped*  
49 *or the abuse of actual powers.' p. 16.*

50 *\*\*37 To bring the present case within the rule governing the exercise of the equity powers of the court, it is*  
51 *strongly urged that the company belongs to the class first described.*

1 The duties imposed upon it by the law of its creation, the loan of money and the donation of lands made to it by  
2 the United States, its obligation to carry for the government, and the great purpose of Congress in opening a  
3 highway for **public use** and the postal service between the widely separated States of the Union, are relied on as  
4 establishing this proposition.

5 But in answer to this it must be said that, after all, it is but a railroad company, with the ordinary powers of such  
6 corporations. **Under its contract with the government, the latter has taken good care of itself; and its rights**  
7 **may be judicially enforced without the aid of this trust relation. They may be aided by the general legislative**  
8 **powers of Congress, and by those reserved in the charter, which we have specifically quoted.**

9 The statute which conferred the benefits on this company, the loan of money, the grant of lands, and the right of  
10 way, did the same for other corporations already in existence under State or territorial charters. Has the United  
11 States the right \*619 to assert a trust in the Federal government which would authorize a suit like this by the  
12 Attorney-General against the Kansas Pacific Railway Company, the Central Pacific Railroad Company, and  
13 other companies in a similar position?

14 **If the United States is a trustee, there must be cestuis que trust. There cannot be the one without the other, and**  
15 **the trustee cannot be a trustee for himself alone. A trust does not exist when the legal right and the use are in**  
16 **the same party, and there are no ulterior trusts.**

17 **Who are the cestuis que trust for whose benefit this suit is brought?** If they be the defrauded stockholders, we  
18 have already shown that they are capable of asserting their own rights; that no provision is made for securing  
19 them in this suit should it be successful, and that the statute indicates no such purpose.

20 If the trust concerned relates to the rights of the public in the use of the road, no wrong is alleged capable of  
21 redress in this suit, or which requires such a suit for redress.

22 Railroad [Company v. Peniston \(18 Wall. 5\)](#) shows that the company is not a mere creature of the United States,  
23 but that while it owes duties to the government, the performance of which may, in a proper case, be enforced, it  
24 is still a private corporation, the same as other railroad companies, and, like them, subject to the laws of taxation  
25 and the other laws of the States in which the road lies, so far as they do not destroy its usefulness as an instrument  
26 for government purposes.

27 **We are not prepared to say that there are no trusts which the United States may not enforce in a court of equity**  
28 **against this company.** When such a trust is shown, it will be time enough to recognize it. But we are of opinion  
29 that there is none set forth in this bill which, under the statute authorizing the present suit, can be enforced in the  
30 Circuit Court.

31 \*\*38 There are many matters alleged in the bill in this case, and many points ably presented in argument, which  
32 have received our careful attention, but of which we can take no special notice in this opinion. We have devoted  
33 so much space to the more important matters, that we can only say that, under the view which we take of the  
34 scope of the enabling statute, they furnish no ground for relief in this suit.

35 \*620 The liberal manner in which the government has aided this company in money and lands is much urged  
36 upon us as a reason why the rights of the United States should be liberally construed. This matter is fully  
37 considered in the opinion of the court already cited, in *United States v. Union Pacific Railroad Co.* (supra), in  
38 which it is shown that it was a wise liberality for which the government has received all the advantages for which  
39 it bargained, and more than it expected. **In the feeble infancy of this child of its creation, when its life and**  
40 **usefulness were very uncertain, the government, fully alive to its importance, did all that it could to strengthen,**  
41 **support, and sustain it. Since it has grown to a vigorous manhood, it may not have displayed the gratitude**  
42 **which so much care called for. If this be so, it is but another instance of the absence of human affections which**  
43 **is said to characterize all corporations. It must, however, be admitted that it has fulfilled the purpose of its**  
44 **creation and realized the hopes which were then cherished, and that the government has found it a useful**  
45 **agent, enabling it to save vast sums of money in the transportation of troops, mails, and supplies, and in the**  
46 **use of the telegraph.**

47 A court of justice is called on to inquire not into the balance of benefits and favors on each side of this controversy,  
48 but into the rights of the parties as established by law, as found in their contracts, as recognized by the settled  
49 principles of equity, and to decide accordingly. Governed by this rule, and by the intention of the legislature in  
50 passing the act under which this suit is brought, we concur with the Circuit Court in holding that no case for  
51 relief is made by the bill.

52 [*U.S. v. Union Pac. R. Co.*, 98 U.S. 569 (1878)]

53 Notice that the government, in relation to the franchisee, is referred to by the Supreme Court as a “parens patriae”. This  
54 describes the role of the government as protector over persons with a **legal disability**. That disability, in fact, consists mainly  
55 of the obligations associated with a “public office” in the U.S. government. By partaking of a “public right” or “statutory  
56 right” or “privilege”, you are abdicating responsibility over your life, admitting that you can’t govern or support yourself,

and therefore transferring your own person, property, and labor to another sovereign, who then exercises a legal “guardianship” as a bloated socialist government. Quite revealing!:

PARENS PATRIAE. Father of his country; parent of the country. In England, the king. In the United States, the state, as a sovereign referring to the sovereign power of guardianship over persons under disability; In re Turner, 94 Kan. 115, 145 P. 871, 872, Ann.Cas.1916E, 1022; such as minors, and insane and incompetent persons; McIntosh v. Dill, 86 Okl. 1, 205 P. 917, 925.  
[Black’s Law Dictionary, Sixth Edition, p. 1269]

Those who nominate a “parens patriae” to govern their lives by engaging in statutory “public rights” and franchises can, at the whim of their new master, be left entirely without remedy in any court of law. Below is the proof:

These general rules are well settled: (1) That the United States, when it creates rights in individuals against itself, is under no obligation to provide a remedy through the courts. United States ex rel. Dunlap v. Black, 128 U.S. 40, 9 Sup.Ct. 12, 32 L.Ed. 354; Ex parte Atocha, 17 Wall. 439, 21 L.Ed. 696; Gordon v. United States, 7 Wall. 188, 195, 19 L.Ed. 35; De Groot v. United States, 5 Wall. 419, 431, 433, 18 L.Ed. 700; Comegys v. Vasse, 1 Pet. 193, 212, 7 L.Ed. 108. (2) That where a statute creates a right and provides a special remedy, that remedy is exclusive. Wilder Manufacturing Co. v. Corn Products Co., 236 U.S. 165, 174, 175, 35 Sup.Ct. 398, 59 L.Ed. 520, Ann.Cas. 1916A, 118; Arnson v. Murphy, 109 U.S. 238, 3 Sup.Ct. 184, 27 L.Ed. 920; Barnett v. National Bank, 98 U.S. 555, 558, 25 L.Ed. 212; Farmers’ & Mechanics’ National Bank v. Dearing, 91 U.S. 29, 35, 23 L.Ed. 196. Still the fact that the right and the remedy are thus intertwined might not, if the provision stood alone, require us to hold that the remedy expressly given excludes a right of review by the Court of Claims, where the decision of the special tribunal involved no disputed question of fact and the denial of compensation was rested wholly upon the construction of the act. See Medbury v. United States, 173 U.S. 492, 198, 19 Sup.Ct. 503, 43 L.Ed. 779; Parish v. MacVeagh, 214 U.S. 124, 29 Sup.Ct. 556, 53 L.Ed. 936; McLean v. United States, 226 U.S. 374, 33 Sup.Ct. 122, 57 L.Ed. 260; United States v. Laughlin (No. 200), 249 U.S. 440, 39 Sup.Ct. 340, 63 L.Ed. 696, decided April 14, 1919. But here Congress has provided:

‘That any claim which shall be presented and acted on under authority of this act shall be held as finally determined, and shall never thereafter be reopened or considered.’

These words express clearly the intention to confer upon the Treasury Department exclusive jurisdiction and to make its decision final. The case of United States v. Harmon, 147 U.S. 268, 13 Sup.Ct. 327, 37 L.Ed. 164, strongly relied upon by claimants, has no application. Compare D. M. Ferry & Co. v. United States, 85 Fed. 550, 557, 29 C.C.A. 345.

In the Babcock Case claimant insists also that section 3482 of the Revised Statutes (Comp. St. § 6390), as amended by Act of June 22, \*332 1874, c. 395, 18 Stat. 193 (Comp. St. §§ 6391, 6392) affords a basis for the recovery. That section provided for reimbursement for horses lost in the military service, among other things ‘in consequence of the United States failing to supply sufficient forage.’ The 1874 amendment provided for reimbursement in any case ‘where the loss resulted from any exigency or necessity of the military service, unless it was caused by the fault or negligence of such officers or enlisted men.’ Even if these statutes were applicable to facts like those presented here, there could be no recovery; because under Act Jan. 9, 1883, c. 15, 22 Stat. 401, and Act Aug. 13, 1888, c. 868, 25 Stat. 437, the right to present claims under section 3482 of the Revised Statutes as amended finally expired in 1891. See Griffis v. United States, 52 Ct.Cl. 1, 170.

The Court of Claims was without jurisdiction in either case, and the judgments are Reversed.  
[U.S. v. Babcock, 250 U.S. 328, 39 S.Ct. 464 (1919)]

## **27 Legal standing and status of corporations in Federal Courts**

### **27.1 Corporations are statutory but not constitutional “citizens”**

In law, all corporations are considered to be statutory but not constitutional “citizens” or “residents” of the place they were incorporated and of that place ONLY:

“A corporation is a citizen, resident, or inhabitant of the state or country by or under the laws of which it was created, and of that state or country only.”  
[19 Corpus Juris Secundum (C.J.S.), Corporations, §886 (2003)]

“It is very true that a corporation can have no legal existence [STATUS such as STATUTORY “citizen” or “resident”] out of the boundaries of the sovereignty by which it is created. It exists only in contemplation of law, and by force of the law; and where the law ceases to operate, and is no longer obligatory, the corporation can have no existence. It must dwell in the place of its creation, and cannot migrate to another sovereignty.”  
[Bank of Augusta v. Earle, 38 U.S. (13 Pet.) 519, 10 L.Ed. 274 (1839)]



Statutory citizenship, however, does not derive from citizenship under the constitution of a state of the Union. The types of “citizens” spoken of in the United States Constitution are ONLY biological people and not artificial creations such as corporations. Here is what the Annotated Fourteenth Amendment published by the Congressional Research Service has to say about this subject:

*“Citizens of the United States within the meaning of this Amendment must be natural and not artificial persons; a corporate body is not a citizen of the United States.”<sup>14</sup>*

<sup>14</sup> *Insurance Co. v. New Orleans*, 13 Fed.Cas. 67 (C.C.D.La. 1870). Not being citizens of the United States, corporations accordingly have been declared unable “to claim the protection of that clause of the Fourteenth Amendment which secures the privileges and immunities of citizens of the United States against abridgment or impairment by the law of a State.” *Orient Ins. Co. v. Daggs*, 172 U.S. 557, 561 (1869). This conclusion was in harmony with the earlier holding in *Paul v. Virginia*, 75 U.S. (8 Wall.) 168 (1869), to the effect that corporations were not within the scope of the privileges and immunities clause of state citizenship set out in Article IV, Sec. 2. See also *Selover, Bates & Co. v. Walsh*, 226 U.S. 112, 126 (1912); *Berea College v. Kentucky*, 211 U.S. 45 (1908); *Liberty Warehouse Co. v. Tobacco Growers*, 276 U.S. 71, 89 (1928); *Grosjean v. American Press Co.*, 297 U.S. 233, 244 (1936).

[Annotated Fourteenth Amendment, Congressional Research Service.

SOURCE: [http://www.law.cornell.edu/anncon/html/amdt14a\\_user.html#amdt14a\\_hd1](http://www.law.cornell.edu/anncon/html/amdt14a_user.html#amdt14a_hd1)]

## **27.2 Corporations cannot sue in a CONSTITUTIONAL federal court and may only sue in a STATUTORY franchise court**

Provisions of the United States Constitution dealing with the capacity to sue or be sued in federal court dictate that ONLY CONSTITUTIONAL “citizens” or “residents” may entertain suits in Article III federal court:

*U.S. Constitution, Article III, Section 2*

*The judicial Power shall extend to all Cases, in Law and Equity, arising under this Constitution, the Laws of the United States, and Treaties made, or which shall be made, under their Authority;--to all Cases affecting Ambassadors, other public ministers and Consuls;--to all Cases of admiralty and maritime Jurisdiction;--to Controversies to which the United States shall be a Party;--to Controversies between two or more States;-- between a State and Citizens of another State;--between Citizens of different States;--between Citizens of the same State claiming Lands under Grants of different States, and between a State, or the Citizens thereof, and foreign States, Citizens or Subjects.*

The U.S. Supreme Court has repeatedly held that the “citizen” or “resident” they are talking about in the above provision is CONSTITUTIONAL and not STATUTORY in nature.

*It is important that the style and character of this party litigant, as well as the source and manner of its existence, be borne in mind, as both are deemed material in considering the question of the jurisdiction of this court, and of the Circuit Court. It is important, too, to be remembered, that the question here raised stands wholly unaffected by any legislation, competent or incompetent, which may have been attempted in the organization of the courts of the United States; but depends exclusively upon the construction of the 2d section of the 3d article of the Constitution, which defines the judicial power of the United States; first, with respect to the subjects embraced within that power; and, secondly, with respect to those whose character may give them access, as parties, to the courts of the United States. In the second branch of this definition, we find the following enumeration, as descriptive of those whose position, as parties, will authorize their pleading or being impleaded in those courts; and this position is limited to “controversies to which the United States are a party; controversies 97\*97 between two or more States, — between citizens of different States, — between citizens of the same State, claiming lands under grants of different States, — and between the citizens of a State and foreign citizens or subjects.”*

*Now, it has not been, and will not be, pretended, that this corporation can, in any sense, be identified with the United States, or is endowed with the privileges of the latter; or if it could be, it would clearly be exempted from all liability to be sued in the Federal courts. Nor is it pretended, that this corporation is a State of this Union; nor, being created by, and situated within, the State of New Jersey, can it be held to be the citizen or subject of a foreign State. It must be, then, under that part of the enumeration in the article quoted, which gives to the courts of the United States jurisdiction in controversies between citizens of different States, that either the Circuit Court or this court can take cognizance of the corporation as a party; and this is, in truth, the sole foundation on which that cognizance has been assumed, or is attempted to be maintained. The proposition, then, on which the authority of the Circuit Court and of this tribunal is based, is this: The Delaware and Raritan Canal Company is either a citizen of the United States, or it is a citizen of the State of New Jersey. This proposition, startling as its terms may appear, either to the legal or political apprehension, is undeniably*



1 the basis of the jurisdiction asserted in this case, and in all others of a similar character, and must be  
2 established, or that jurisdiction wholly fails. Let this proposition be examined a little more closely.

3 The term citizen will be found rarely occurring in the writers upon English law; those writers almost universally  
4 adopting, as descriptive of those possessing rights or sustaining obligations, political or social, the term subject,  
5 as more suited to their peculiar local institutions. But, in the writers of other nations, and under systems of polity  
6 deemed less liberal than that of England, we find the term citizen familiarly reviving, and the character and the  
7 rights and duties that term implies, particularly defined. Thus, Vattel, in his 4th book, has a chapter, (cap. 6th,)   
8 the title of which is: "The concern a nation may have in the actions of her citizens." A few words from the text of  
9 that chapter will show the apprehension of this author in relation to this term. "Private persons," says he, "who  
10 are members of one nation, may offend and ill-treat the citizens of another; it remains for us to examine what  
11 share a state may have in the actions of her citizens, and what are the rights and obligations of sovereigns in that  
12 respect." And again: "Whoever uses a citizen ill, indirectly offends the state, which is bound to protect this  
13 citizen." The meaning of the term citizen 98\*98 or subject, in the apprehension of English jurists, as indicating  
14 persons in their natural character, in contradistinction to artificial or fictitious persons created by law, is  
15 further elucidated by those jurists, in their treatises upon the origin and capacities and objects of those artificial  
16 persons designated by the name of corporations. Thus, Mr. Justice Blackstone, in the 18th chapter of his 1st  
17 volume, holds this language: "We have hitherto considered persons in their natural capacities, and have treated  
18 of their rights and duties. But, as all personal rights die with the person; and, as the necessary forms of investing  
19 a series of individuals, one after another, with the same identical rights, would be inconvenient, if not  
20 impracticable; it has been found necessary, when it is for the advantage of the public to have any particular  
21 rights kept on foot and continued, to constitute artificial persons, who maintain a perpetual succession, and  
22 enjoy a kind of legal immortality. These artificial persons are called corporations."

23 This same distinguished writer, in the first book of his Commentaries, p. 123, says, "The rights of persons are  
24 such as concern and are annexed to the persons of men, and when the person to whom they are due is regarded,  
25 are called simply rights; but when we consider the person from whom they are due, they are then denominated,  
26 duties," And again, cap. 10th of the same book, treating of the PEOPLE, he says, "The people are either aliens,  
27 that is, born out of the dominions or allegiance of the crown; or natives, that is, such as are born within it." Under  
28 our own systems of polity, the term, citizen, implying the same or similar relations to the government and to  
29 society which appertain to the term, subject, in England, is familiar to all. Under either system, the term used is  
30 designed to apply to man in his individual character, and to his natural capacities; to a being, or agent,  
31 possessing social and political rights, and sustaining, social, political, and moral obligations. It is in this  
32 acceptation only, therefore, that the term, citizen, in the article of the Constitution, can be received and  
33 understood. When distributing the judicial power, that article extends it to controversies between citizens of  
34 different States. This must mean the natural physical beings composing those separate communities, and can,  
35 by no violence of interpretation, be made to signify artificial, incorporeal, theoretical, and invisible creations.  
36 A corporation, therefore, being not a natural person, but a mere creature of the mind, invisible and intangible,  
37 cannot be a citizen of a State, or of the United States, and cannot fall within the terms or the power of the  
38 above-mentioned article, and can therefore neither plead nor be impleaded in the courts of the United States.  
39 Against this position it may be urged, that the 99\*99 converse thereof has been ruled by this court, and that this  
40 matter is no longer open for question. In answer to such an argument, I would reply, that this is a matter involving  
41 a construction of the Constitution, and that wherever the construction or the integrity of that sacred instrument  
42 is involved, I can hold myself trammelled by no precedent or number of precedents. That instrument is above all  
43 precedents; and its integrity every one is bound to vindicate against any number of precedents, if believed to  
44 trench upon its supremacy. Let us examine into what this court has propounded in reference to its jurisdiction in  
45 cases in which corporations have been parties; and endeavor to ascertain the influence that may be claimed for  
46 what they have heretofore ruled in support of such jurisdiction. The first instance in which this question was  
47 brought directly before this court, was that of the Bank of the United States v. Deveaux, 5 Cranch, 61. An  
48 examination of this case will present a striking instance of the error into which the strongest minds may be led,  
49 whenever they shall depart from the plain, common acceptance of terms, or from well ascertained truths, for the  
50 attainment of conclusions, which the subtlest ingenuity is incompetent to sustain. This criticism upon the decision  
51 in the case of the Bank v. Deveaux, may perhaps be shielded from the charge of presumptuousness, by a  
52 subsequent decision of this court, hereafter to be mentioned. In the former case, the Bank of the United States,  
53 a corporation created by Congress, was the party plaintiff, and upon the question of the capacity of such a  
54 party to sue in the courts of the United States, this court said, in reference to that question, "The jurisdiction  
55 of this court being limited, so far as respects the character of the parties in this particular case, to controversies  
56 between citizens of different States, both parties must be citizens, to come within the description. That invisible,  
57 intangible, and artificial being, that mere legal entity, a corporation aggregate, is certainly not a citizen, and  
58 consequently cannot sue or be sued in the courts of the United States, unless the rights of the members in this  
59 respect can be exercised in their corporate name. If the corporation be considered as a mere faculty, and not  
60 as a company of individuals, who, in transacting their business, may use a legal name, they must be excluded  
61 from the courts of the Union." The court having shown the necessity for citizenship in both parties, in order to  
62 give jurisdiction; having shown farther, from the nature of corporations, their absolute incompatibility with  
63 citizenship, attempts some qualification of these indisputable and clearly stated positions, which, if intelligible at  
64 all, must be taken as wholly subversive of the positions so laid down. After stating the requisite of citizenship, and  
65 showing that a corporation 100\*100 cannot be a citizen, "and consequently that it cannot sue or be sued in the  
66 courts of the United States," the court goes on to add, "unless the rights of the members can be exercised in their  
67 corporate name." Now, it is submitted that it is in this mode only, viz. in their corporate name, that the rights of  
68 the members can be exercised; that it is this which constitutes the character, and being, and functions of a  
69 corporation. If it is meant beyond this, that each member, or the separate members, or a portion of them, can take

to themselves the character and functions of the aggregate and merely legal being, then the corporation would be dissolved; its unity and perpetuity, the essential features of its nature, and the great objects of its existence, would be at an end. It would present the anomaly of a being existing and not existing at the same time. This strange and obscure qualification, attempted by the court, of the clear, legal principles previously announced by them, forms the introduction to, and apology for, the proceeding, adopted by them, by which they undertook to adjudicate upon the rights of the corporation, through the supposed citizenship of the individuals interested in that corporation. They assert the power to look beyond the corporation, to presume or to ascertain the residence of the individuals composing it, and to model their decision upon that foundation. In other words, they affirm that in an action at law, the purely legal rights, asserted by one of the parties upon the record, may be maintained by showing or presuming that these rights are vested in some other person who is no party to the controversy before them.

Thus stood the decision of the Bank of the United States v. Deveaux, wholly irreconcilable with correct definition, and a puzzle to professional apprehension, until it was encountered by this court, in the decision of the Louisville and Cincinnati Railroad Company v. Letson, reported in 2 Howard, 497. In the latter decision, the court, unable to untie the judicial entanglement of the Bank and Deveaux, seem to have applied to it the sword of the conqueror; but, unfortunately, in the blow they have dealt at the ligature which perplexed them, they have severed a portion of the temple itself. They have not only contravened all the known definitions and adjudications with respect to the nature of corporations, but they have repudiated the doctrines of the civilians as to what is imported by the term subject or citizen, and repealed, at the same time, that restriction in the Constitution which limited the jurisdiction of the courts of the United States to controversies between "citizens of different States." They have asserted that, "a corporation created by, and transacting business in a State, is to be deemed an inhabitant of the State, capable of being treated 101\*101 as a citizen, for all the purposes of suing and being sued, and that an averment of the facts of its creation, and the place of transacting its business, is sufficient to give the circuit court's jurisdiction.

The first thing which strikes attention, in the position thus affirmed, is the want of precision and perspicuity in its terms. The court affirm that a corporation created by, and transacting business within a State, is to be deemed an inhabitant of that State. But the article of the Constitution does not make inhabitancy a requisite of the condition of suing or being sued; that requisite is citizenship. Moreover, although citizenship implies the right of residence, the latter by no means implies citizenship. Again, it is said that these corporations may be treated as citizens, for the purpose of suing or being sued. Even if the distinction here attempted were comprehensible, it would be a sufficient reply to it, that the Constitution does not provide that those who may be treated as citizens, may sue or be sued, but that the jurisdiction shall be limited to citizens only; citizens in right and in fact. The distinction attempted seems to be without meaning, for the Constitution or the laws nowhere define such a being as a quasi citizen, to be called into existence for particular purposes; a being without any of the attributes of citizenship, but the one for which he may be temporarily and arbitrarily created, and to be dismissed from existence the moment the particular purposes of his creation shall have been answered. In a political, or legal sense, none can be treated or dealt with by the government as citizens, but those who are citizens in reality. It would follow, then, by necessary induction, from the argument of the court, that as a corporation must be treated as a citizen, it must be so treated to all intents and purposes, because it is a citizen. Each citizen (if not under old governments) certainly does, under our system of polity, possess the same rights and faculties, and sustain the same obligations, political, social, and moral, which appertain to each of his fellow-citizens. As a citizen, then, of a State, or of the United States, a corporation would be eligible to the State or Federal legislatures; and if created by either the State or Federal governments, might, as a native-born citizen, aspire to the office of President of the United States — or to the command of armies, or fleets, in which last example, so far as the character of the commander would form a part of it, we should have the poetical romance of the spectre ship realized in our Republic. And should this incorporeal and invisible commander not acquit himself in color or in conduct, we might see him, provided his arrest were practicable, sent to answer his delinquencies before a court-martial, and subjected to the penalties 102\*102 of the articles of war. Sir Edward Coke has declared, that a corporation cannot commit treason, felony, or other crime; neither is it capable of suffering a traitor's or felon's punishment; for it is not liable to corporeal penalties — that it can perform no personal duties, for it cannot take an oath for the due execution of an office; neither can it be arrested or committed to prison, for its existence being ideal, no man can arrest it; neither can it be excommunicated, for it has no soul. But these doctrines of Lord Coke were founded upon an apprehension of the law now treated as antiquated and obsolete. His lordship did not anticipate an improvement by which a corporation could be transformed into a citizen, and by that transformation be given a physical existence, and endowed with soul and body too. The incongruities here attempted to be shown as necessarily deducible from the decisions of the cases of the Bank of the United States v. Deveaux, and of the Cincinnati and Louisville Railroad Company v. Letson, afford some illustration of the effects which must ever follow a departure from the settled principles of the law. These principles are always traceable to a wise and deeply founded experience; they are, therefore, ever consentaneous, and in harmony with themselves and with reason; and whenever abandoned as guides to the judicial course, the aberration must lead to bewildering uncertainty and confusion. Conducted by these principles, consecrated both by time and the obedience of sages, I am brought to the following conclusions: 1st. That by no sound or reasonable interpretation, can a corporation — a mere faculty in law, be transformed into a citizen, or treated as a citizen. 2d. That the second section of the third article of the Constitution, investing the courts of the United States with jurisdiction in controversies between citizens of different States, cannot be made to embrace controversies to which corporations and not citizens are parties; and that the

assumption, by those courts, of jurisdiction in such cases, must involve a palpable infraction of the article and section just referred to. 3d. That in the cause before us, the party defendant in the Circuit Court having been a corporation aggregate, created by the State of New Jersey, the Circuit Court could not properly take cognizance thereof; and, therefore, this cause should be remanded to the Circuit Court, with directions that it be dismissed for the want of jurisdiction.

[Rundle Et Al v. Delaware and Raritan Canal Company, 55 U.S. 80 (1852)]

### **27.3 Only PRIVATE natural beings can sue in CONSTITUTIONAL court and they must privately invoke the RIGHTS of the corporation franchise in doing so**

The following case mentioned in the above case also establishes that when someone sues in an Article III CONSTITUTIONAL court, they must do so in their own name as a natural being and invoke rights associated with the corporation. They cannot sue as a corporation, even if they are officers:

"Aliens, or citizens of different states, are not less susceptible of these apprehensions, nor can they be supposed to be less the objects of constitutional provision, because they are allowed to sue by a corporate name. That name, indeed, cannot be an alien or a citizen; but the persons whom it represents may be the one or the other; and the controversy is, in fact and in law, between those persons suing in their corporate character, by their corporate name, for a corporate right, and the individual against whom the suit may be instituted. Substantially \*88 and essentially, the parties in such a case, where the members of the corporation are aliens, or citizens of a different state from the opposite party, come within the spirit and terms of the jurisdiction conferred by the constitution on the national tribunals."

[. . .]

If the constitution would authorize congress to give the courts of the union jurisdiction in this case, in consequence of the character of the members of the corporation, then the judicial act ought to be construed to give it. For the term citizen ought to be understood as it is used in the constitution, and as it is used in other laws. That is, to describe the real persons who come into court, in this case, under their corporate name.

*That corporations composed of citizens are considered by the legislature as citizens, under certain [STATUTORY but not CONSTITUTIONAL] circumstances, is to be strongly inferred from the registering act. It never could be intended that an American registered vessel, abandoned to an insurance company composed of citizens, should lose her character as an American vessel; and yet this would be the consequence of declaring that the members of the corporation were, to every intent and purpose, out of view, and merged in the corporation.*

The court feels itself authorized by the case in 12 Mod. on a question of jurisdiction, to look to 92\*92 the character of the individuals who compose the corporation, and they think that the precedents of this court, though they were not decisions on argument, ought not to be absolutely disregarded."  
[Bank of United States v. Deveaux, 9 U.S. 61(1809)]

We wish to emphasize that if you face a corporation in a federal court and they plead in their own name instead of as individuals representing the corporation, then you can only do so in an Article IV, Section 3, Clause 2 franchise court and against a FEDERAL corporation domiciled in the District of Columbia and NOT within any state of the Union. Examples of such Article IV and/or franchise courts include:

1. "United States District Courts". Only "District Courts of the United States" as identified in Article III are CONSTITUTIONAL courts. There are not such courts remaining after they were disestablished in the early 1900's.

*The term 'District Courts of the United States,' as used in the rules, without an addition expressing a wider connotation, has its historic significance. It describes the constitutional courts created under article 3 of the Constitution. Courts of the Territories are legislative [FRANCHISE] courts, properly speaking, and are not District Courts of the United States. We have often held that vesting a territorial court with jurisdiction similar to that vested in the District Courts of the United States does not make it a 'District Court of the United States.' Reynolds v. United States, 98 U.S. 145, 154; The City of Panama, 101 U.S. 453, 460; In re Mills, 135 U.S. 263, 268, 10 S.Ct. 762; McAllister v. United States, 141 U.S. 174, 182, 183 S., 11 S.Ct. 949; Stephens v. Cherokee Nation, 174 U.S. 445, 476, 477 S., 19 S.Ct. 722; Summers v. United States, 231 U.S. 92, 101, 102 S., 34 S.Ct. 38; United States v. Burroughs, 289 U.S. 159, 163, 53 S.Ct. 574. Not only did the promulgating order use the term District Courts of the United States in its historic and proper sense, but the omission of provision for the application of the rules to the territorial courts and other courts mentioned in the authorizing act clearly shows the limitation that was intended.*  
[Mookini v. United State, 303 U.S. 201 (1938)]

2. Circuit Courts of the United States acting in their appellate jurisdiction. These are presumed to be LEGISLATIVE FRANCHISE courts because no enactment of congress EXPRESSLY establishes them with Article III jurisdiction. The only capacity in which they can act as Article III courts is under Supreme Court Rule 17, when a traveling supreme court justice hears the case.

*Rule 17.  
Procedure in an Original Action*

*1. This Rule applies only to an action invoking the Court's original jurisdiction under Article III of the Constitution of the United States. See also 28 U.S.C. §1251 and U.S. Const., Amdt. 11. A petition for an extraordinary writ in aid of the Court's appellate jurisdiction shall be filed as provided in Rule 20.*

3. U.S. Supreme Court in its APPELLATE jurisdiction from lower district courts. Only when acting in the ORIGINAL jurisdiction can it act in an Article III capacity.

[TITLE 28 > PART IV > CHAPTER 81 > § 1251](#)  
[§ 1251. Original jurisdiction](#)

*(a) The Supreme Court shall have original and exclusive jurisdiction of all controversies between two or more States.*

*(b) The Supreme Court shall have original but not exclusive jurisdiction of:*  
*(1) All actions or proceedings to which ambassadors, other public ministers, consuls, or vice consuls of foreign states are parties;*  
*(2) All controversies between the United States and a State;*  
*(3) All actions or proceedings by a State against the citizens of another State or against aliens.*

4. United States Tax Court. This court is an Article I franchise court per 26 U.S.C. §7441.

The subject of whether a court is an Article III CONSTITUTIONAL court or an Article IV STATUTORY/FRANCHISE court is exhaustively dealt with in section 24 of this document.

The content of this section explains why:

1. Corporations are considered franchises of the government and officers of the corporation are public officers: Because the common law and constitutional law do not permit them to be regulated so they must join the government and be regulated through franchise contracts.
2. You cannot sue the government, which is a corporation, without its consent: It DOESN'T PHYSICALLY EXIST and therefore can only act through REAL agents and officers!
3. When the government violates your right, you have to sue the HUMAN BEING who injured you and not the "government" or "United States" as a legal person.
4. The IRS cannot lawfully enforce against PRIVATE people and can only enforce against those who HAVE and who USE government license numbers. The SSN and TIN act as de facto licenses to exercise the functions of a public office within the "U.S. Inc." federal corporation identified in 28 U.S.C. §3002(15)(A).
5. The "United States" government is identified as a "foreign corporation" in relation to a Constitutional State: because all those inside the state are offices inside the government and it is "foreign" not only in CONSTITUTIONAL STATE courts, but also CONSTITUTIONAL FEDERAL courts! Anything that DOESN'T LEGALLY EXIST is ALWAYS "foreign".

*"The United States government is a foreign corporation with respect to a state"*  
*[19 Corpus Juris Secundum (C.J.S.), Corporations, §§883-884 (2003)]*

6. When the government prosecutes a crime, it must do so in the name of a specific, flesh and blood injured person.
7. When the government sues in federal civil court, they name "United States of America" as the Plaintiff, which is a PRIVATE corporation incorporated in the state of Delaware rather than a de jure government. See:

SEDM Exhibit #08.007  
<http://sedm.org/Exhibits/ExhibitIndex.htm>

Keep in mind also the following crucial facts if you face the government in a federal CONSTITUTIONAL court as defendant or respondent:



1. Because only INDIVIDUALS can sue in federal court under diversity of citizenship, then their case has to be dismissed since they are not a natural being.
2. If they defend your request to dismiss the case against you in federal civil court by stating that the court is an Article IV legislative franchise court, then they also have satisfy the burden of proving that:
  - 2.1. The matter involves a public right.
  - 2.2. You were lawfully elected or appointed to a public office and are therefore surety for the office exercising the right.
  - 2.3. You were domiciled on federal territory at the time you were elected or appointed, so that you could “alienate” an otherwise “inalienable right” and become a public officer.

## 27.4 Legal status of shareholders of corporations

All those who own stock in a corporation are considered as being contractors of the government.

*“The court held that the first company's charter was a contract between it and the state, within the protection of the constitution of the United States, and that the charter to the last company was therefore null and void., Mr. Justice DAVIS, delivering the opinion of the court, said that, if anything was settled by an unbroken chain of decisions in the federal courts, it was that an act of incorporation was a contract between the state and the stockholders, 'a departure from which now would involve dangers to society that cannot be foreseen, would shock the sense of justice of the country, unhinge its business interests, and weaken, if not destroy, that respect which has always been felt for the judicial department of the government.'”*  
[New Orleans Gas Co. v. Louisiana Light Co., 115 U.S. 650 (1885) ]

## 28 Court doctrines and statutes used in protecting franchise administration

The next important subject we must deal with are the doctrines the courts have developed as a way to defend the administration of franchises. Below are the main doctrines:

1. Unconstitutional Conditions Doctrine. Deals with conditions under which franchises may be offered to those protected by the Constitution within states of the Union.
2. “General Welfare Clause” Jurisprudence. This is the MIS-interpretation of the General Welfare Clause found in USA Constitution Article 1, Section 8, Clause 1 which unconstitutionally allows Congress to implement excise taxable franchises within states of the Union to promote the “general welfare”.
3. Brandeis Rules. Deals with when constitutional challenges may be made to an enforcement action directed against a party who LAWFULLY CONSENTED to a franchise.
4. Fourth Branch of Government Doctrine: A court created Fourth Branch of government existing outside the constitution that acts independently of all other branches of the government. It is completely unconstitutional to either tolerate, protect, or enforce this branch, which we call the “administrative branch” of the government.

The following sections will deal in detail with the above listed court doctrines.

### 28.1 Introduction: How grants of franchise privileges affect judicial remedies

The power of naturalization is a privilege and not a right. Hence, it is a FRANCHISE:

*“The opportunity to become a citizen of the United States is said to be merely a privilege, and not a right. It is true that the Constitution does not confer upon aliens the right to naturalization. But it authorizes Congress to establish a uniform rule therefor. Article 1, §8, cl. 4. The opportunity having been conferred by the Naturalization Act, there is a statutory right in the alien to submit his petition and evidence to a court, to have that tribunal pass upon them, and, if the requisite facts are established, to receive the certificate. See United States v. Shanahan (D. C.) 232 F. 169, 171. There is, of course, no 'right to naturalization unless all statutory requirements are complied with.' United States v. Ginsberg, 37 S.Ct. 422, 243 U.S. 472, 475 (61 L.Ed. 853); Luria v. United States, 34 S.Ct. 10, 231 U.S. 9, 22 58 L.Ed. 101. The applicant for citizenship, like other suitors who institute proceedings in a court of justice to secure the determination of an asserted right, must allege in his petition the fulfillment of all conditions upon the existence of which the alleged right is made dependent, and he must establish these allegations by competent evidence to the satisfaction of the court. In re Bodek (C. C.) 63 F. 813, 814, 815; In re \_\_\_\_\_, 7 Hill (N. Y.) 137. In passing upon the application the court exercises judicial judgment. It does not confer or withhold a favor.*  
[Tutun v. United States Neuberger v. Same, 270 U.S. 568 (1926)]

Below is the method described by the U.S. Supreme Court for vindicating PRIVILEGES under the naturalization franchise:



"The function of admitting to citizenship has been conferred exclusively upon courts continuously since the foundation of our government. See Act of March 26, 1790, c. 3, 1 Stat. 103. The federal District Courts, among others, have performed that function since the Act of January 29, 1795, c. 20, 1 Stat. 414. The constitutionality of this exercise of jurisdiction has never been questioned. If the proceeding were not a case or controversy within the meaning of Article 3, §2, this delegation of power upon the courts would have been invalid. Hayburn's Case, 2 Dall. 409, 1 L.Ed. 436; United States v. Ferreira, 13 How. 40, 14 L.Ed. 42; Muskrat v. United States, 31 S.Ct. 250, 219 U.S. 346, 55 L.Ed. 246. Whether a proceeding which results in a grant is a judicial one does not depend upon the nature of the thing granted, but upon the nature of the proceeding which Congress has provided for securing the grant. The United States may create rights in individuals against itself and provide only an administrative remedy. United States v. Babcock, 39 S.Ct. 464, 250 U.S. 328, 331, 63 L.Ed. 1011. It may provide a legal remedy, but make resort to the courts available only after all administrative remedies have been exhausted. Compare New Orleans v. Paine, 13 S.Ct. 303, 147 U.S. 261, 37 L.Ed. 162; United States v. Sing Tuck, 24 S.Ct. 621, 194 U.S. 161, 48 L.Ed. 917; American Steel Foundries v. Robertson, 43 S.Ct. 541, 262 U.S. 209, 67 L.Ed. 953. It may give to the individual the option of either an administrative or a legal remedy. Compare Clyde v. United States, 13 Wall. 38, 20 L.Ed. 479; Chorpennig v. United States, 94 U.S. 397, 399, 24 L.Ed. 126. Or it may provide only a remedy. Compare Turner v. United States, 39 S.Ct. 109, 248 U.S. 354, 63 L.Ed. 291. Whenever the law provides a remedy enforceable in the courts according to the regular course of legal procedure, and that remedy is pursued, there arises a case within the meaning of the Constitution, whether the subject of the litigation be property or status. A petition for naturalization is clearly a proceeding of that character."  
[Tutun v. United States Neuberger v. Same, 270 U.S. 568 (1926)]

Let us briefly summarize the process of vindicating ALL franchise privileges identified above by the U.S. Supreme Court more succinctly and in a more usable format.

1. Whether a proceeding which results in a grant is a judicial one does not depend upon the nature of the thing granted, but upon the nature of the proceeding which Congress has provided for securing the grant.
2. The United States may create rights in individuals against itself and provide only an administrative remedy. United States v. Babcock, 39 S.Ct. 464, 250 U.S. 328, 331, 63 L.Ed. 1011.
3. It may provide a legal remedy, but make resort to the courts available only after all administrative remedies have been exhausted. Compare New Orleans v. Paine, 13 S.Ct. 303, 147 U.S. 261, 37 L.Ed. 162; United States v. Sing Tuck, 24 S.Ct. 621, 194 U.S. 161, 48 L.Ed. 917; American Steel Foundries v. Robertson, 43 S.Ct. 541, 262 U.S. 209, 67 L.Ed. 953.
4. It may give to the individual the option of either an administrative or a legal remedy. Compare Clyde v. United States, 13 Wall. 38, 20 L.Ed. 479; Chorpennig v. United States, 94 U.S. 397, 399, 24 L.Ed. 126.
5. Or it may provide only a remedy. Compare Turner v. United States, 39 S.Ct. 109, 248 U.S. 354, 63 L.Ed. 291.
6. Whenever the law provides a remedy enforceable in the courts according to the regular course of legal procedure, and that remedy is pursued, there arises a case within the meaning of the Constitution, whether the subject of the litigation be property or status.
7. If the litigant seeking to vindicate the right or privilege is a state citizen domiciled outside of federal territory and protected by the Constitution and the right or privilege sought to be vindicated is granted ONLY by the constitution, the district court may hear the matter ONLY under Article III, Section 2 of the Constitution. Any other matter, including Article 4 franchises such as the income tax must be dismissed from district court. Hayburn's Case, 2 Dall. 409, 1 L.Ed. 436; United States v. Ferreira, 13 How. 40, 14 L.Ed. 42; Muskrat v. United States, 31 S.Ct. 250, 219 U.S. 346, 55 L.Ed. 246

## **28.2 Unconstitutional Conditions Doctrine**

Those who don't want to participate in franchises are sometimes FORCED by state actors to join as a precondition of obtaining a particular government service or protection. This situation is dealt with by the Unconstitutional Conditions Doctrine of the U.S. Supreme Court. This doctrine is the method used by freedom fighters that may lawfully challenge compelled participation in franchises or any of the conditions that pertain to participation.

At its heart, the Unconstitutional Conditions Doctrine tests whether what the Declaration of Independence implies is legally enforceable in court: That rights are "unalienable".

"We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness.--That to secure these rights, Governments are instituted among Men, deriving their just powers from the consent of the governed, --"  
[Declaration of Independence, 1776]

1 An unalienable right is legally defined as one that cannot be sold, bargained away, or transferred by any mechanism, including  
2 that of franchises:

3 “Unalienable. Inalienable; incapable of being aliened, that is, sold and transferred.”  
4 [Black’s Law Dictionary, Fourth Edition, p. 1693]

5 The U.S. Supreme Court has routinely recognized the unalienable nature of natural rights:

6 “Men are endowed by their Creator with certain unalienable rights, - 'life, liberty, and the pursuit of happiness;'  
7 and to 'secure,' not grant or create, these rights, governments are instituted. That property [or income] which a  
8 man has honestly acquired he retains full control of, subject to these limitations: First, that he shall not use it  
9 to his neighbor's injury, and that does not mean that he must use it for his  
10 neighbor's benefit [e.g. SOCIAL SECURITY, Medicare, and every other  
11 public “benefit”]; second, that if he devotes it to a public use, he gives to the public a right to control  
12 that use; and third, that whenever the public needs require, the public may take it upon payment of due  
13 compensation.”  
14 [Budd v. People of State of New York, [143 U.S. 517](#) (1892)]

15 To sidestep or avoid the problems created by the inalienability of rights, some courts try to falsely indicate that the Declaration  
16 of Independence is not “law” and therefore that it confers to right. In fact, the Declaration of Independence is published as  
17 LAW in the Statutes At Large, in the VERY FIRST enactment of the new Congress, 1 Stat. 1. Therefore, this argument falls  
18 apart quickly.

19 Many of the law review articles, as you learn later, refer to the Unconstitutional Conditions Doctrine as too difficult to address.  
20 Why? Because addressing the issue forces them to address the following very thorny questions and paradoxes:

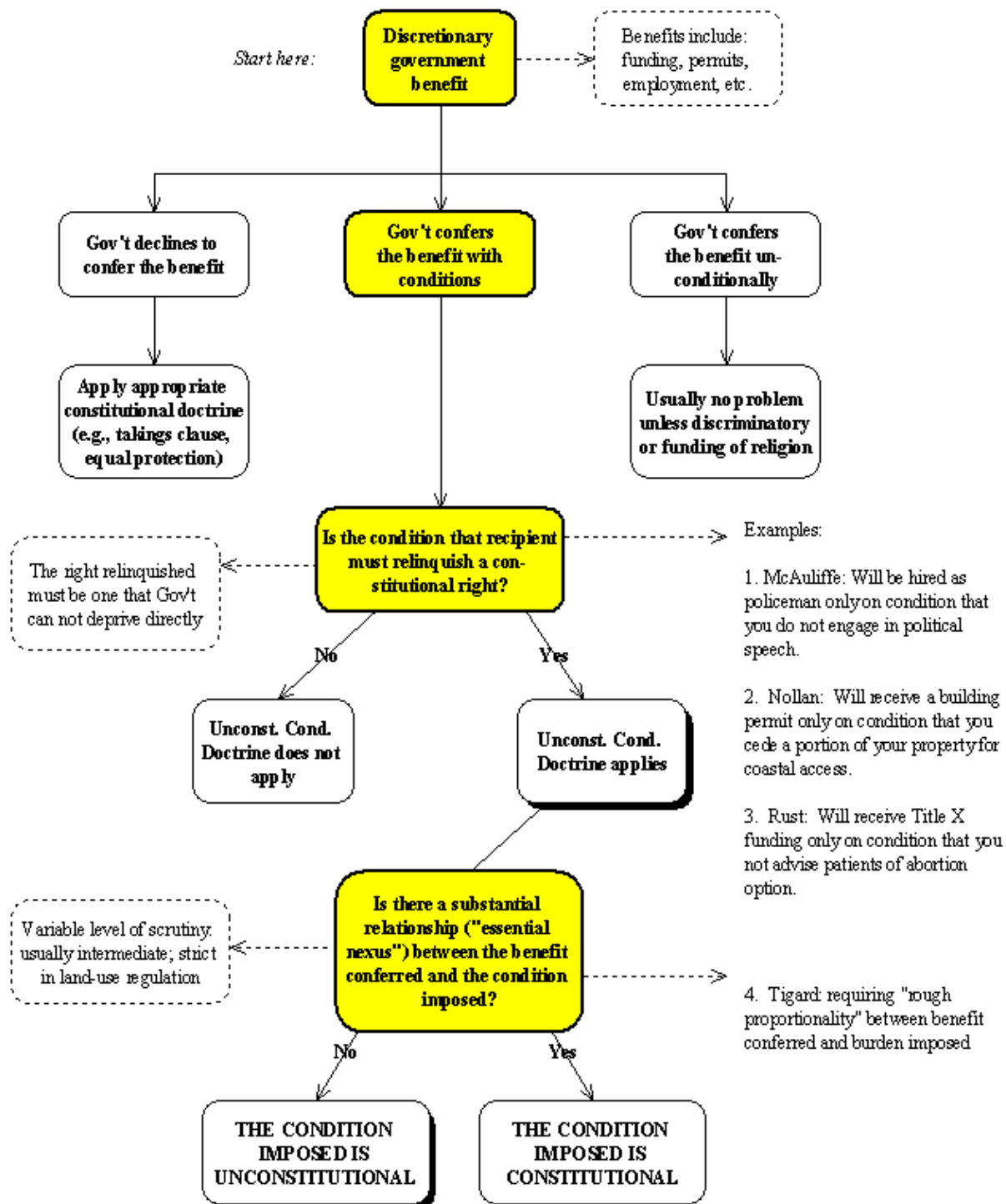
- 21 1. Is the Declaration of Independence organic law?
- 22 2. If the Declaration of Independence is NOT organic law that is self-executing, then why is it published in the Statutes  
23 At Large as the VERY FIRST enactment of the new Congress of the United States?
- 24 3. Are natural rights “unalienable”?
- 25 4. How can one lawfully “alienate” an unalienable right? The answer is that they can only do so in relation to a  
26 PRIVATE entity operating in equity, and never in relation to a de jure government. Furthermore, the process of  
27 alienating the right cannot be coerced, nor can the conversion of the right to a public right ever be protected with  
28 sovereign immunity by a DE JURE government.
- 29 5. Exactly WHO are they unalienable in relation to? The DE JURE government or the DE FACTO CORPORATION that  
30 operates and moves entirely by private law and contract.
- 31 6. What do these unalienable rights attach to:  
32 6.1. The land, like the Constitution?  
33 6.2. Your status under a franchise?
- 34 7. Is the United States of America operating as a de jure “government” or simply a private corporation in equity when it:  
35 7.1. Tries to alienate an unalienable right?  
36 7.2. Contracts with people it is supposed to be protecting?
- 37 8. Is it a violation of the purpose of CREATING government to begin with for public servants to make a business out of  
38 alienating PRIVATE rights that are supposed to be “unalienable”? Remember: Governments are created MAINLY to  
39 protect PRIVATE rights. The very FIRST step in protecting them is to prevent them from being converted to PUBLIC  
40 rights without the consent of the owner of the right.

### 41 28.2.1 Flowchart

42 The following flowchart from a law school curricula documents the operation of this doctrine:

43 **Figure 5: Operation of Unconstitutional Conditions Doctrine**

## UNCONSTITUTIONAL CONDITIONS



### 28.2.2 Recognition of the Doctrine

The doctrine of unconstitutional conditions can be traced back to *Home Ins. Co. of New York v. Morse*, 87 U.S. 445, 451 (1874) (“A man may not barter away his life or his freedom, or his substantial rights.”). The first mention of the phrase “unconstitutional conditions” by the U.S. Supreme Court occurred in *Doyle v. Continental Ins. Co.*, 94 U.S. 543 (1876) (Bradley, J., dissenting) (“Though a State may not have the power, if it sees fit to subject its citizens to inconvenience, of prohibiting all foreign corporations from transacting business within its jurisdiction, it has no power to impose unconstitutional conditions upon their doing so.”).

The following U.S. Supreme Court cases recognize the Unconstitutional Conditions Doctrine:

1. *Frost v. Railroad Commission*, 271 U.S. 583 (1925). Court considered whether the state of California could deny the use of public highways to a private company that had a contract for the transportation of citrus fruit, unless the private company was licensed as a common carrier. The Court held that California could not impose such conditions.
2. *Speiser v. Randall*, 357 U.S. 513 (1958). The beginning of the modern era of the doctrine of unconstitutional conditions. Case involved an exemption from property tax in California for veterans of World War II. The exemption was only granted to those who swore an oath. The plaintiff sued the state, arguing that the oath violated his First Amendment rights. The U.S. Supreme Court agreed with the plaintiff and further recognized that California was requiring a waiver of a constitutional right as a condition of receiving a benefit (i.e. the property tax exemption).
3. *Sherbert v. Verner*, 374 U.S. 398 (1963). The case related to the availability of unemployment benefits. The Court held that the state could not deny benefits to a person who refused to work on Saturday, the Sabbath day of her religion, because the First Amendment protection for her religious beliefs. The case is significant because the Court first rejected the argument that the characterization of benefits as a privilege v. a right was appropriate for an inquiry into unconstitutional conditions. See *Graham v. Richardson*, 403 U.S. 365, 374 (1971); *Elrod v. Burns*, 427 U.S. 347, 361, n. 15 (1976).
4. *Shapiro v. Thompson*, 394 U.S. 618 (1969). The Court invalidates state statutes requiring that welfare recipients must be a resident of the state for at least one year before applying for welfare benefits. The court held that such conditions violated the recipient’s right to travel.
5. *Perry v. Sindermann*, 408 U.S. 593 (1972). The Court considered a professor at a state college in Texas whose employment contract was not renewed, in retaliation for the professor’s criticism of the Regents of the college. The Court held that the professor had been denied due process.
6. *Elrod v. Burns*, 427 U.S. 347 (1976). Court held that the new sheriff of Cook County, Illinois could not terminate the employment of non-civil service people in his department solely because they were members of the opposite political party.
7. *Abood v. Detroit Board of Education*, 431 U.S. 209 (1974). The Court considered a case from Michigan in which all teachers in Detroit public schools were required to belong to a labor union, and one teacher had objected to paying fees to the union for supporting ideological causes with which that teacher did not agree. Michigan was conditioning a benefit (i.e., employment as a school teacher) on surrender of some of the teacher’s First Amendment rights. The Court held that it was proper for the union to require payment of fees for the purposes of collective bargaining, contract administration, and deciding grievances. However, the Court held that it was unconstitutional for the union to demand that all teachers contribute to the political activities of the union.
8. *Leftkowitz v. Cunningham*, 431 U.S. 801 (1977). The Court held that New York state could not remove a person from office in a political party, because that person had elected to use his Fifth Amendment right against self-incrimination in a grand jury proceeding.
9. *Branti v. Finkel*, 445 U.S. 507 (1980). Court held that assistant public defenders could not have their employment terminated solely because the new public defender of a county in New York state was a member of the opposite political party.
10. *FCC v. League of Women Voters of California*, 468 U.S. 364 (1984). Court invalidated a federal statute that provided funding to public television stations only if those stations did not engage in “editorializing”. The editorials were protected speech under the First Amendment.
11. *Nollan v. California Coastal Comm’n*, 483 U.S. 825 (1987). Court held that California could not require a property owner to grant an easement to the public for access to the beach adjacent to the owner’s property as a condition for approving the owner’s application for a building permit to demolish the existing house and then build a larger house on the land. They held that such an easement was a “taking” and California would need to compensate the property owner. Case stands for the proposition that there must be some kind of “essential nexus” between the condition and the benefit.

12. *Rutan v. Republican Party of Illinois*, 497 U.S. 62 (1990). The Court extended the holdings of *Elrod v. Burns* and *Branti v. Finkel* to cases involving promotion, transfer, recall after layoff, and hiring decisions of low-level government employees.
13. *Dolan v. City of Tigard*, 512 U.S. 374 (1994). The Court held that the state of Oregon could not require a retail hardware store to create a bicycle pathway easement, and to create a greenway, as conditions for approving the owner's application for a building permit to enlarge her store, because there was no "rough proportionality" between the condition and the benefit.
14. *44 Liquormart, Inc. v. Rhode Island*, 517 U.S. 484 (1996). The Court considered whether the state of Rhode Island could prohibit the advertising of liquor prices. If the stores had used their First Amendment right of freedom of speech to advertise prices, in violation of the prohibition, the state would presumably rescind the license to sell liquor, thus putting the stores out of business. Viewed in another way, the state conferred the benefits of a license to sell liquor only if the stores surrendered their First Amendment right. The Court held that prohibition on advertising prices was unconstitutional.

### 28.2.3 Exceptions to the doctrine

The U.S. Supreme Court often treats the doctrine of unconstitutional conditions as an absolute rule, with little explanation except a list of citations to earlier cases. A moment's thought shows that there are many instances in which a benefit conferred by government can properly be conditioned on a waiver of constitutional rights. For example:

1. Federal Rule of Criminal Procedure 23(a) allows a defendant to waive his constitutional right to a trial by jury, with the approval of the judge and prosecution. *Singer v. U.S.*, 380 U.S. 24 (1965).
2. A criminal suspect may agree to a plea bargain. In exchange for waiving the constitutional right to trial (and to confront witnesses against him) and waiving the constitutional right to avoid self-incrimination, the suspect admits his guilt in exchange for either dismissal of some charges or a shorter imprisonment. *Boykin v. Alabama*, 395 U.S. 238 (1969) (plea bargain must be made knowingly, voluntarily, and intelligently); *Brady v. U.S.*, 397 U.S. 742 (1970); *Bordenkircher v. Hayes*, 434 U.S. 357 (1978).
3. Laborers can be required to join a union as a condition of being employed. *Railway Emp. Dept. v. Hansen*, 351 U.S. 225 (1956); *Machinists v. Street*, 367 U.S. 740 (1961). Similarly, an attorney can be required to join a state bar association as a condition of being granted a license to practice in that state. *Lathrop v. Donohue*, 367 U.S. 820 (1961); but see *Keller v. State Bar of California*, 496 U.S. 1 (1990) (State bar association cannot require payment of dues to support lobbying unrelated to practice of law).
4. Scientists and engineers who design weapons of mass destruction can be required to forever maintain confidentiality of government secrets, as a condition of employment in weapons laboratories.

Interestingly, opinions at the U.S. Supreme Court that discuss these exceptions to the doctrine of unconstitutional conditions simply omit mentions of the doctrine, instead of explaining why the doctrine does not apply to these exceptions.

Dissenting opinions relating to the doctrine within the U.S. Supreme Court are found in:

1. *Rust v. Sullivan*, 500 U.S. 173 (1991). Blackmun, J. and Stevens dissenting.
2. *Dolan v. City of Tigard*, 512 U.S. 374 (1994). Stevens, J. dissenting.

Justice Douglas called both *Flemming v. Nestor*, 363 U.S. 603 (1960), and *Wyman v. James*, 400 U.S. 309, 329, n 8 (1971) anomalies in the application of the doctrine of unconstitutional conditions.

As described earlier, the U.S. Supreme Court has not given a clear explanation for the doctrine of unconstitutional conditions, and the Court ignores the doctrine in many cases involving waivers of constitutional rights. However, many law review articles have suggested justifications of the doctrine. Back in 1960, an anonymous group of law students at Harvard Law School wrote that the doctrine of unconstitutional conditions is justified by the due process clauses in the Fifth and Fourteenth Amendments:

*"...it is at least arguable that state spending power cannot be exercised to 'buy up' rights guaranteed by the Constitution."*

*["Unconstitutional Conditions," 73 Harvard Law Rev. 1595, 1599 (June 1960). This sentence was cited with approval by Justice Douglas in his dissenting opinion in Wyman v. James, 400 U.S. 309, 328 (1971)]*



1 In her classic 1989 article on unconstitutional conditions, Prof. Sullivan gave several justifications for the doctrine. We agree  
2 with her view that the doctrine of unconstitutional conditions is best justified to prevent overreaching by a powerful  
3 government:

4 *"Reich's landmark article [73 Yale Law J. 733 (1976)] located the principal danger of government overreaching*  
5 *not in its overregulation of the world, but in its ability to create dependency through its wealth. The danger on*  
6 *this view is that Leviathan, swollen tax dollars, will buy up people's liberty."*

7 [. . .]

8 *...the doctrine guards against a characteristic form of government overreaching and thus serves a state-checking*  
9 *function. Furthermore, it bars redistribution of constitutional rights as to which government has obligations of*  
10 *evenhandedness. Finally, it prevents inappropriate hierarchy ["a system of constitutional caste"] among*  
11 *rightholders."*

12 [*Kathleen M. Sullivan, "Unconstitutional Conditions," 102 Harvard Law Rev. 1413, 1494, 1506 (May 1989)*]

#### 13 **28.2.4 Law Review Articles**

14 The following law review articles deal with the subject of Unconstitutional Conditions:

- 15 1. Abrams, Howard E., Systemic Coercion: Unconstitutional Conditions in the Criminal Law; 72 J. Crim. L. &  
16 Criminology 128 (1981).
- 17 2. Anonymous, Note, "Unconstitutional Conditions," 732 Harvard Law Rev. 1595 (June 1960).
- 18 3. Berman, Mitchell N., "Commercial Speech and the Unconstitutional Conditions Doctrine: A Second Look at the  
19 Greater Includes the Lesser"; 55 Vand. L. Rev. 693 (2002).
- 20 4. Choper, Jesse H., "Supreme Court and Unconstitutional Conditions: Federalism and Individual Rights"; 4 Cornell J. L.  
21 and Pub. Pol'y. 460 (1994-1995).
- 22 5. Corrada, Roberto L., "Justifying a Search for a Unifying Theory of Unconstitutional Conditions"; 72 Denv. U. L. Rev.  
23 1011 (1994-1995).
- 24 6. Epstein, Richard A., "Unconstitutional Conditions, State Power, and the Limits of Consent," 102 Harvard Law Rev. 4  
25 (Nov. 1988).
- 26 7. Epstein, Richard A., "Foreword: Unconstitutional Conditions, State Power, and the Limits of Consent"; 102 Harv.  
27 L. Rev. 4 (1988-1989).
- 28 8. Farber, Daniel A., "Another View of the Quagmire: Unconstitutional Conditions and Contract Theory"; 33 Fla. St. U.  
29 L. Rev. 913 (2005-2006).
- 30 9. Fuhr, Edward J., "Doctrine of Unconstitutional Conditions and the First Amendment", The; 39 Case W. Res. L. Rev.  
31 97 (1988-1989).
- 32 10. Gross, Karen, "Debtor as Modern Day Peon: A Problem of Unconstitutional Conditions"; 65 Notre Dame L. Rev. 165  
33 (1989-1990).
- 34 11. Hale, Robert L., "Unconstitutional Conditions, and Constitutional Rights," 35 Columbia Law Rev. 321 (March 1935).
- 35 12. McConnell, Michael W., "Unconstitutional Conditions: Unrecognized Implications for the Establishment Clause"; 26  
36 San Diego L. Rev. 255 (1989).
- 37 13. Merrill, Maurice H., "Unconstitutional Conditions," 77 Univ. Pennsylvania Law Rev. 879 (May 1929).
- 38 14. Mazzone, Jason, "The Waiver Paradox," 97 Northwestern University Law Review 801 (Winter 2003) (Includes plea  
39 bargains by criminals in the scope of the doctrine).
- 40 15. Nice, Julie A., "Making Conditions Constitutional by Attaching Them to Welfare: The Dangers of Selective  
41 Contextual Ignorance of the Unconstitutional Conditions Doctrine"; 72 Denv. U. L. Rev. 971 (1994-1995).
- 42 16. O'Neil, Robert M., "Unconstitutional Conditions: Welfare Benefits with Strings Attached"; 54 Cal. L. Rev. 443 (1966).
- 43 17. Redlich, Allen, "Unconstitutional Conditions on Welfare Eligibility"; 1970 Wis. L. Rev. 450 (1970).
- 44 18. Schauer, Frederick, "Too Hard: Unconstitutional Conditions and the Chimera of Constitutional Consistency"; 72  
45 Denv. U. L. Rev. 989 (1994-1995).
- 46 19. Simons, Kenneth W., "Offers, Threats, and Unconstitutional Conditions"; 26 San Diego L. Rev. 289 (1989).
- 47 20. Sunstein, Cass R., "Is There an Unconstitutional Conditions Doctrine"; 26 San Diego L. Rev. 337 (1989).
- 48 21. Sullivan, Kathleen M., "Governmental Interests and Unconstitutional Conditions Law: A Case Study in Categorization  
49 and Balancing"; 55 Alb. L. Rev. 605 (1991-1992).
- 50 22. Sullivan, Kathleen M., "Unconstitutional Conditions," 102 Harvard Law Rev. 1413, 1415 (May 1989) ("The doctrine  
51 of unconstitutional conditions holds that government may not grant a benefit on the condition that the beneficiary  
52 surrender a constitutional right, even if the government may withhold that benefit altogether. It reflects the triumph of

the view that government may not do indirectly what it may not do directly over the view that the greater power to deny a benefit includes the lesser power to impose a condition on its receipt.”).

23. Sunstein, Cass R., “Why the Unconstitutional Conditions Doctrine is an Anachronism (with Particular Reference to Religion, Speech, and Abortion)”; 70 B.U. L. Rev. 593 (1990).
24. Wald, Patricia M., “Government Benefits: A New Look at an Old Gifthouse”; 65 N.Y.U. L. Rev. 247 (1990).

If you would like to view a compendium of law review articles that deal with the Unconstitutional Conditions Doctrine, please read the following:

[Tax DVD, Franchises/UnconstCondit/ Folder](https://sedm.org/reference/dvds/tax-dvd/), Sovereignty Education and Defense Ministry (SEDM)

<https://sedm.org/reference/dvds/tax-dvd/>

Look in the /Franchises/UnconstCondit/ folder. Can also be found on the Reference->Member Subscriber Library DVDs->Tax DVD menu item.

## 28.2.5 Conclusions

We think the doctrine of unconstitutional conditions is composed of several different situations, with different outcomes:

1. The government may never lawfully require surrender of one constitutional right as a condition to receive another constitutional right. This is an absolute rule that protects the integrity of civil liberties.
2. The government may not additionally require surrender of a constitutional right as a condition of continuing to receive a benefit (e.g. employment, welfare check, renewal of contract, etc.) when the person continues to meet all the conditions in statutes and regulations for that benefit. In other words, once the benefit has begun, the benefit cannot be discontinued because the person used ( or wants to use) their constitutional right. This rule prevents retaliation by the government against people who use their civil liberties.
3. The government may not COMPEL receipt by the applicant of the benefit or the liabilities that attach to receipt.
  - 3.1. All franchises are based upon excise taxes of SPECIFIC, AVOIDABLE activities. One can avoid the tax and thus NOT volunteer by avoiding the activity. The minute that one ceases to be able to materially subsist in any society WITHOUT engaging in such an activity is the minute that unconstitutional compulsion has occurred.
  - 3.2. A compelled benefit and the compelled liability to pay for the benefit that goes with it, constitutes slavery and involuntary servitude disguised to LOOK like government benevolence. For instance, in the following case, the U.S. Supreme Court held that the MERE EXISTENCE of a so-called “government” was a “benefit”, thus withdrawing and STEALING from the alleged foreign domiciled “taxpayer” the ability to decide whether what the government was providing was a “benefit” and consequently, whether he had the right NOT to either receive or pay for the so-called “benefit”. Consent of the governed is the foundation of the authority of all government, according to the Declaration of Independence. Therefore the ability to withdraw consent to receive or pay for the benefit ought to be scrupulously maintained and enforced in all the interactions of the government with those who seek its protection or services.

*We may make further exposition of the national power as the case depends upon it. It was illustrated at once in United States v. Bennett by a contrast with the power of a state. It was pointed out that there were limitations upon the latter that were not on the national power. The taxing power of a state, it was decided, encountered at its borders the taxing power of other states and was limited by them. There was no such limitation, it was pointed out, upon the national power, and that the limitation upon the states affords, it was said, no ground for constructing a barrier around the United States, 'shutting that government off from the exertion of powers which inherently belong to it by virtue of its sovereignty.'*

*“The contention was rejected that a citizen's property without the limits of the United States derives no benefit from the United States. The contention, it was said, came from the confusion of thought in 'mistaking the scope and extent of the sovereign power of the United States as a nation and its relations to its citizens and their relation to it.' And that power in its scope and extent, it was decided, is based on the presumption that government by its very nature benefits the citizen and his property wherever found, and that opposition to it holds on to citizenship while it 'belittles and destroys its advantages and blessings by denying the possession by government of an essential power required to make citizenship completely beneficial.' In other words, the principle was declared that the government, by its very nature, benefits the citizen and his property wherever found, and therefore has the power to make the benefit complete. Or, to express it another way, the basis of the power to tax [to PAY for the “benefit”] was not and cannot be made dependent upon the situs of the property in all cases, it being in or out of the United States, nor was not and cannot be made dependent upon the domicile of the citizen, that being in or out of the United States, but upon his relation as citizen to the United States and the relation of the latter to him as citizen. The consequence of the relations is that the native citizen who is taxed*

1                    *may have domicile, and the property from which his income is derived may have situs, in a foreign country and*  
2                    *the tax be legal—the government having power to impose the tax.”*  
3                    [*Cook v. Tait, 265 U.S. 47 (1924)*]

- 4     4. The consent to receive the “benefit” should be explicit rather than presumed and must be revocable AT ANY TIME.  
5     The application for the benefit and all forms administering the benefit must recognize the existence of people who DO  
6     NOT consent to participate and the right of them to not participate must be protected and enforced just as vigorously as  
7     the right to collect the payment for the benefit. Otherwise, an equal protection problem AND compulsion results. Any  
8     one or more of the following activities are examples of compulsion to give up a constitutional right:  
9     4.1. Refusing to provide forms that recognize non-participants/non-taxpayers.  
10    4.2. Ignoring correspondence directed at stopping collection or enforcement activities directed at non-participants.  
11    4.3. Punishing or penalizing those who don’t want to participate and who withdraw their consent.  
12    4.4. Calling those who don’t want to participate “frivolous” without providing law deriving from their domicile that  
13       proves what they are doing is incorrect or unauthorized.  
14    4.5. Citing law from a foreign state or foreign court outside the domicile of the party directing them to comply.  
15    4.6. Refusing to recognize the choice of domicile of the participant.  
16    4.7. Penalizing changes to government forms that prevent perjury and correctly identify the submitter as a non-  
17       participant or non-taxpayer.  
18    4.8. Refusing to meet the or enforce the burden of proof upon the government, when challenged, to demonstrate  
19       express consent of the party against whom enforcement is being attempted. The government enforces this  
20       requirement against those who want to sue it under the concept of sovereign immunity. Therefore, the  
21       government has the SAME burden of proof in when it seeks to civilly enforce against members of the public.  
22    5. The government can require surrender of a constitutional right as an openly published (i.e. in a statute or regulation)  
23       condition for receiving a benefit (e.g. employment) when both of the following are satisfied:  
24       5.1. There must be an “essential nexus” between the right being surrendered and the benefit AND  
25       5.2. The value of the surrendered right and the benefit must be approximately equal. Value is easy to determine for  
26       property rights, but a value is difficult to put on the right to freedom of speech and other intangible constitutional  
27       rights. In cases where value of the surrendered right cannot be determined, there should be a compelling reason  
28       why the surrender is required for the proper functioning of government or public policy.

29     For example, scientists working on design of military weapons can be required not to disclose information about the weapons.  
30     As another example, government employees with a security clearance can be required not to disclose state secrets related to  
31     foreign policy, military policy, surveillance of foreign nations, etc. Note in these examples that there is not complete surrender  
32     of First Amendment right to “freedom of speech”, but only surrender of that right for narrowly limited topics.

33     In the few circumstances where the government can require surrender of a constitutional right as a condition for receiving a  
34     benefit, I suggest that the waiver of the right must be knowing, voluntary, and intelligent. These are the three traditional  
35     conditions for suspect or defendant in criminal proceedings to waive his/her constitutional rights.<sup>310</sup> Knowing means that the  
36     person is aware that he/she is waiving rights, and is not some accidental waiver. Voluntary means that there is neither  
37     coercion nor deceit by the government. Intelligent means that the person has the mental capacity to understand the  
38     significance of his/her waiver.

39     An example of a case where there is no “essential nexus” between the right given away and the “benefit”, look at drivers  
40     licensing. The “benefit” sought is safe roads. However, when you sign up for the license, you also give up the following  
41     rights unrelated directly to safe roads:

- 42     1. You are deemed to be a “resident” of the statutory corporate state and therefore a public officer on official business AT  
43       ALL TIMES, even if this is not, in fact true. This leads to all kinds of unrelated liabilities such as jury service,  
44       selective enforcement by government employees who don’t like you, tax enforcement against nonresidents of the state  
45       that is inherently unlawful, etc.  
46     2. You have to surrender your right to a jury trial, because almost no traffic courts we have ever seen even have a jury  
47       box. Instead, they are legislative franchise courts in the Executive Branch that CANNOT lawfully preside without  
48       your express consent. The franchise judge in these courts, a mere binding arbitrator for fellow government public  
49       officers, has a financial conflict of interest by acting as a revenue collector rather than a protector of public safety.

<sup>310</sup> A criminal suspect may waive either their Sixth Amendment right to have an attorney represent them or their Fifth Amendment right against self-incrimination, provided that the waiver is knowing, voluntary, and intelligent. *Miranda v. Arizona*, 384 U.S. 436, 444-475 (1966); *Brewer v. Williams*, 430 U.S. 387, 404 (1977); *Edwards v. Arizona*, 451 U.S. 477, 482-484 (1981); *Iowa v. Tovar*, 124 S.Ct. 1379, 1387, 1389-1390 (2004).

Thus, impartial decision makers and due process of law are IMPOSSIBLE. He also directly and frequently interferes with those who insist on a real jury trial as mandated by the state constitution, and always decides things in the government's favor, thus prejudicing your rights. He acts as a "gatekeeper" for the criminal courts by denying removals to REAL constitutional courts, and thus DENYING and OBSTRUCTING REAL, Constitutional justice administered not by a franchise court, but a REAL court in the REAL judicial branch.

3. You give up your privacy because DMV information is shared among agencies NOT DIRECTLY RESPONSIBLE for traffic enforcement. For instance, it goes to the state Dept. of Revenue in your state, and they use the information to PRESUME that you are a "taxpayer" engaged in a statutory "trade or business" per 26 U.S.C. §7701(a)(26). Then the Dept. of Revenue conducts a pattern of state sponsored, computer automated "paper terrorism", ignore all your responses demonstrating why they are violating the law, and unlawfully liens your property if you refuse to bribe them with "protection money" to simply GO AWAY, even though you are not a lawful target for tax enforcement.
4. By applying for a license, you unnecessarily criminally incriminate yourself in violation of the Fifth Amendment, because the information goes into a national police database.
5. The DMV construes your application for a license as your consent to be civilly penalized and fined, even if you in fact are NOT resident in the state and do not do "business" in the state. Most such fines are for things in which no specific person is ever injured, and therefore such "infractions" are malum prohibitum violations not of "law", but public policy disguised to LOOK like "law".

If would like to know how to lawfully avoid the need for driver licensing and avoid converting your Constitutional right to travel into an excise taxable privilege, see:

[Defending Your Right to Travel](http://sedm.org/Forms/FormIndex.htm), Form #06.010  
<http://sedm.org/Forms/FormIndex.htm>

### 28.3 "General Welfare Clause" jurisprudence<sup>311</sup>

The General Welfare Clause of the United States Constitution reads as follows:

*United States Constitution  
Article I, Section 8, Clause 1*

*The Congress shall have Power To lay and collect Taxes, Duties, Imposts and Excises, to pay the Debts and provide for the common Defence and general Welfare of the United States; but all Duties, Imposts and Excises shall be uniform throughout the United States;*

The authority from which the present socialist government claims that it derives its jurisdiction to impose franchise taxes for socialist "benefits" originates from the above clause, and CHANGES in the judicial interpretation of the meaning of the above clause during the FDR socialist era in the late 1930's.

Franklin Delano Roosevelt's administration of the "New Deal" faced substantial opposition among Congress, business, and before 1937 the United States Supreme Court. Roosevelt had gone to some businessmen of America and got an agreement to maintain wages at a relative high level. Many businessmen relied on overseas trade. Roosevelt, ostensibly to help business, promised he would put tariffs on foreign trade. This tariff campaign only lasted a few months. Not surprisingly, foreign countries retaliated with tariffs of their own against American trade. This resulted in businessmen being forced to drop wages and lay employees off.

To counter these circumstances, with which Roosevelt was faced, he started to place more legislative experiments of the "New Deal" before Congress. Congress, given the economic conditions complied and passed most of the "New Deal" proposals. Because of the continued political and economic pressures the Country was facing, the legislatures, both state and federal, went along with the new programs. By 1937, the economic and legislative experiments of the "New Deal" were well advanced. At that time, the majority in Congress felt compelled to pass the "New Deal" proposals. By 1937, the economic and legislative experiments of the "New Deal" were well under way.

<sup>311</sup> Adapted from: *U.S. of A v. U.S.*, Richard Dwight Kegley, TJ Henderson, RCL, Edward Wahler, HKW Publishing, Chapter 3, 2006, ISBN 1-59975-731-1. For your copy of the book, visit: <http://usofavus.com/>.

At this time in our American History many in Congress and many businessmen of America did not like the "New Deal" ramifications, including the extra taxing powers the "New Deal" generated. Even before 1937, some businessmen started to challenge these governmental experiments in court, and some of these cases advanced to the Supreme Court.

Roosevelt knew, under the then current makeup of the court, the "New Deal" was faced with serious constitutional questions that were likely to be heard and ruled. By 1937, the Supreme Court, on constitutional grounds, had decided against a number of "New Deal" legislative act.. Roosevelt believed that political control of the Supreme Court was necessary. Roosevelt had already begun to "stack the court" with Justices that he believed were in favor of "New Deal" proposals and Acts the Congress had passed. The result, the Supreme Court was decidedly split on just about every "New Deal" controversy that came before the Court. Supreme Court Justices found Roosevelt's "New Deal" or portions of his "New Deal" unconstitutional and/or constitutional with sharply worded dissenting opinions on both sides from early 1934 to mid-1937. It was obvious that depending on which Justice wrote the opinion he was or was not a Roosevelt hatchet man. Remember reader, that a Roosevelt Justice was sent there for a political purpose, to chop up prior constitutional interpretation, and stare decisis be damned.

The author's focus is essentially how the office of President and Congress, through the use of the government of the United States as a federal United States corporation, has been able to gain extraordinary control over the lives of the American people. We therefore establish a before and after case comparison based appropriately around the time of the "Switch in Time" cases of 1937. By analysis of selected cases, the political change accepted and advanced by the Supreme Court is considered.

First, we must study U.S. v. Butler, 297 U.S. 1, 56 S.Ct. 312, Jan. 6th 1936, to understand what happened the next year with the redefining of the taxing authorities and the General Welfare Clause, both at Article One, Section 8 of the Constitution of the United States. Remember reader; this case as decided in 1936 before the "Switch in Time." The "Switch in Time" by the U.S. Supreme Court occurred in 1937.

### **28.3.1 Quotes from the Founding Fathers and Congress on General Welfare**

The following quotes on the General Welfare Clause of the Constitution establish its legislative intent according to the Founding Fathers and the Congress.

*"With respect to the words general welfare, I have always regarded them as qualified by the detail of powers connected with them. To take them in a literal and unlimited sense would be a metamorphosis of the Constitution into a character which there is a host of proofs was not contemplated by its creator."*

*"If Congress can employ money indefinitely to the general welfare, and are the sole and supreme judges of the general welfare, they may take the care of religion into their own hands; they may appoint teachers in every State, county and parish and pay them out of their public treasury; they may take into their own hands the education of children, establishing in like manner schools throughout the Union; they may assume the provision of the poor; they may undertake the regulation of all roads other than post-roads; in short, every thing, from the highest object of state legislation down to the most minute object of police, would be thrown under the power of Congress.... Were the power of Congress to be established in the latitude contended for, it would subvert the very foundations, and transmute the very nature of the limited Government established by the people of America."*

*"If Congress can do whatever in their discretion can be done by money, and will promote the general welfare, the government is no longer a limited one possessing enumerated powers, but an indefinite one subject to particular exceptions."*

*[James Madison. House of Representatives, February 7, 1792, On the Cod Fishery Bill, granting Bounties]*

*It has been urged and echoed, that the power "to lay and collect taxes, duties, imposts, and excises, to pay the debts, and provide for the common defense and general welfare of the United States," amounts to an unlimited commission to exercise every power which may be alleged to be necessary for the common defense or general welfare. No stronger proof could be given of the distress under which these writers labor for objections, than their stooping to such a misconstruction. Had no other enumeration or definition of the powers of the Congress been found in the Constitution, than the general expressions just cited, the authors of the objection might have had some color for it... For what purpose could the enumeration of particular powers be inserted, if these and all others were meant to be included in the preceding general power? Nothing is more natural nor common than first to use a general phrase, and then to explain and qualify it by a recital of particulars... But what would have been thought of that assembly, if, attaching themselves to these general expressions, and disregarding the*



1 specifications which ascertain and limit their import, they had exercised an unlimited power of providing for the  
2 common defense and general welfare? (Federalists #41)

3 [Federalist #41. Saturday, January 19, 1788, James Madison]

4  
5 Congress has not unlimited powers to provide for the general welfare, but only those specifically enumerated.

6 They are not to do anything they please to provide for the general welfare, but only to lay taxes for that purpose.  
7 To consider the latter phrase not as describing the purpose of the first, but as giving a distinct and independent  
8 power to do any act they please which may be good for the Union, would render all the preceding and subsequent  
9 enumerations of power completely useless. It would reduce the whole instrument to a single phrase, that of  
10 instituting a Congress with power to do whatever would be for the good of the United States; and as they would  
11 be the sole judges of the good or evil, it would be also a power to do whatever evil they please.... Certainly no  
12 such universal power was meant to be given them. It was intended to lace them up straightly within the enumerated  
13 powers and those without which, as means, these powers could not be carried into effect.

14 That of instituting a Congress with power to do whatever would be for the good of the United States; and, as they  
15 would be the sole judges of the good or evil, it would be also a power to do whatever evil they please.

16 [Thomas Jefferson: Opinion on National Bank, 1791. ME 3:148; SOURCE:  
17 <http://famguardian.org/Subjects/Politics/ThomasJefferson/jeff1020.htm> and  
18 <http://thefederalistpapers.org/founders/jefferson/thomas-jefferson-opinion-on-national-bank-1791>]

19  
20 Mr. GILES. The present section of the bill (he continued) appears to contain a direct bounty on occupations; and  
21 if that be its object, it is the first attempt as yet made by this government to exercise such authority; -- and its  
22 constitutionality struck him in a doubtful point of view; for in no part of the Constitution could he, in express  
23 terms, find a power given to Congress to grant bounties on occupations: the power is neither {427} directly  
24 granted, nor (by any reasonable construction that he could give) annexed to any other specified in the  
25 Constitution.

26 [On the Cod Fishery Bill, granting Bounties. House of Representatives, February 3, 1792]

27  
28 Mr. WILLIAMSON. In the Constitution of this government, there are two or three remarkable provisions which  
29 seem to be in point. It is provided that direct taxes shall be apportioned among the several states according to  
30 their respective numbers. It is also provided that "all duties, imposts, and excises, shall be uniform throughout  
31 the United States;" and it is provided that no preference shall be given, by any regulation of commercial revenue,  
32 to the ports of one state over those of another. The clear and obvious intention of the articles mentioned was, that  
33 Congress might not have the power of imposing unequal burdens -- that it might not be in their power to gratify  
34 one part of the Union by oppressing another. It appeared possible, and not very improbable, that the time might  
35 come, when, by greater cohesion, by more unanimity, by more address, the representatives of one part of the  
36 Union might attempt to impose unequal taxes, or to relieve their constituents at the expense of the people. To  
37 prevent the possibility of such a combination, the articles that I have mentioned were inserted in the Constitution.

38 I do not hazard much in saying that the present Constitution had never been adopted without those preliminary  
39 guards on the Constitution. Establish the general doctrine of bounties, and all the provisions I have mentioned  
40 become useless. They vanish into air, and, like the baseless fabric of a vision, leave not a trace behind. The  
41 common defence and general welfare, in the hands of a good politician, may supersede every part of our  
42 Constitution, and leave us in the hands of time and chance. Manufactures in general are useful to the nation; they  
43 prescribe the public good and general welfare. How many of them are springing up in the Northern States! Let  
44 them be properly supported by bounties, and you will find no occasion for unequal taxes. The tax may be equal  
45 in the beginning; it will be sufficiently unequal in the end.

46 The object of the bounty, and the amount of it, are equally to be disregarded in the present case. We are simply  
47 to consider whether bounties may safely be given under the present Constitution. For myself, I would rather begin  
48 with a bounty of one million per annum, than one thousand. I wish that my constituents may know whether they  
49 are to put any confidence in that paper called the Constitution.

50 Unless the Southern States are protected by the Constitution, their valuable staple, and their visionary wealth,  
51 must occasion their destruction. Three short years has this government existed; it is not three years; but we have  
52 already given serious alarms to many of our fellow-citizens. Establish the doctrine of bounties; set aside that part  
53 of the Constitution which requires equal taxes, and demands similar distributions; destroy this barrier; -- and it

is not a few fishermen that will enter, claiming ten or twelve thousand dollars, but all manner of persons; people of every trade and occupation may enter in at the breach, until they have eaten up the bread of our children.

Mr. MADISON. It is supposed, by some gentlemen, that Congress have authority not only to grant bounties in the sense here used, merely as a commutation for drawback, but even to grant them under a power by virtue of which they may do any thing which they may think conducive to the general welfare! This, sir, in my mind, raises the important and fundamental question, whether the general terms which have been cited are {428} to be considered as a sort of caption, or general description of the specified powers; and as having no further meaning, and giving no further powers, than what is found in that specification, or as an abstract and indefinite delegation of power extending to all cases whatever -- to all such, at least, as will admit the application of money -- which is giving as much latitude as any government could well desire.

I, sir, have always conceived -- I believe those who proposed the Constitution conceived -- it is still more fully known, and more material to observe, that those who ratified the Constitution conceived -- that this is not an indefinite government, deriving its powers from the general terms prefixed to the specified powers -- but a limited government, tied down to the specified powers, which explain and define the general terms.

It is to be recollected that the terms "common defence and general welfare," as here used, are not novel terms, first introduced into this Constitution. They are terms familiar in their construction, and well known to the people of America. They are repeatedly found in the old Articles of Confederation, where, although they are susceptible of as great a latitude as can be given them by the context here, it was never supposed or pretended that they conveyed any such power as is now assigned to them. On the contrary, it was always considered clear and certain that the old Congress was limited to the enumerated powers, and that the enumeration limited and explained the general terms. I ask the gentlemen themselves, whether it was ever supposed or suspected that the old Congress could give away the money of the states to bounties to encourage agriculture, or for any other purpose they pleased. If such a power had been possessed by that body, it would have been much less impotent, or have borne a very different character from that universally ascribed to it.

The novel idea now annexed to those terms, and never before entertained by the friends or enemies of the government, will have a further consequence, which cannot have been taken into the view of the gentlemen. Their construction would not only give Congress the complete legislative power I have stated, -- it would do more; it would supersede all the restrictions understood at present to lie, in their power with respect to a judiciary. It would put it in the power of Congress to establish courts throughout the United States, with cognizance of suits between citizen and citizen, and in all cases whatsoever.

This, sir, seems to be demonstrable; for if the clause in question really authorizes Congress to do whatever they think fit, provided it be for the general welfare, of which they are to judge, and money can be applied to it, Congress must have power to create and support a judiciary establishment, with a jurisdiction extending to all cases favorable, in their opinion, to the general welfare, in the same manner as they have power to pass laws, and apply money providing in any other way for the general welfare. I shall be reminded, perhaps, that, according to the terms of the Constitution, the judicial power is to extend to certain cases only, not to all cases. But this circumstance can have no effect in the argument, it being presupposed by the gentlemen, that the specification of certain objects does not limit the import of the general terms. Taking these terms as an abstract and indefinite grant of power, they comprise all the objects of legislative regulations -- as well such as fall under the judiciary article in the Constitution as those falling immediately under the legislative article; and if the partial enumeration of objects in the legislative article does not, as these gentlemen contend, limit the general power, neither will it be limited by the partial enumeration of objects in the judiciary article.

{429} There are consequences, sir, still more extensive, which, as they follow dearly from the doctrine combated, must either be admitted, or the doctrine must be given up. If Congress can employ money indefinitely to the general welfare, and are the sole and supreme judges of the general welfare, they may take the care of religion into their Own hands; they may appoint teachers in every state, county, and parish, and pay them out of their public treasury; they may take into their own hands the education of children, establishing in like manner schools throughout the Union; they may assume the provision for the poor; they may undertake the regulation of all roads other than post-roads; in short, every thing, from the highest object of state legislation down to the most minute object of police, would be thrown under the power of Congress; for every object I have mentioned would admit of the application of money, and might be called, if Congress pleased, provisions for the general welfare.

The language held in various discussions of this house is a proof that the doctrine in question was never entertained by this body. Arguments, wherever the subject would permit, have constantly been drawn from the peculiar nature of this government, as limited to certain enumerated powers, instead of extending, like other governments, to all cases not particularly excepted. In a very late instance -- I mean the debate on the representation bill -- it must be remembered that an argument much used, particularly by gentlemen from Massachusetts, against the ratio of 1 for 30,000, was, that this government was unlike the state governments, which had an indefinite variety of objects within their power; that it had a small number of objects only to attend to; and therefore, that a smaller number of representatives would be sufficient to administer it.

Arguments have been advanced to show that because, in the regulation of trade, indirect and eventual encouragement is given to manufactures, therefore Congress have power to give money in direct bounties, or to

grant it in any other way that would answer the same purpose. But surely, sir, there is a great and obvious difference, which it cannot be necessary to enlarge upon. A duty laid on imported implements of husbandry would, in its operation, be an indirect tax on exported produce; but will any one say that, by virtue of a mere power to lay duties on imports, Congress might go directly to the produce or implements of agriculture, or to the articles exported? It is true, duties on exports are expressly prohibited; but if there were no article forbidding them, a power directly to tax exports could never be deduced from a power to tax imports, although such a power might indirectly and incidentally affect exports.

In short, sir, without going farther into the subject. Which I should not have here touched at all but for the reasons already mentioned, I venture to declare it as my opinion, that, were the power of Congress to be established in the latitude contended for, it would subvert the very foundations, and transmute the very nature of the limited government established by the people of America; and what inferences might be drawn, or what consequences ensue, from such a step, it is incumbent on us all to consider.

[On the Cod Fishery Bill, granting Bounties. House of Representatives, February 7, 1792]

### **28.3.2 U.S. v. Butler, 297 U.S. 1, 56 S.Ct. 312 (Jan. 6th, 1936), the General Welfare Clause and taxing**

U.S. v. Butler, supra, involved the imposition of a so called processing tax on processors of agricultural commodities and allowed the agriculture secretary to enter into agreements with farmers for reduction of acreage all under the Agricultural Adjustment Act. Once the tax was collected, the secretary was allowed to appropriate the money as benefits to distressed farmers. The Agricultural Adjustment Act and its authorities were then challenged as being unconstitutional under Article 1, Section 8 and the General Welfare Clause thereof.

Here the Court spoke: There should be no misunderstanding as to the function of the Supreme Court in such a case. It is sometimes said that the court assumes a power to overrule or control the action of the people's representatives. This is a misconception. The Constitution is the supreme law of the land ordained and established by the People. All legislation must conform to the principles it lays down.

When an act of Congress is appropriately challenged in the courts as not conforming to the constitutional mandate, the judicial branch of the government has only one duty: to lay the article of the Constitution that is invoked beside the statute that is challenged and to decide whether the latter squares with the former. All the court does, or can do, is to announce its considered judgment upon the question. The only power it has, if such it may be called, is the power of judgment. The court neither approves nor condemns any legislative policy. Its delicate and difficult office is to ascertain and declare whether the legislation is in accordance with, or in contravention of, the relevant provisions of the Constitution; and, having done that, its duty ends.

The real question is will a Justice with a preconceived (Roosevelt) political view stay within strict construction" and stare decisis? The Court in Butler concluded on the point of constitutionality of the Agricultural Adjustment Act that:

*"When act of Congress in given case is appropriately challenged as not conforming to Constitution, court's sole power and duty is to determine whether the act is in accordance with the constitutional provisions invoked, and court will not approve or condemn any legislative policy." U.S. v. Butler supra.*

Of course, to approve or condemn any legislative policy would invoke a political question that the court cannot hear under separation of powers.

The Court in Butler concluded that the states were the repository for the decisions regulating the reduction of acreage. The Court stated:

*"Federal Union has only the powers expressly conferred on it and those reasonably implied from powers granted, while each state has all governmental powers except such as the people, by Constitution, have conferred on United States, denied to the state, or reserved to themselves."*

It is the author's conclusion in this case that the word "themselves" also means the people of the Several States incorporated into the Union.

The Federal Government did not have the authority to regulate the reduction of agricultural acreage, in that the States (People) possessed that authority originally. The People had not granted nor waived such authority. Therefore, the Federal Government could not constitutionally regulate in this area of law.

The Butler Court, *infra*, determined in point", a question on the taxing powers of the United States. To allow the Federal Government to tax the production of agricultural products and to use that money to pay the debts of the United States as benefits to distressed farmers would be unconstitutional under Article One, Section 8 and within the General Welfare Clause.

The Court in Butler concluded that the

*"General welfare clause of Constitution does not empower Congress to legislate generally for the general welfare, but merely to tax, and appropriate the revenues so raised, for purpose of payment of nation's debts and of making provision for the nation's general welfare; the power to appropriate being as broad as the power to tax." U.S.C.A. Const. Art. 1, §8, cl. 1. (Author's emphasis)*

The Court went on as follows:

*The clause thought to authorize the legislation, --the first, --confers upon the Congress the power "to lay and collect Taxes, Duties, Imposts and Excises, to pay the Debts and provide for the common Defence and general Welfare of the United States". It is not contended that this provision grants power to regulate agricultural production upon the theory that such legislation would promote the general welfare. The Government concedes that the phrase "to provide for the general welfare" qualifies the power "to lay and collect taxes." **The view that the clause grants power to provide for the general welfare, independently of the taxing power, has never been authoritatively accepted.** Mr. Justice Story points out that if it were adopted "it is obvious that under color of the generality of the words, to 'provide for the common defence and general welfare,' the government of the United States is, in reality, a government of general and unlimited powers, notwithstanding the subsequent enumeration of specific powers."<sup>111</sup> **The true construction undoubtedly is that the only thing granted is the power to tax for the purpose of providing funds for payment of the nation's debts and making provision for the general welfare.** [Story, Commentaries on the Constitution of the United States (5th Edition) vol. 1, s 907. (Author's emphasis)]*

Readers, please take note of the Court's emphasis on the General Welfare clause. At this time, the Court viewed the General Welfare clause in the light of a more limited grant of Power.

Of course, taxing authority that allows the Federal Government to tax one man and deliver that tax to another as a benefit for some disaster or National Emergency is not a taxing authority conferred upon the United States by the Constitution of the United States of America. At this point in time, 1936, the Constitution of the United States had not been reinterpreted on the point of General Welfare. Would not the reader accept that the Social Security Act of 1935 rests primarily upon the General Welfare Clause? The authors boldly state the Social Security Act does exactly that, it takes one man's money and grants it to another through a welfare scheme, generally called "Old Age Benefits" under the guise of "General Welfare." See the Social Security Act's Preamble below, (Act of August 14, 1935) [H.R. 7260] implemented in 1936.

*"An act to **provide for the general welfare** by establishing a system of Federal old-age benefits, and by enabling the several States to make more adequate provision for aged persons, blind persons, dependent and crippled children, maternal and child welfare, public health, and the administration of their unemployment compensation laws; to establish a Social Security Board; **to raise revenue**; and for other purposes." [Emphasis Author's]*

The authors query what does "for other purposes" mean? Hint: Read the SS Act in its entirety to answer that question. Here is the OTHER purpose, the REAL purpose, which is to unconstitutionally manufacture statutory "taxpayers" and public officers out of PRIVATE nonresidents domiciled outside the statutory United States, in a legislatively "foreign state", states of the Union:

*Social Security Act  
Section 8  
INCOME TAX ON EMPLOYEES*

*SECTION 801. In addition to other taxes, there shall be levied, collected, and paid upon the income of every individual a tax equal to the following percentages of the wages (as defined in section 811) received by him after December 31, 1936, with respect to employment (as defined in section 811) after such date:*  
*(1) With respect to employment during the calendar years 1937, 1938, and 1939, the rate shall be 1 per centum.*  
*(2) With respect to employment during the calendar years 1940, 1941, and 1942, the rate shall be 1 1/2 per centum.*  
*(3) With respect to employment during the calendar years 1943, 1944, and 1945, the rate shall be 2 per centum.*  
*(4) With respect to employment during the calendar years 1946, 1947, and 1948, the rate shall be 2 1/2 per centum.*  
*(5) With respect to employment after December 31, 1948, the rate shall be 3 per centum.*

*[Social Security Act of 1935 at Title 8, Section 8]*

1 The Court reasoned as follows: The Congress is expressly empowered to lay taxes to provide for the general welfare. Funds  
2 in the Treasury as a result of taxation may be expended only through appropriation. Article 1, Section 9, Clause 7. They can  
3 never accomplish the objects for which they were collected, unless the power to appropriate is as broad as the power to tax.  
4 The necessary implication from the terms of the grant is that the public funds may be appropriated "to provide for the general  
5 welfare of the United States." These words cannot be meaningless; else they would not have been used. The conclusion must  
6 be that they were intended to limit and define the granted power to raise and to expend money. How shall these words be  
7 construed to effectuate the intent of the Constitution?

8 The Court continued its analysis:

9 *"Since the foundation of the nation, sharp differences of opinion have persisted as to the true interpretation of*  
10 *the phrase. Madison asserted it amounted to no more than a reference to the other powers enumerated in the*  
11 *subsequent clauses of the same section [Section 8 of Article One]; that, as the United States is a government of*  
12 *limited and enumerated powers, the grant of power to tax and spend for the general national welfare must be*  
13 *confined to the enumerated legislative fields committed to the Congress. In this view the phrase is mere tautology,*  
14 *for taxation and appropriation are or may be necessary incidents of the exercise of any of the enumerated*  
15 *legislative powers."*

16 The Court added another view:

17 *Hamilton, on the other hand, maintained the clause confers a power separate and distinct from those later*  
18 *enumerated, and is not restricted in meaning by the grant of them. Congress consequently has a substantive power*  
19 *to tax and to appropriate, limited only by the requirement that it shall be exercised to provide for the general*  
20 *welfare of the United States and no more. Each contention has had the support of those whose views are entitled*  
21 *to weight.*

22 Until the 1930s, the Supreme Court had noticed the question, but had never found it necessary to decide which construction  
23 of Article 1, Section 8 is true. Mr. Justice Story, in his Commentaries, supports the Hamiltonian position. By stating to the  
24 effect, we shall not review the writings of public men and commentators or discuss the legislative practice. The Court went  
25 on to say: Study of all these leads us to conclude that the reading advocated by Mr. Justice Story is the correct one. While,  
26 therefore, the power to tax is not unlimited, its confines are set in the clause which confers it, and not in those of Section 8 of  
27 Article One which bestow and define the legislative powers of the Congress. It results that the power of Congress to authorize  
28 expenditure of public moneys for public purposes is not limited by the direct grants of legislative power found in the  
29 Constitution.

30 The Court further commented: but the adoption of the broader construction leaves the power to spend subject to limitations.  
31 As Story states:

32 *"The Constitution was, from its very origin, contemplated to be the frame of a national government, of special*  
33 *and enumerated powers, and not of general and unlimited powers.*

34 *A power to lay taxes for the common defence and general welfare of the United States is not in common sense a*  
35 *general power. It is limited to those objects. It cannot constitutionally transcend them."* [Author's emphasis]

36 The Court concluded:

37 *. . . the qualifying phrase must be given effect, all advocates of broad construction admit. Hamilton, in his well-*  
38 *known Report on Manufactures, states that the purpose must be "general, and not local. Monroe, an advocate of*  
39 *Hamilton's doctrine, wrote: "Have Congress a right to raise and appropriate the money to any and to every*  
40 *purpose according to their will and pleasure? They certainly have not." Story says, "that if the tax be not*  
41 *proposed for the common defense or general welfare, but for other objects wholly extraneous, it would be wholly*  
42 *indefensible upon constitutional principles. And he [Story] makes it clear that the powers of taxation and*  
43 *appropriation extend only to matters of national, as distinguished from local, welfare.*

44 If the general welfare clause is narrowly defined, might the reader conclude the Social Security Act would also be found to  
45 be unconstitutional? It in fact would have to be unconstitutional for the following reasons:

46 *" . . . A tax, in the general understanding of the term and as used in the constitution, signifies an exaction for the*  
47 *support of the government. The word has never thought to connote the expropriation of money from one group*  
48 *for the benefit of another. . . "*  
49 *[U.S. v. Butler, 297 U.S. 1 (1936)]*



1 The Court further stated:

2 “...every presumption is to be indulged in favor of faithful compliance by Congress with the mandates of the  
3 fundamental law. Courts are reluctant to adjudge any statute in contravention of them. But, under our frame of  
4 government, no other place is provided where the citizen may be heard to urge that the law fails to conform to  
5 the limits set upon the use of a granted power. When such a contention comes to the Supreme Court, the Justices  
6 naturally require showings that by no reasonable possibility can the challenged legislation fall within the wide  
7 range of discretion permitted to the Congress. How great is the extent of that discretionary range of Congress?”

8 The Court went on to say that:

9 “...when the subject is the promotion of the general welfare of the United States, the court will hardly remark.  
10 But, despite the breadth of the legislative discretion, the courts duty to hear and to render judgment remains. If  
11 the statute plainly violates the stated principle of the Constitution the Justices must so declare.”

12 The Butler Court found that the Justices are not required to ascertain the scope of the phrase 'general welfare' of the United  
13 States' or to determine whether an appropriation in aid of agriculture falls within it.

14 Given the above analysis and reasoning, on this holding, if the general welfare clause is the basis of the Social Security Act,  
15 would not the Court be compelled to "Switch in Time" so as to not declare the Social Security Act unconstitutional?

16 As the reader shall see, after a year and political change, a difference in constitutional interpretation results in 1937.

17 The Butler court concluded:

18 “Wholly apart from that question, another principle embedded in our Constitution prohibits the enforcement of  
19 the Agricultural Adjustment Act. The act invades the reserved rights of the states. It is a statutory plan to regulate  
20 and control agricultural production, a matter beyond the powers delegated to the federal government. The tax,  
21 the appropriation of the funds raised, and the direction for their disbursement, are but parts of the plan. They  
22 are but means to an unconstitutional end.” [Author's emphasis]

23 Notice the use of the word “invades the reserved rights of the states”. Article 4, Section 4 of the United States Constitution  
24 contains the ONLY positive mandate anywhere in the Constitution. It FORBIDS such an “invasion”, which is why the Court  
25 held as it did:

26 United States Constitution  
27 Article 4, Section 4.

28 The United States shall guarantee to every State in this Union a Republican Form of Government, and shall  
29 protect each of them against Invasion; and on Application of the Legislature, or of the Executive (when the  
30 Legislature cannot be convened) against domestic Violence.

31 Offering, enforcing, or implementing civil franchises within Constitutional states of the Union is the “Invasion” spoken of  
32 by the Court above, and it was attempting to PREVENT that invasion, because on the same subject a few years earlier, it  
33 held:

34 “Thus, Congress having power to regulate commerce with foreign nations, and among the several States, and  
35 with the Indian tribes, may, without doubt, provide for **granting** coasting **licenses**, licenses to pilots, licenses to  
36 trade with the Indians, and any other **licenses** necessary or proper for the exercise of that great and extensive  
37 power; and the same observation is applicable to every other power of Congress, to the exercise of which the  
38 granting of licenses may be incident. All such licenses confer authority, and give rights to the licensee.

39 But very different considerations apply to the **internal commerce** or **domestic trade** of the States. Over this  
40 commerce and trade Congress has no power of regulation nor any direct control. This power belongs  
41 exclusively to the States. No interference by Congress with the business of citizens transacted within a State is  
42 warranted by the Constitution, except such as is strictly incidental to the exercise of powers clearly granted to  
43 the legislature. The power to authorize a business within a State is plainly repugnant to the exclusive power of  
44 the State over the same subject. It is true that the power of Congress to tax is a very extensive power. It is given  
45 in the Constitution, with only one exception and only two qualifications. Congress cannot tax exports, and it must  
46 impose direct taxes by the rule of apportionment, and indirect taxes by the rule of uniformity. Thus limited, and  
47 thus only, it reaches every subject, and may be exercised at discretion. But, it reaches only existing subjects.  
48 Congress cannot authorize [e.g. LICENSE, using a Social Security Number (SSN) or Taxpayer Identification  
49 Number (TIN)] a trade or business [per 26 U.S.C. §7701(a)(26)] within a State in order to tax it.”  
50 [License Tax Cases, 72 U.S. 462, 18 L.Ed. 497, 5 Wall. 462, 2 A.F.T.R. 2224 (1866) ]

1 In plain English language, the Congress, at this time, cannot use the General Welfare clause of Article One, Section 8 for the  
2 application of a payment to the discharge of a particular debt. In other words, Congress cannot use the taxing authority and  
3 general welfare clause to tax one and give to another, at least not constitutionally in 1936.

4 The Butler case, *supra*, further held on the taxing authorities that:

5 *"If the taxing power may not be used as the instrument to enforce a regulation of matters of state concern with*  
6 *respect to which the Congress has no authority to interfere, may it, as in the present case, be employed to raise*  
7 *the money necessary to purchase a compliance which the Congress is powerless to command? The government*  
8 *asserts that whatever might be said against the validity of the plan, if compulsory, it is constitutionally sound*  
9 *because the end is accomplished by voluntary co-operation. There are two sufficient answers to the contention.*  
10 *The regulation is not in fact voluntary. The farmer, of course, may refuse to comply, but the price of such refusal*  
11 *is the loss of benefits. The amount offered is intended to be sufficient to exert pressure on him to agree to the*  
12 *proposed regulation. **The power to confer or withhold unlimited benefits [FRANCHISES] is the power to***  
13 ***coerce or destroy.**" [Author's emphasis]*

14 Dear reader, please store away the last sentence in the above quotation.

15 It was said in Butler *supra*, that:

16 *Congress has no power to enforce its commands on the farmer to the ends sought by the Agricultural Adjustment*  
17 *Act. It must follow that it may not indirectly accomplish those ends by taxing and spending to purchase*  
18 *compliance.*

19 Here the Court stayed within a more strict construction view and within *stare decisis*. What would happen if the Court were  
20 to apply that analysis to the "Crown Jewel" of the "New Deal"?

21 In the Social Security Act, section 8, *infra* it is mandatory that a person with \$3000 or more in income must file and pay an  
22 income tax and an employer with 8 or more employees must collect the income tax along with other taxes. If these persons  
23 or employers do not there is a penalty at Section 807 (a).

24 *"Sec. 807(a) "The taxes imposed by this title shall be collected by the Bureau of Internal Revenue under the*  
25 *direction of the Secretary of the Treasury and shall be paid into the Treasury of the United States as internal-*  
26 *revenue collections. If the tax is not paid when due, there shall be added as part of the tax interest (except in the*  
27 *case of adjustments made in accordance with the provisions of sections 802 (b) and 805) at the rate of one-half*  
28 *of 1 per centum per' month from the date the tax became due until paid."*

29 The above quote follows the same reasoning the Supreme Court found in Butler. The cohesive nature of compliance through  
30 penalties for non-compliance is not within Congressional power, especially if it is mandatory in nature. The Social Security  
31 Act has the same exact means to an end theory as the Agricultural Adjustment Act. By this analysis, the holdings in Butler  
32 *supra*, should apply and the Social Security Act should be found to be unconstitutional as to certain "Citizens" discussed in  
33 this book. Anyone can volunteer under the Social Security laws if they so choose but cannot be "forced" to make application.

34 Now let's take a look at a case that touched on the same subject of the General Welfare clause and the taxing authority after  
35 the "Switch in Time" took place. Remember reader, this case is ruled on only one year after Butler *supra*. The reader must  
36 keep in mind that the Social Security Act is of a voluntary nature, as, when one makes application via a signature for a SS  
37 number and becomes by election a statutory "U.S. citizen" or "citizen of the United States" per 8 U.S.C. §1401, 26 U.S.C.  
38 §3121(e), and 26 C.F.R. §1.1-1(c).

### 39 **28.3.3 Helvering, Commissioner of Internal Revenue, et al. v. Davis, 301 U.S. 619, 57 S.Ct. 904 (1937)**

40 Helvering, Commissioner of Internal Revenue, et al. v. Davis, 301 U.S. 619, 57 S.Ct. 904 (1937), is a case about imposing  
41 an excise tax upon employers of eight or more. In this case, Titles VII and II (sections 801 et seq., 201 et seq. (42 U.S.C.A.  
42 §§1001 et seq., 401 et seq.) are the subject of attack. In the SS Act, Title 8 lays another excise tax upon employers in addition  
43 to the one imposed by Title 9 (though with different exemptions). Title 8 also lays an income tax upon employees to be  
44 deducted from their wages and paid by the employers to the general fund of the "United States." Therein, Title II provides  
45 for the payment of Old Age Benefits, and supplies the motive and occasion, in the view of the assailants of the statute, for  
46 the levy of the taxes imposed by Title 8.

Involved in this case of *Helvering v. Davis*, supra was an overwhelming dissenting opinion from certain Supreme Court Justices, with holdings similar to that of the *Butler* Court, supra. Again the authors remind the reader of the "Constitutional War" that occurred in the Supreme Court over the "New Deal." What would the result be in terms of strict construction and stare decisis? Reader, can you possibly guess? How about a hint: Can you say, "Switch in Time."

The *Helvering v. Davis* Court held valid the portions mentioned above of the Social Security Act, by:

1. "Concept of general welfare in constitutional provision permitting Congress to spend money in aid of general welfare is not static." U.S.C.A. Const. Art. 1, §8.
2. "Title of Social Security Act providing for federal old age benefits and authorizing appropriations to old age reserve account for monthly pensions and lump sum payments held not unconstitutional as violating provision reserving to states powers not delegated to United States and not prohibited to states, since unemployment is a general, national ill which Congress may check by nation's resources under general welfare clause, whether it results from lack of work or because of disabilities of age, and laws of separate states could not deal with problem effectively because of states' lack of resources and their reluctance to increase tax burdens." Social Security Act §201 et seq., 42 U.S.C.A. §401 et seq.; U.S.C.A. Const. Art. 1, §8; Art. 6, par. 2; Amend. 10.
3. "Where money is spent to promote the general welfare, concept of welfare is shaped by Congress and not by the states, and, where concept is not arbitrary, locality must yield." U.S.C.A. Const. Art. 1, §8; Art. 6, par. 2. [Author's emphasis]

Remember in the 1936 *Butler* Court, "General Welfare" was defined as the general welfare of the United States government not that of the citizens. So, in effect what the allies of the "New Deal" had done was redefine the general welfare clause to mean, Congress determined welfare of citizens and not that of the general government. The Court, in 1937, following the Congressional lead, had in effect destroyed 147 years of meaning of 'to provide for the common Defence and general Welfare' of the United States in Article 1, Section 8. So much for stare decisis.

Next, the Court in *Helvering v. Davis*, supra, explains that an income tax imposed on employees and excise tax imposed on employers by Social Security Act, on basis of wages paid during calendar year, held not invalid because of provision exempting from both taxes agricultural labor, domestic service, service for national or state governments, and service performed by persons who have attained age of 65 years (Social Security Act §§801, 804, 811(b), 42 U.S.C.A. §§1001, 1004, 1011(b)). The court's only explanation for this is:

*"The tax is not invalid as a result of its exemptions. Here again the opinion in Steward Machine Co. v. Davis, infra, says all that need be said." Helvering v. Davis, supra.*

Remember reader, in *U.S. v. Butler* supra, the Court found the tax in that case to be unconstitutional unless it was of a voluntary nature and not forced upon the farmer by federal legislation. Now, let's take a look at the case referred to above, to see what was said about taxation insofar as the Social Security Act is concerned.

*Chas. C. Steward Mach. Co. v. Davis*, 301 U.S. 548, 57 S.Ct. 883 (May 24th, 1937), was a case concerning the unemployment benefits some of which were paid by the employee and the rest of which were paid by the employer. These funds were paid into the general fund of the United States Treasury. This case absolutely had nothing to do with the income tax mentioned at section 8 of the Social Security Act. Nor did this case touch on who was to collect the income tax monies from the citizen employee and where the money is to be paid. So with that said, what did the Supreme Court Justice that rendered the decision in the *Steward Machine Co.*, Court, supra mean when the Justice in the *Helvering* Court said;

*"The tax is not invalid as a result of its exemptions. Here again the opinion in Steward Machine Co. v. Davis, supra, says all that need be said." Helvering v. Davis supra.*

*Steward Machine Co.* supra, was not about income taxes; it was about unemployment taxes and the nature of that tax. The Court said that unemployment taxes are an excise [FRANCHISE] tax derived from "employment" or business of "employment" and could be taxed under that situation. The *Steward Machine Co.* Court held:

*"Excise tax imposed on employer with respect to having individuals in his employ equal to certain percentage of total wages conforms to constitutional requirement that excises shall be imposed with geographical uniformity (Social Security Act, §§901--910, 42 U.S.C.A. §§1101--1110; Const. Art. 1, §8)." [Author's emphasis]*

The Court added:

1 *"Excise tax imposed on employer with respect to having individuals in his employ equal to certain percentage of*  
2 *total wages held not unconstitutional as arbitrary and discriminatory because of provisions exempting employers*  
3 *of less than eight individuals, agricultural labor, and domestic service, since exemptions have support in*  
4 *considerations of policy and practical convenience and would be upheld under Fourteenth Amendment if adopted*  
5 *by a state, and hence are valid in legislation by Congress, which is subject to restraints less narrow and confining*  
6 *(Social Security Act, §§901--910, 42 U.S.C.A. §§1101--1110; Const. Amends. 5, 14)." [Author's emphasis]*

7 In the first quote from Steward Machine Co. supra, Mr. Justice Cardozo found that the excise tax must be imposed with  
8 geographical uniformity and then in the second quote he stated that, "because of provisions exempting employers of less  
9 than eight individuals, agricultural labor, and domestic service." The reader might conclude that Cardozo was working with  
10 a double negative. This tax is not uniform because it exempts certain employers and forces the burdens on wealthier  
11 employers. So, is this tax geographically uniform? No, because everybody and every business, under this tax scheme, is not  
12 taxed equally. Therefore the tax cannot meet the muster of an excise tax.

13 This contention would also apply to the income tax imposed on employees at section 8 of the Social Security Act. So what is  
14 meant by the quote in the Helvering case:

15 *"The tax is not invalid as a result of its exemptions. Here again the opinion in Steward Machine Co. v. Davis,*  
16 *supra, says all that need be said." Helvering v. Davis supra.*

17 The meaning of this statement is as follows. The income tax imposed by section 8 of the Social Security Act is an excise tax.  
18 Excise tax for what? This income tax certainly is not for the payment of unemployment benefits. If that were the case, the  
19 Social Security Act must state so and it does not. This income tax is, in fact, a direct tax upon the employees for the privilege  
20 of employment by a federally contracted employer (EIN) to be collected by the employer and paid into the treasury of the  
21 "United States" and therefore must be held unconstitutional under current case law even today, if not voluntary. The  
22 constitutionality of the Social Security Act and the Act's provisions, which were under attack in the Steward Machine Co.  
23 court supra, is addressed by Justice Butler in his dissenting opinion. He said:

24 *"I am also of opinion that, in principle and as applied to bring about and to gain control over state unemployment*  
25 *compensation, the statutory scheme is repugnant to the Tenth Amendment: 'The powers not delegated to the*  
26 *United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to*  
27 *the people.' The Constitution grants to the United States no power to pay unemployed persons or to require the*  
28 *states to enact laws or to raise or disburse money for that purpose. The provisions in question, if not amounting*  
29 *to coercion in a legal sense, are manifestly designed and intended directly to affect state action in the respects*  
30 *specified." [Author's emphasis]*

31 In other words, the Federal Government generally cannot impose an act upon the States that would affect state action. Justice  
32 Butler went on to say:

33 *"Federal agencies prepared and took draft bills to state Legislatures to enable and induce them to pass laws*  
34 *providing for unemployment compensation in accordance with federal requirements and thus to obtain relief for*  
35 *the employers from the impending federal exaction. Obviously the act creates the peril of federal tax not to raise*  
36 *revenue but to persuade." Steward Mach. supra. [Author's emphasis]*

37 And:

38 *"The terms of the measure make it clear that the tax and credit device was intended to enable federal officers*  
39 *virtually to control the exertion of powers of the states in a field in which they alone have jurisdiction [meaning*  
40 *the several States] and from which the United States is by the Constitution excluded."*  
41 *[Author's emphasis]*

42 Finally:

43 *"I am of opinion that the judgment of the Circuit Court of Appeals should be reversed."*

44 Mr. Justice Butler, by his admissions in Steward Machine Co. supra, found that the provisions of the Social Security Act  
45 under attack should be un-constitutional and under the arguments made in U.S. v. Butler Court supra, the whole entire Social  
46 Security Act should be found unconstitutional, unless by agreement there is voluntary application into the Social Security  
47 program.

48 Has the reader agreed to the implications of the Social Security Act? Hint: see In re Meador, 16 F.Cas. 1294 (1869):

"And here a thought suggests itself. As the Meadors, subsequently to the passage of this act of July 20, 1868, applied for and obtained from the government a license or permit to deal in manufactured tobacco, snuff and cigars, I am inclined to be of the opinion that they are, by this their own voluntary act, precluded from assailing the constitutionality of this law, or otherwise controverting it. For the granting of a license or permit--the yielding of a particular privilege--and its acceptance by the Meadors, was a contract, in which it was implied that the provisions of the statute which governed, or in any way affected their business, and all other statutes previously passed, which were in pari materia" with those provisions, should be recognized and obeyed by them. When the Meadors sought and accepted the privilege, the law was before them.

And can they now impugn its constitutionality or refuse to obey its provisions and stipulations, and so exempt themselves from the consequences of their own acts?" [Footnote added by authors]

What if the reader appears to "voluntarily" accept and use the SSN? Won't the user be contractually subject to "the consequences of their own acts"?

## 28.4 Brandeis rules

The Brandeis Rules deal with when constitutional challenges may lawfully be made to an enforcement action directed against a party who LAWFULLY CONSENTED to a franchise. These 7 rules were first identified in *Ashwander v. Tennessee*, in which the U.S. Supreme Court held the following:

The Court developed, for its own governance in the cases confessedly within its jurisdiction, a series of rules under which it has avoided passing upon a large part of all the constitutional questions pressed upon it for decision. They are:

1. The Court will not pass upon the constitutionality of legislation in a friendly, non-adversary, proceeding, declining because to decide such questions "is legitimate only in the last resort, and as a necessity in the determination of real, earnest and vital controversy between individuals. It never was the thought that, by means of a friendly suit, a party beaten in the legislature could transfer to the courts an inquiry as to the constitutionality of the legislative act." *Chicago & Grand Trunk Ry. v. Wellman*, 143 U.S. 339, 345. Compare *Lord v. Veazie*, 8 How. 251; *Atherton Mills v. Johnston*, 259 U.S. 13, 15.

2. The Court will not "anticipate a question of constitutional law in advance of the necessity of deciding it." 347\*347 *Liverpool, N.Y. & P.S.S. Co. v. Emigration Commissioners*, 113 U.S. 33, 39;<sup>312</sup> *Abrams v. Van Schaick*, 293 U.S. 188; *Wilshire Oil Co. v. United States*, 295 U.S. 100. "It is not the habit of the Court to decide questions of a constitutional nature unless absolutely necessary to a decision of the case." *Burton v. United States*, 196 U.S. 283, 295.

3. The Court will not "formulate a rule of constitutional law broader than is required by the precise facts to which it is to be applied." *Liverpool, N.Y. & P.S.S. Co. v. Emigration Commissioners*, supra. Compare *Hammond v. Schappi Bus Line*, 275 U.S. 164, 169-172.

4. The Court will not pass upon a constitutional question although properly presented by the record, if there is also present some other ground upon which the case may be disposed of. This rule has found most varied application. Thus, if a case can be decided on either of two grounds, one involving a constitutional question, the other a question of statutory construction or general law, the Court will decide only the latter. *Siler v. Louisville & Nashville R. Co.*, 213 U.S. 175, 191; *Light v. United States*, 220 U.S. 523, 538. Appeals from the highest court of a state challenging its decision of a question under the Federal Constitution are frequently dismissed because the judgment can be sustained on an independent state ground. *Berea College v. Kentucky*, 211 U.S. 45, 53.

5. The Court will not pass upon the validity of a statute upon complaint of one who fails to show that he is injured by its operation.<sup>313</sup> *Tyler v. The Judges*, 179 U. 348\*348 S. 405; *Hendrick v. Maryland*, 235 U.S. 610, 621. Among the many applications of this rule, none is more striking than the denial of the right of challenge to one who lacks a personal or property right. Thus, the challenge by a public official interested only in the performance of his official duty will not be entertained. *Columbus & Greenville Ry. v. Miller*, 283 U.S. 96, 99-100. In *Fairchild v. Hughes*, 258 U.S. 126, the Court affirmed the dismissal of a suit brought by a citizen who sought to have the Nineteenth Amendment declared unconstitutional. In *Massachusetts v. Mellon*, 262 U.S. 447, the challenge of the federal Maternity Act was not entertained although made by the Commonwealth on behalf of all its citizens.

<sup>312</sup> E.g., *Ex parte Randolph*, 20 Fed.Cas. No. 11,558, pp. 242, 254; *Charles River Bridge v. Warren Bridge*, 11 Pet. 420, 553; *Trade-Mark Cases*, 100 U.S. 82, 96; *Arizona v. California*, 283 U.S. 423, 462-464.

<sup>313</sup> E.g., *Hatch v. Reardon*, 204 U.S. 152, 160-161; *Corporation Commission v. Lowe*, 281 U.S. 431, 438; *Heald v. District of Columbia*, 259 U.S. 114, 123; *Sprout v. South Bend*, 277 U.S. 163, 167; *Concordia Fire Insurance Co. v. Illinois*, 292 U.S. 535, 547.



6. The Court will not pass upon the constitutionality of a statute at the instance of one who has availed himself of its benefits.<sup>314</sup> [Great Falls Mfg. Co. v. Attorney General, 124 U.S. 581](#); [Wall v. Parrot Silver & Copper Co., 244 U.S. 407, 411-412](#); [St. Louis Malleable Casting Co. v. Prendergast Construction Co., 260 U.S. 469](#).

7. "When the validity of an act of the Congress is drawn in question, and even if a serious doubt of constitutionality is raised, it is a cardinal principle that this Court will first ascertain whether a construction of the statute is fairly possible by which the question may be avoided." [Crowell v. Benson, 285 U.S. 22, 62](#).<sup>[8]</sup>

[*Ashwander v. Tennessee Valley Authority Et Al*, 297 U.S. 288, 346-348 (1936)]

Of the above rules, the ones that really matter for those who want to challenge the constitutionality of a franchise enforcement proceeding in federal court are:

1. **Rule 5:** You can't challenge the constitutionality of an enforcement action if you have not been demonstrably and personally injured by it.
2. **Rule 6:** You can't challenge an enforcement action of a franchise you LAWFULLY consented to. Examples of such consent include the following:
  - 2.1. You signed up for the franchise without any attachment or qualification to the application.
  - 2.2. You did not attempt to terminate franchise participation.
  - 2.3. You were participating illegally but have no evidence to prove that this in the administrative record with the agency.
  - 2.4. You availed yourself of "benefits" of the franchise available ONLY to those who are lawfully participating. For instance, the Internal Revenue Code, Subtitles A through C only pertain to statutory "taxpayers", and you used forms and administrative remedies available ONLY to statutory "Taxpayers". The IRS Mission statement (Internal Revenue Manual (I.R.M.), Section 1.1.1.1 (02-26-1999)) says they can only help "taxpayers" and they provide no forms or administrative assistance for those who are not "taxpayers", such as those described in 26 U.S.C. §7426 or described by the courts in [Economy Plumbing & Heating v. United States, 470 F.2d. 585 \(1972\)](#); and [South Carolina v. Regan, 465 U.S. 367](#) (1984). Those who are "nontaxpayers" are not permitted to use "taxpayer" forms or at least must modify or qualify the forms to make them suitable for use by "nontaxpayers". AND the only remedies they have are in court under the COMMON LAW and not statutory law. To us, it appears that the title "taxpayer" is a title of nobility and that there is a severe equal protection issue by refusing to provide administrative remedies to those who are not statutory franchisees called "taxpayers" per 26 U.S.C. §7701(a)(14).
  - 2.5. You VOLUNTARILY used a de facto license number that is property of the government called a "Taxpayer Identification Number" or "Social Security Number" in your interactions. All such STATUTORY numbers may only be used by public officers on official business and not EXCLUSIVELY PRIVATE parties. All private parties must identify such uses as ILLEGAL using the following form:

<p><u>Why It is Illegal for Me to Request or Use a "Taxpayer Identification Number", Form #04.205</u> <a href="http://sedm.org/Forms/FormIndex.htm">http://sedm.org/Forms/FormIndex.htm</a></p>
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Lastly, if you violate the Brandeis Rules and attempt to bring your case before a federal court without respecting them, count on the fact that the court will unlawfully try to financially sanction you in violation of Federal Rule of Civil Procedure 11. Technically, they can ONLY sanction ATTORNEYS and not private parties. Nevertheless, please do us a favor and respect the rules anyway, as a non-attorney. That will keep the courts focused on meaningful litigation instead of vexatious litigation by idiot freedom fighters.

## 28.5 Declaratory Judgments Act Jurisprudence

The Separation of Powers Doctrine forbids civil legislative jurisdiction within the borders of a Constitutional state. We discuss this in:

<p><u>Government Conspiracy to Destroy the Separation of Powers, Form #05.023</u> <a href="http://sedm.org/Forms/FormIndex.htm">http://sedm.org/Forms/FormIndex.htm</a></p>
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Following the packing of the U.S. Supreme Court by Franklin Delano Roosevelt (FDR) in 1937, the newly appointed SOCIALIST judicial majority had to invent a way around the separation of powers so that Congressional legislation could

<sup>314</sup> Compare [Electric Co. v. Dow, 166 U.S. 489](#); [Pierce v. Somerset Ry., 171 U.S. 641, 648](#); [Leonard v. Vicksburg, S. & P.R. Co., 198 U.S. 416, 422](#).

be enforced unconstitutionally within states of the Union. One of the ways this was done was by stretching their interpretation of the Declaratory Judgments Act, codified in 28 U.S.C. Chapter 151, Sections 2201-2202. This stretching of interpretation was done in the case of Aetna Life Insurance v. Haworth et al., 300 U.S. 227, 57 S.Ct. 461 (1937).

The limitations of the constitution and the separation of powers made it impossible for federally chartered corporations to vindicate disputes between themselves and people in other states. This was so because:

1. The United States government, as a whole, is a federally chartered corporation.

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

(15) "United States" means -

(A) a Federal corporation;

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

(C) an instrumentality of the United States.

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

[Proprietors of Charles River Bridge v. Proprietors of Warren Bridge, 36 U.S. 420 (1837)]

2. The United States Government federal corporation is "foreign" in respect to a constitutional state.

"A foreign corporation is one that derives its existence solely from the laws of another state, government, or country, and the term is used indiscriminately, sometimes in statutes, to designate either a corporation created by or under the laws of another state or a corporation created by or under the laws of a foreign country."

"A federal corporation operating within a state is considered a domestic corporation rather than a foreign corporation. **The United States government is a foreign corporation with respect to a state.**"  
[19 Corpus Juris Secundum (C.J.S.), Corporations, §883 (2003)]

3. Federally chartered corporations do not have a legal existence in a constitutional state and therefore cannot litigate in a state court when acting in their sovereign capacity.

"A corporation is a citizen, resident, or inhabitant of the state or country by or under the laws of which it was created, and of that state or country only."  
[19 Corpus Juris Secundum (C.J.S.), Corporations, §886 (2003)]

4. Federally chartered corporations are not "persons" under the constitution, so the diversity of citizenship rules in the constitution do not provide a remedy for interstate disputes.

"Under our own systems of polity, the term 'citizen', implying the same or similar relations to the government and to society which appertain to the term, 'subject' in England, is familiar to all. Under either system, the term used is designed to apply to man in his individual character and to his natural capacities -- to a being or agent [PUBLIC OFFICER!] possessing social and political rights and sustaining social, political, and moral obligations. It is in this acceptance only, therefore, that the term 'citizen', in the article of the Constitution, can be received and understood. When distributing the judicial power, that article extends it to controversies between 'citizens' of different states. This must mean the natural physical beings composing those separate communities, and can by no violence of interpretation be made to signify artificial, incorporeal, theoretical, and invisible creations. A corporation, therefore, being not a natural person, but a mere creature of the mind, invisible and intangible, cannot be a citizen of a state, or of the United States, and cannot fall within the terms

or the power of the above mentioned article, and can therefore neither plead nor be impleaded in the courts of the United States."

[Rundle v. Delaware & Raritan Canal Company, 55 U.S. 80, 99 (1852) from dissenting opinion by Justice Daniel]

***"Citizens of the United States within the meaning of this Amendment must be natural and not artificial persons; a corporate body is not a citizen of the United States.<sup>14</sup>***

<sup>14</sup> Insurance Co. v. New Orleans, 13 Fed.Cas. 67 (C.C.D.La. 1870). Not being citizens of the United States, corporations accordingly have been declared unable "to claim the protection of that clause of the Fourteenth Amendment which secures the privileges and immunities of citizens of the United States against abridgment or impairment by the law of a State." Orient Ins. Co. v. Daggs, 172 U.S. 557, 561 (1869). This conclusion was in harmony with the earlier holding in Paul v. Virginia, 75 U.S. (8 Wall.) 168 (1869), to the effect that corporations were not within the scope of the privileges and immunities clause of state citizenship set out in Article IV, Sec. 2. See also Selover, Bates & Co. v. Walsh, 226 U.S. 112, 126 (1912); Berea College v. Kentucky, 211 U.S. 45 (1908); Liberty Warehouse Co. v. Tobacco Growers, 276 U.S. 71, 89 (1928); Grosjean v. American Press Co., 297 U.S. 233, 244 (1936).

[Annotated Fourteenth Amendment, Congressional Research Service.

SOURCE: [http://www.law.cornell.edu/anncon/html/amdt14a\\_user.html#amdt14a\\_hd1](http://www.law.cornell.edu/anncon/html/amdt14a_user.html#amdt14a_hd1)]

5. Federal Rule of Civil Procedure 17 requires that the domicile of the parties determines the choice of law in a controversy and that the law that applies to a corporation or its officers is the place of incorporation of the Corporation, which is the District of Columbia for "U.S. Inc."
- 5.1. State citizens are not domiciled on federal territory so federal law does not apply.
- 5.2. Federally chartered are effectively domiciled on federal territory so state law does not apply.
6. Federally chartered corporations are instrumentalities of the national government and disputes with them must be heard in federal and not states courts. See the below case and also Alden v. Maine, 527 U.S. 706 (1999).

*"Suits brought by the Postmaster-General are 856\*856 for money due to the United States. The nominal plaintiff has no interest in the controversy, and the United States are the only real party. Yet, these suits could not be instituted in the Courts of the Union, under that clause which gives jurisdiction in all cases to which the United States are a party; and it was found necessary to give the Court jurisdiction over them, as being cases arising under a law [STATUTES/FRANCHISES] of the United States."*  
[Osborn v. Bank of U.S., 22 U.S. 738 (1824)]

What the court in Aetna had to do was solve the above problems by:

1. Providing a remedy for HUMANS in constitutional states protected by the Constitution and doing business with federally chartered corporations such as "U.S. Inc."
2. Making that remedy available in federal court, because such disputes cannot be heard in state court when the government is acting in its sovereign, constitutional capacity.
3. Placing the two parties to the dispute on an EQUAL footing before the laws in question. In other words, make a HUMAN and an ARTIFICIAL PUBLIC OFFICE AND CORPORATION EQUAL.
4. Implementing the remedy as a franchise, so that the party invoking the franchise statute automatically:
  - 4.1. Is treated as a PUBLIC OFFICE and INSTRUMENTALITY of the national government.
  - 4.2. Is availing themselves of a franchise "benefit". That benefit is a Congressionally created FRANCHISE "remedy" that would not otherwise exist.

The Aetna case was the ideal case to implement the above strategy, because it was between a federal corporation and a state citizen. The case was not justiciable under the constitution for that reason. The corporation was a federal corporation and constitutional diversity didn't apply because the corporation was not a CONSTITUTIONAL "citizen".

***"Citizens of the United States within the meaning of this Amendment must be natural and not artificial persons; a corporate body is not a citizen of the United States.<sup>14</sup>***

<sup>14</sup> Insurance Co. v. New Orleans, 13 Fed.Cas. 67 (C.C.D.La. 1870). Not being citizens of the United States, corporations accordingly have been declared unable "to claim the protection of that clause of the Fourteenth

Amendment which secures the privileges and immunities of citizens of the United States against abridgment or impairment by the law of a State." *Orient Ins. Co. v. Daggs*, [172 U.S. 557](#), 561 (1869) . This conclusion was in harmony with the earlier holding in *Paul v. Virginia*, 75 U.S. (8 Wall.) 168 (1869), to the effect that corporations were not within the scope of the privileges and immunities clause of state citizenship set out in Article IV, Sec. 2. See also *Selover, Bates & Co. v. Walsh*, [226 U.S. 112](#), 126 (1912) ; *Berea College v. Kentucky*, [211 U.S. 45](#) (1908) ; *Liberty Warehouse Co. v. Tobacco Growers*, [276 U.S. 71](#), 89 (1928) ; *Grosjean v. American Press Co.*, [297 U.S. 233](#), 244 (1936) .

[Annotated Fourteenth Amendment, Congressional Research Service.  
SOURCE: [http://www.law.cornell.edu/anncon/html/amdt14a\\_user.html#amdt14a\\_hd1](http://www.law.cornell.edu/anncon/html/amdt14a_user.html#amdt14a_hd1)]

The Constitution of the United States of America at Article III, Section 2, paragraph 1, provides:

"The judicial Power ***shall extend to all Cases***, in Law and Equity, arising under this Constitution, the Laws of the United States, and Treaties made, or which shall be made, under their Authority;- to all Cases affecting Ambassadors, other public Ministers and Consuls;- to all Cases of admiralty and maritime Jurisdiction- to Controversies to which the United States shall be a party;- ***to Controversies*** between two or more States;- between a State and Citizens of another State;- between Citizens of different States;- Between Citizens of the same State claiming Lands under Grants of different States, and between a State, or the Citizens thereof, and foreign States, Citizens or Subjects."  
[United States Constitution, Article III, Section 2]

The Federal Courts were limited by the Constitution of the United States of America to "Controversies" which arose under the Constitution and the Laws of the United States, and Treaties made, or which shall be made, under their Authority and was limited to certain parties in interest. TECHNICALLY, the "laws" they are referring to are STATE law under the Rules of Decision Act, 28 U.S.C. §1652 because federal law was not enforceable in a constitutional state.

28 U.S. Code § 1652 - State laws as rules of decision

*The laws of the several states, except where the Constitution or treaties of the United States or Acts of Congress otherwise require or provide, shall be regarded as rules of decision in civil actions in the courts of the United States, in cases where they apply.*

The Declaratory Judgment Act, 28 U.S.C. §2201, on the other hand, allowed "actual controversies" to also be heard by the Federal Courts.

28 U.S. Code Chapter 151 - DECLARATORY JUDGMENTS  
§ 2201 - Creation of remedy

(a) In a case of ***actual controversy*** within its jurisdiction, except with respect to Federal taxes other than actions brought under section 7428 of the Internal Revenue Code of 1986, a proceeding under section [505](#) or [1146](#) of title [11](#), or in any civil action involving an antidumping or countervailing duty proceeding regarding a class or kind of merchandise of a free trade area country (as defined in section 516A(f)(10) of the Tariff Act of 1930), as determined by the administering authority, any court of the United States, upon the filing of an appropriate pleading, may declare the rights and other legal relations of any interested party seeking such declaration, whether or not further relief is or could be sought. Any such declaration shall have the force and effect of a final judgment or decree and shall be reviewable as such.

The Constitution does not mention the Legislative Branch defining or "redefining" the meaning of "Controversy" to include a combination of FEDERAL CORPORATIONS on one side of the controversy and PRIVATE states citizens on the other. The Constitution limits "Controversies" only to those "arising under this Constitution." The court had to create a NEW definition of "controversy" to bring cases between state citizens and federal corporations within its jurisdiction. Was the Declaratory Judgment Act, supra, an intrusion by the Legislature into the realm of Judicial Powers? In a CONSTITUTIONAL sense it was. However, when the dispute involves nothing but parties domiciled on federal territory and not within a constitutional state, it doesn't. The entirety of Title 28 legislates for TWO completely separate jurisdictions in one body of code, and it mixes these two together indiscriminately to create presumptions about federal jurisdiction that cannot stand constitutional muster:

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

Foreign States: "Nations outside of the United States...Term may also refer to another state; i.e. a sister state. The term 'foreign nations', ...should be construed to mean all nations and states other than that in which the action is brought; and hence, one state of the Union is foreign to another, in that sense."  
[Black's Law Dictionary, Sixth Edition, p. 648]

Foreign Laws: "The laws of a foreign country or sister state."  
[Black's Law Dictionary, Sixth Edition, p. 647]

What the U.S. Supreme Court did in the Aetna case was carve TWO types of remedies out of the Declaratory Judgments Act where only ONE CONSTITUTIONAL remedy previously existed. They did this by:

1. Distinguishing a "case" from a "controversy".
2. Making a "case" a SUBSET of a "controversy".
3. Saying all "cases" involve the constitution and the common law.
4. Saying that all "controversies" involve CIVIL STATUTORY franchises under Acts of Congress.
5. Redefine the phrase "laws of the United States" in Article III, Section 2 to include the laws of Congress for federal territory and property, instead of the laws of ONLY the states of the Union as required by:
  - 5.1. The Rules of Decision Act, 28 U.S.C. §1652.
  - 5.2. Federal Rule of Civil Procedure 17.

Below is the U.S. Supreme Court's reasoning justifying this change:

"The Constitution limits the exercise of the judicial power to 'cases' and 'controversies.' 'The term 'controversies,' if distinguishable at all from 'cases,' is so in that it is less comprehensive than the latter, and includes only suits of a civil nature.'" Per Mr. Justice Field in In re Pacific Railway Comm'n, 32 Fed. 241, 255, citing Chisholm v. Georgia, 2 Dall. 419, 431, 432. See Muskraut v. United States, 219 U.S. 346, 356, 357; Old Colony Trust Co. v. Commissioner, 279 U.S. 716, 723, 724. The Declaratory Judgment Act of 1934, in its limitation to "cases of actual controversy," manifestly 240\*240 has regard to the constitutional provision and is operative only in respect to controversies which are such in the constitutional sense. The word "actual" is one of emphasis rather than of definition. Thus the operation of the Declaratory Judgment Act is procedural only. In providing remedies and defining procedure in relation to cases and controversies in the constitutional sense the Congress is acting within its delegated power over the jurisdiction of the federal courts which the Congress is authorized to establish. Turner v. Bank of North America, 4 Dall. 8, 10; Stevenson v. Fain, 195 U.S. 165, 167; Kline v. Burke Construction Co., 260 U.S. 226, 234. Exercising this control of practice and procedure the Congress is not confined to traditional [meaning CONSTITUTIONAL and COMMON LAW] forms or traditional remedies. The judiciary clause of the Constitution "did not crystallize into changeless from the procedure of 1789 as the only possible means, for presenting a case or controversy otherwise cognizable by the federal courts." Nashville, C. & St. L. Ry. Co. v. Wallace, 288 U.S. 249, 264. In dealing with methods within its sphere of remedial action the Congress may create and improve as well as abolish or restrict. The Declaratory Judgment Act must be deemed to fall within this ambit of congressional power so far as it authorizes relief which is consonant with the exercise of the judicial function in the determination of controversies to which under the Constitution the judicial power extends.

"A "controversy" in this sense must be one that is appropriate for judicial determination. Osborn v. United States Bank, 9 Wheat. 738, 819. A justifiable controversy is thus distinguished from a difference or dispute of a hypothetical or abstract character; from one that is academic or moot. United States v. Alaska S.S. Co., 253 U.S. 113, 116. The controversy must be definite and concrete, touching the legal relations of parties having 241\*241 adverse legal interests. South Spring Gold Co. v. Amador Gold Co., 145 U.S. 300, 301; Fairchild v. Hughes, 258 U.S. 126, 129; Massachusetts v. Mellon, 262 U.S. 447, 487, 488. It must be a real and substantial controversy admitting of specific relief through a decree of a conclusive character, as distinguished from an opinion advising what the law would be upon a hypothetical state of facts. See Muskraut v. United States, supra; Texas v. Interstate Commerce Comm'n, 258 U.S. 158, 162; New Jersey v. Sargent, 269 U.S. 328, 339, 340; Liberty Warehouse Co. v. Grannis, 273 U.S. 70; New York v. Illinois, 274 U.S. 488, 490; Willing v. Chicago Auditorium Assn., 277 U.S. 274, 289, 290; Arizona v. California, 283 U.S. 423, 463, 464; Alabama v. Arizona, 291 U.S. 286, 291; United States v. West Virginia, 295 U.S. 463, 474, 475; Ashwander v. Tennessee Valley Authority, 297 U.S. 288, 324. Where there is such a concrete case admitting of an immediate and definitive determination of the legal rights of the parties in an adversary proceeding upon the facts alleged, the judicial function may be appropriately exercised although the adjudication of the rights of the litigants may not require the award of process or the payment of damages. Nashville, C. & St. L. Ry. Co. v. Wallace, supra, p. 263; Tutun v. United States, 270 U.S. 568, 576, 577; Fidelity National Bank v. Swope, 274 U.S. 123, 132; Old Colony Trust Co. v. Commissioner, supra, p. 725. And as it is not essential to the exercise of the judicial power that an injunction be sought, allegations that irreparable injury is threatened are not required. Nashville, C. & St. L. Ry. Co. v. Wallace, supra, p. 264.  
[Aetna Life Ins. Co. v. Haworth, 300 U.S. 227 (1937)]

We should clarify some of the phraseology used in the above:



1. Notice they use the phrase “legal relations” rather than lawful relations. Thus implying STATUTORY franchises rather than the common law.
2. When they say “**Congress may create and improve**”, they are revealing the creation of a FRANCHISE. Congress can only tax or regulate that which it creates and all those who USE that which it creates. Franchise rights, meaning public rights, are created by Congress and the property of Congress under Article IV of the Constitution. The “granting” of this property to a state citizen ALWAYS comes with strings attached. This is covered earlier in section 5.
3. The word “cases” they define to mean the CONSTITUTION and COMMON LAW. They define it to be a SUBSET of the term “controversy”.

*“The Constitution limits the exercise of the judicial power to ‘cases’ and ‘controversies.’ ‘The term ‘controversies,’ if distinguishable at all from ‘cases,’ is so in that it is less comprehensive than the latter, and includes only suits of a civil nature.” Per Mr. Justice Field in In re Pacific Railway Comm’n, 32 Fed. 241, 255, citing Chisholm v. Georgia, 2 Dall. 419, 431, 432. See Muskra v. United States, 219 U.S. 346, 356, 357; Old Colony Trust Co. v. Commissioner, 279 U.S. 716, 723, 724.”*  
[*Aetna Life Ins. Co. v. Haworth*, 300 U.S. 227 (1937)]

4. The phrase “civil in nature” above means Congressionally Created CIVIL FRANCHISE STATUTES. COMMON LAW is not synonymous and mutually exclusive with CIVIL STATUTORY LAW. A case can be pursued under either the COMMON LAW or the CONSTITUTION in federal court, for instance, WITHOUT being “civil in nature” or coming under the Federal Rules of Civil Procedure. The common law, in fact, CANNOT be written or changed by Congress, because it protects exclusively PRIVATE property and PRIVATE rights that are BEYOND the legislative control of Congress.

Remember: All civil statutory law is law for government and is a voluntary civil protection franchise. If you don’t want to volunteer, then don’t declare a domicile on the land under the exclusive jurisdiction of the grantor of the franchise. In the case of the federal government, that land would be FEDERAL TERRITORY under the exclusive jurisdiction of Congress. See:

1. *Why Statutory Civil Law is Law for Government and Not Private Persons*, Form #05.037  
<http://sedm.org/Forms/FormIndex.htm>
2. *Why Domicile and Becoming a “Taxpayer” Require Your Consent*, Form #05.002  
<http://sedm.org/Forms/FormIndex.htm>

If you, through ignorance or mistake, invoke the “benefits” of a civil franchise statute, then the court will interpret your invocation or enforcement of the PRIVILEGES under the franchise statute as CONSTRUCTIVE CONSENT to surrender ALL of your CONSTITUTIONAL RIGHTS!

*“The principle is invoked that one who accepts the benefit of a statute cannot be heard to question its constitutionality. Great Falls Manufacturing Co. v. Attorney General, 124 U.S. 581, 8 S.Ct. 631, 31 L.Ed. 527; Wall v. Parrot Silver & Copper Co., 244 U.S. 407, 37 S.Ct. 609, 61 L.Ed. 1229; St. Louis, etc., Co., v. George C. Prendergast Const. Co., 260 U.S. 469, 43 S.Ct. 178, 67 L.Ed. 351.”*  
[*Ashwander v. Tennessee Valley Authority*, 297 U.S. 288, 56 S.Ct. 466 (1936)]

On the surface of it, this sounds reasonable, given that the Declaration of Independence says that all just powers of the government derive from the CONSENT of those governed. It is, in fact, UNREASONABLE, when we consider that the rights recognized and enforced by the Constitution are INALIENABLE, meaning that we aren’t even ALLOWED by law to bargain them away or consent to give them away. Therefore, the ONLY party who could reasonably CONSENT to LAWFULLY receive such “benefits” is someone domiciled on federal territory where CONSTITUTIONAL rights do not exist:

*“Unalienable. Inalienable; incapable of being aliened, that is, sold and transferred.”*  
[*Black’s Law Dictionary, Fourth Edition, p. 1693*]

*“We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness.--**That to secure these [EXCLUSIVELY PRIVATE, God-given] rights, Governments are instituted among Men, deriving their just powers from the consent of the governed.** . . .”*  
[*Declaration of Independence, 1776*]

1 The Declaration of Independence is what the courts call "ORGANIC LAW" and it was enacted into law by the first official  
2 act of Congress on page 1 of the Statutes At Large. Therefore, the rights protected by the Constitution are in fact  
3 INCAPABLE of being given away and you are not permitted BY ORGANIC LAW to consent to give them away. That is  
4 why we say that federal franchises, including the above Declaratory Judgment Act, cannot be offered to or enforced against  
5 those domiciled in a CONSTITUTIONAL state. We talk about this earlier in section 11. A government that not only  
6 EVADES this prohibition of organic law, but more importantly, makes a profitable BUSINESS or "FRANCHISE" out of  
7 doing so, is no longer a constitutional government nor one possessing "sovereign immunity". Instead, it is a mere "straw  
8 man", a private corporation, and de facto government pretending to be a REAL or DE JURE government.

9 We argue, the federal, legislatively created FRANCHISE called the Declaratory Judgment Act of 1934 redefined the  
10 Constitutionally accepted meaning of "Controversies" that could be heard in the Federal Courts. This was accomplished by  
11 the substituted use of a federal STATUTORY FRANCHISE as opposed to a constitutionally based COMMON LAW claim.

12 Nowhere in Article III, defining the Judicial Power of the Federal Courts, does the Constitution of the United States of  
13 America allow Congress to encroach upon the Article III Judicial Power to determine or expand the meaning of the word  
14 "controversy" in the Constitution or as used by Federal Courts when dealing with state citizens. The Congress, however, can  
15 make the rules and regulations governing appeals to the Supreme Court at Article III, Section 2, Paragraph 2.

16 We argue that Article I power does not allow the Congress to legislate or expand the meaning of "controversies" in Article  
17 III of the USA Constitution to pertain to anything other than the government or its own instrumentalities. The "New Deal"  
18 Congress legislated the Declaratory Judgment Act in 1934 so as to allow congressionally expanded equity issues based upon  
19 contract to appear before the federal courts as actual "controversies." So where does this expanded federal legislative  
20 jurisdiction apply? Of course, to "New Deal" statutes that only apply to domiciliaries of the federal zone, such as federal  
21 corporations and STATUTORY "citizens" or "residents" availing themselves of franchises and franchise statuses. within the  
22 "New Deal" courts. We argue that the Article III judicial power applied to the constitutional meaning of "Controversies"  
23 bowed down to Article I legislative powers, meaning FRANCHISE powers. Remember, the Court stated "actual  
24 controversies" was only a legislative procedural device rather than a CONSTITUTIONAL device. That was the Court's  
25 interpretation to cover legislative intrusion into disputes involving state citizens (who are legislatively foreign in respect to  
26 the national government) and federal corporations domiciled on federal territory.

27 In Aetna is revealed a particular creation of "New Deal" SOCIALIST legislative jurisdiction as another step in the ever-  
28 widening expanse of unconstitutional federal legislative jurisdiction to states of the Union and state citizens. How did the  
29 parties in the Aetna case invoke federal legislative jurisdiction? The reader now understands, by the avenue of an interstate  
30 insurance contract (private rights dispute via equity) and then invoking (using STATUTORY FRANCHISE benefit), the  
31 Declaratory Judgment Act as the statutory franchise authority to procedurally access the courts. Remember, the federal trial  
32 court threw out the case because that Court, under the equitable fact pattern, found no constitutional "controversy" at law.  
33 The District Court apparently recognized that the case was not justiciable in Article III because the Aetna federal corporation  
34 was not a "citizen" under the diversity clauses of the constitution.

35 This outcome rests upon an equitable condition precedent, that of the existence of a contract. Dear reader, please review the  
36 six specific points mentioned near the end of the previous section. A person cannot question the constitutionality of the  
37 legislative act if one takes a "benefit" under that Act. By "act", we really mean "statutory franchise". If a person voluntarily  
38 takes a legislative benefit, and submits to Article I legislative power, generally, that person is barred from a constitutional  
39 question on the constitutionality of that legislation.

40 As will be discussed in later sections, the person who makes use of federal (state) statutes or FRANCHISES runs an almost  
41 certain risk of accepting the STATUTORY civil status connecting them to an office in the national government. This  
42 statutory PUBLIC OFFICE and franchisee user must as a condition precedent recognize and accept the obligations that attach  
43 to the use of that congressionally created franchise status (PUBLIC right).

44 CALIFORNIA CIVIL CODE  
45 DIVISION 3. OBLIGATIONS  
46 PART 2. CONTRACTS  
47 CHAPTER 3. CONSENT  
48 [Section 1589](#)

49  
50 *1589. A voluntary acceptance of the benefit of a transaction is equivalent to a consent to all the obligations*  
51 *arising from it, so far as the facts are known, or ought to be known, to the person accepting.*

1 It is not difficult to see that the Aetna ruling was fatally flawed, even when the Brandeis Rules are considered, because:

- 2 1. Aetna was the plaintiff in the case.
- 3 2. Aetna invoked the Declaratory Judgments Act to provide remedy. The state citizen DID NOT.
- 4 3. Since the state citizen did not invoke the remedy and using it was a DISADVANTAGE to him, it could not be invoked.
- 5 BOTH sides of the dispute must consent to avail themselves of the privilege. If only one does, the other is a victim of
- 6 identity theft. You can use Form #05.046 as a means to prove and provide remedy for this identity theft. Federal
- 7 legislation cannot “benefit” or apply to a state citizen.

8 Of course, the court was noticeably silent on these issues, because raising them would have destroyed the credibility of their

9 unconstitutional holding.

10 Today, the existent government is not the original State or even a de jure state. It is a de facto state that in fact will not even

11 recognize PRIVATE non-resident humans of the Constitutional States. It is a “straw man” for the REAL state, and its reached

12 has completely usurped and replaced its parent, the DE JURE state. The CREATION has usurped its CREATOR.

13 *“Having thus avowed my disapprobation of the purposes, for which the terms, State and sovereign, are frequently*

14 *used, and of the object, to which the application of the last of them is almost universally made; it is now proper*

15 *that I should disclose the meaning, which I assign to both, and the application, [2 U.S. 419, 455] which I make*

16 *of the latter. In doing this, I shall have occasion incidentally to evince, how true it is, that States and*

17 *Governments were made for man; and, at the same time, how true it is, that his creatures and*

18 *servants have first deceived, next vilified, and, at last, oppressed their*

19 *master and maker.”*

20 *[Justice Wilson, -Chisholm v. Georgia, 2 Dall. (2 U.S.) 419, 1 L.Ed. 440, 455 (1793)]*

21 With this ruling, the court essentially enlarged its own powers by fiat. Notice they didn’t analyze what CONGRESS meant

22 by “actual controversy” because there is no way they could prove that the legislative intent included what the interpreted it

23 to mean. This violates the rules of statutory construction and interpretation that are fundamental to the business of the court,

24 as we show in Form #05.014. We call this “judicial activism” or “legislating from the bench”. On this subject, Thomas

25 Jefferson said:

26 *“It [is] inconsistent with the principles of civil liberty, and contrary to the natural rights of the other members of*

27 *the society, that any body of men therein [INCLUDING judges] should have authority to enlarge their own*

28 *powers... without restraint.”*

29 *[Thomas Jefferson: Virginia Allowance Bill, 1778]*

30 *“Whenever the General Government assumes undelegated powers, its acts are unauthoritative, void, and of no*

31 *force.”*

32 *[Thomas Jefferson: Kentucky Resolutions, 1798]*

33 Obviously, the current de facto corporate government will not even accept or consent to do statutory business with a

34 PRIVATE state citizen who that has no legal relation to them and more commercial power than the person of the insolvent

35 United States (state). That fact alone is evidence that they are not a de jure government and that the “District of Criminals”,

36 as Mark Twain calls it, is a haven for FINANCIAL TERRORISTS. Buyer beware. Caveat emptor.

## 37 **28.6 William H. Taft’s Certiorari Act of 1925<sup>315</sup>**

38 As we have stated repeatedly throughout this document, there is a judicial conspiracy to protect the income tax. The basic

39 problem is that the federal district and circuit courts are acting as a protection racket for the IRS while the U.S. Supreme

40 Court has been looking the other way by denying appeals to correct such abuses. How did we arrive at the point where the

41 Supreme Court even had the discretion to deny such appeals? That is a scandal all by itself, as you will find out.

42 President Howard Taft is the single person most responsible for the federal income tax that we have today. He was a brilliant

43 man and the only person who had all the qualifications necessary to engineer an overthrow of our de jure government and the

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<sup>315</sup> Extracted from: *Great IRS Hoax*, Form #11.302, Section 6.7.1.

replacement of it with the de facto criminal government we have today. For instance, he is the only person who ever did all of the following:

1. Served as the President of the United States.
2. Served as the Chief Justice of the Supreme Court.
3. Served as a Collector of Internal Revenue in Michigan.
4. Was able to get the Sixteenth Amendment into the hands of the states for ratification in 1909.
5. Was still in office when the Sixteenth Amendment was declared ratified and the Federal Reserve Act was passed.

Let's examine item 2 above in more detail. President Taft was the ONLY President who ever served as a Collector of Internal Revenue. Even as President of the United States and later as a Chief Justice of the U.S. Supreme Court, he apparently continued in that role. Here is what Wikipedia says on this subject:

#### *Legal career*

After admission to the Ohio [bar](#), Taft was appointed Assistant [Prosecutor](#) of [Hamilton County, Ohio](#),<sup>316</sup><sup>[12]</sup> based in Cincinnati. In 1882, he was appointed local Collector of [Internal Revenue](#).<sup>317</sup><sup>[13]</sup> Taft married his longtime sweetheart, [Helen Herron](#), in Cincinnati in 1886.<sup>318</sup><sup>[12]</sup> In 1887, he was appointed a judge of the Ohio Superior Court.<sup>319</sup><sup>[12]</sup> In 1890, President [Benjamin Harrison](#) appointed him [Solicitor General of the United States](#).<sup>320</sup><sup>[12]</sup> As of January 2010, at age 32, he is the youngest-ever Solicitor General.<sup>321</sup><sup>[14]</sup> Taft then began serving on the newly created [United States Court of Appeals for the Sixth Circuit](#) in 1891.<sup>322</sup><sup>[12]</sup> Taft was confirmed by the Senate on March 17, 1892, and received his commission that same day.<sup>323</sup><sup>[15]</sup> In about 1893, Taft decided in favor of one or more patents for processing [aluminium](#) belonging to the Pittsburg Reduction Company, today known as [Alcoa](#), who settled with the other party in 1903 and became for a short while the only aluminum producer in the U.S.<sup>324</sup><sup>[16]</sup> Another of Taft's opinions was [Addyston Pipe and Steel Company v. United States](#) (1898). Along with his judgeship, between 1896 and 1900 Taft also served as the first dean and a professor of constitutional law at the [University of Cincinnati](#).<sup>325</sup><sup>[17]</sup>  
[SOURCE: Wikipedia: "William Howard Taft", Downloaded 4/28/2010;  
[http://en.wikipedia.org/wiki/William\\_Howard\\_Taft](http://en.wikipedia.org/wiki/William_Howard_Taft).]

Nearly all the financial corruption that exists in our country's money and tax systems was introduced during his tour of office as President and this corruption was later perfected and expanded during his nine year tenure as Chief Justice of the Supreme Court starting in 1921. If you would like to learn more about this man, we recommend [\*The Complete Book of U.S. Presidents\*](#), by William A Degregorio, ISBN 0-517-18353-6.

[\*Great IRS Hoax\*](#), Form #11.302, Section 3.8.11.2 revealed the legislative intent of the Sixteenth Amendment by showing you the Presidential Speech that introduced the Sixteenth Amendment for the first time, given by William H. Taft before Congress

<sup>316</sup> "[William Howard Taft](#)". National Park Service. 2004-01-22. [http://www.nps.gov/history/history/online\\_books/Presidents/bio27.htm](http://www.nps.gov/history/history/online_books/Presidents/bio27.htm). Retrieved 2009-03-20.

<sup>317</sup> Herz, Walter (1999). "[William Howard Taft](#)". Unitarian Universalist Historical Society. <http://www25.uua.org/uuh/duub/articles/williamhowardtaft.html>. Retrieved 2009-03-22.

<sup>318</sup> "[William Howard Taft](#)". National Park Service. 2004-01-22. [http://www.nps.gov/history/history/online\\_books/Presidents/bio27.htm](http://www.nps.gov/history/history/online_books/Presidents/bio27.htm). Retrieved 2009-03-20.

<sup>319</sup> "[William Howard Taft](#)". National Park Service. 2004-01-22. [http://www.nps.gov/history/history/online\\_books/Presidents/bio27.htm](http://www.nps.gov/history/history/online_books/Presidents/bio27.htm). Retrieved 2009-03-20.

<sup>320</sup> "[William Howard Taft](#)". National Park Service. 2004-01-22. [http://www.nps.gov/history/history/online\\_books/Presidents/bio27.htm](http://www.nps.gov/history/history/online_books/Presidents/bio27.htm). Retrieved 2009-03-20.

<sup>321</sup> Cannon, Carl. "[Solicitor general nominee likely to face questions about detainees](#)". GovernmentExecutive.com. <http://www.govexec.com/dailyfed/0405/042505nj1.htm>. Retrieved 2010-01-03.

<sup>322</sup> "[William Howard Taft](#)". National Park Service. 2004-01-22. [http://www.nps.gov/history/history/online\\_books/Presidents/bio27.htm](http://www.nps.gov/history/history/online_books/Presidents/bio27.htm). Retrieved 2009-03-20.

<sup>323</sup> "[William Howard Taft \(1857-1930\)](#)". U.S. Court of Appeals for the Sixth Circuit. [http://www.ca6.uscourts.gov/lib\\_hist/courts/supreme/judges/taft/taft.html](http://www.ca6.uscourts.gov/lib_hist/courts/supreme/judges/taft/taft.html). Retrieved 2009-03-22.

<sup>324</sup> "[Against the Cowles Company, Decision in the Aluminium Patent Infringement Case \(article preview\)](#)". *The New York Times* (The New York Times Company). January 15, 1893. <http://query.nytimes.com/gst/abstract.html?res=9904E3DE1731E033A25756C1A9679C94629ED7CF>. Retrieved 2007-10-28. and Rosenbaum, David Ira (1998). *Market Dominance: How Firms Gain, Hold, or Lose It and the Impact on Economic Performance*. Praeger Publishers via Greenwood Publishing Group. pp. 56. ISBN 0-2759-5604-0. <http://books.google.com/books?id=htQDB-Pf4VIC>. Retrieved 2007-11-03.

<sup>325</sup> [Cincinnati Law School: 2006 William Howard Taft Lecture on Constitutional Law](#).

1 in 1909. That speech showed clearly that then President Taft understood that federal income taxes were excise taxes that  
2 could not be instituted against other than federal corporations. He introduced the Sixteenth Amendment to Congress in 1909  
3 as a way to circumvent this restriction and broaden the application of federal income taxes to authorize a supposed direct  
4 income tax on private persons. Subsequent to the introduction of the Sixteenth Amendment for state ratification in 1909,  
5 Secretary of State Philander Knox committed fraud in 1913 by claiming that the Sixteenth Amendment had been properly  
6 ratified by  $\frac{3}{4}$  of the states. Knox was Taft's hand-picked Secretary of State.

7 During his presidency, Taft made six appointments to the Supreme Court -- more than any other one-term President. Many  
8 think that when Taft named Edward White Chief Justice rather than the other obvious choice, Charles Evans Hughes, there  
9 was a political agenda to pave a way for his own later appointment as Chief Justice. Taft appointed White because White  
10 was twelve years older than Hughes. Naming White gave Taft a better shot at being Chief Justice one day himself -- in spite  
11 of Thomas Jefferson's famous complaint that "few [Justices] die and none resign.". You can read more about Taft's history  
12 from the speech given by Chief Justice Rehnquist on April 13, 2002, and which is posted on the Supreme Court website at:

13 [http://www.supremecourtus.gov/publicinfo/speeches/sp\\_04-13-02.html](http://www.supremecourtus.gov/publicinfo/speeches/sp_04-13-02.html)

14 We know by reading excerpts from *Stanton v. Baltic Mining*, 240 U.S. 103 (1916) in *Great IRS Hoax*, Form #11.302, Section  
15 3.14.11, that the Supreme Court, subsequent to the ratification of the Sixteenth Amendment in 1913, disagreed with President  
16 Taft about the effect of the Sixteenth Amendment by saying that it conferred "no new power of taxation" upon Congress.  
17 Here is what the U.S. Supreme Court said in 1916, three years after the ratification of the Sixteenth Amendment:

18 *"..by the previous ruling it was settled that the provisions of the Sixteenth Amendment conferred no new power*  
19 *of taxation but simply prohibited the previous complete and plenary power of income taxation possessed by*  
20 *Congress from the beginning from being taken out of the category of indirect taxation to which it inherently*  
21 *belonged and being placed in the category of direct taxation subject to apportionment by a consideration of the*  
22 *sources from which the income was derived, that is by testing the tax not by what it was -- a tax on income, but*  
23 *by a mistaken theory deduced from the origin or source of the income taxed. "*

24 President Taft, who would later leave office in 1913 to be appointed by President Harding to become Chief Justice of the  
25 Supreme Court in 1921, must have known this was going to happen when he introduced the Sixteenth Amendment in 1909.  
26 So how did he skirt this declaration by the Supreme Court that nullified the 16<sup>th</sup> Amendment to allow the fraud of federal  
27 income taxes to perpetuate anyway? The answer is quite interesting.

28 As Chief Justice of the U.S. Supreme Court, President Taft sponsored a bill called the Certiorari Act of 1925. In the year that  
29 Taft was appointed Chief Justice of the Supreme Court in 1921, the docket of the Supreme Court was reportedly 5 years  
30 behind, according to Chief Justice Rehnquist, so when Taft became Chief Justice, he complained to Congress and the  
31 President that the Supreme Court was hopelessly backed up in hearing appeals from lower courts and that the court needed  
32 the discretion to be able to deny appeals from lower courts. What sort of appeals might those be? How about federal income  
33 tax trials to begin with! Here is the way Chief Justice Rehnquist described this situation:

34 *"When he was appointed Chief Justice in 1921, the Court had fallen nearly five years behind in its docket. He*  
35 *resolved this caseload congestion in the Court by convincing Congress to pass the Judiciary Act of 1925 -- also*  
36 *known as the Certiorari Act -- which gave the Court discretion as to which cases to hear. Some members of*  
37 *Congress were doubtful -- why shouldn't every litigant have a right to get a decision on his case from the Supreme*  
38 *Court? Taft responded that in each case, there had already been one trial and one appeal. "Two courts are*  
39 *enough for justice," he said. To obtain still a third hearing in the Supreme Court, there should be some question*  
40 *involved more important than just who wins this lawsuit. "*

41 He must have figured that if the appeals courts below the Supreme Court would uphold the income tax and if the Supreme  
42 Court could deny appeals, then in spite of the Supreme Court precedents established earlier which nullified the Sixteenth  
43 Amendment, we could have a schizophrenic and split personality federal judicial system that on the one hand, would declare  
44 at the Supreme Court level that direct income taxes were unconstitutional, but at courts below the Supreme Court would  
45 declare them constitutional. As long as the Supreme Court under the Certiorari Act of 1925 could deny appeals, it wouldn't  
46 have to correct the abuses of the lower courts and the split personalities could continue. This sin of omission by the Supreme  
47 court which was authorized and even encouraged by Taft's unconstitutional Certiorari Act would then serve to perpetuate the  
48 income tax fraud. This would open the doors for the U.S. Congress to perpetuate the myth of income tax liability by lying to  
49 their constituents and telling them that they "must pay federal income taxes because the Sixteenth Amendment authorizes it".  
50 This, in a nutshell, is exactly the legacy and the heritage that we live with to this day, and we have President Taft in large



part, to thank for it. The obscenely dishonest people in Congress who know the truth and yet continue to perpetuate this fraud are simply maintaining the system that Taft setup through his skullduggery.

Former President Taft served only four years as Chief Justice after the passage of the Certiorari Act of 1925, resigning from office in February 1930 because of illness and dying a month later. He must have figured he had accomplished the job he set out to do. E.B. White, his predecessor Chief Justice, served almost 10 years and Justice Fuller before him served 21 years.

To summarize the big picture, Chief Justice Taft must have known that the federal income tax fraud could not continue if the Supreme Court lacked the discretion to deny appeals, or Writs of Certiorari as they are called, from lower courts. If the Bureau of Internal Revenue, or BIR (now called the IRS) kept trying at the time to extort money from people and the Supreme Court consistently was saying that the Sixteenth Amendment didn't authorize them to do this, then people could eventually appeal all the way up to the Supreme Court and stop the unlawful assessment and collection, which would destroy federal revenues and keep the BIR in check. Allow the Supreme Court to deny appeals, however, and the situation would be very different. With his Certiorari Act passed by Congress in 1925 in place, President William Howard Taft had all the pieces in place needed to perpetuate and enlarge the federal income tax fraud:

1. A Supreme Court stacked with six of his own hand-picked justices during his term as President from 1909-1913.
2. The Sixteenth Amendment that Taft himself had introduced in 1909.
3. A fraudulent ratification of the Sixteenth Amendment by Philander Knox in 1913. Philander Knox was his own hand-picked Secretary of State.
4. The Federal Reserve Act of 1913, scandalously passed by just four members of Congress during a Christmas recess immediately after the Sixteenth Amendment was ratified and during Taft's administration.
5. The Certiorari Act of 1925 that authorized the Supreme Court to deny justice to people who had been defrauded of federal income taxes they didn't owe by the then Bureau of Internal Revenue (B.I.R.).
6. Control of the Supreme Court for five years following the passage of the Certiorari Act, so he could get in place several circuit court rulings favorable to the income tax that the Supreme Court would deny writs to. Taft served as Chief Justice from 1921 to 1929 until his death in 1930.
7. At the end of Taft's term as Chief Justice, our country plunged into the Great Depression, which most knowledgeable people say was caused by a deliberate and systematic contraction of the money supply by the Federal Reserve in order to engineer the socialist reforms that FDR would later propose in the form of Socialist Security. Our purely capitalist economic system had to be made to look like it was failing by the bankers before most rugged individualist Americans would willingly accept anything as radical as Socialist Security or a government handout.

The fundamental defect in the Certiorari Act was the fact that the Supreme Court could:

1. Deny appeals without explaining why (and evade accountability for its decision). If the people are the sovereigns and the government is their servant, what gives the servant the right to tell the sovereign what to do with its appeal?
2. Deny appeals even though decisions of lower courts clearly conflicted with its precedents. This amounts to condoning government wrongs.
3. Deny appeals of parties whose constitutional rights were claimed to be injured. The ability to deny justice to parties whose constitutional rights had been violated clearly violates the oath that the justices take to "support and defend the Constitution against all enemies, foreign and domestic".

If the above three defects in the unconstitutional Certiorari Act of 1925 were remedied, we wouldn't have the split personality Dr. Jekyll and Mr. Hyde court system we have today and the fraud of the income tax, because they would be impossible to maintain with an accountable Supreme Court that was obligated to:

1. Correct rulings below it that violated or contradicted its precedents.
2. Correct rulings which violated constitutional rights without exception.
3. Explain why it would not hear the case or defend the constitutional rights of the injured party (be accountable).

The necessity of doing all the above has been described by the U.S. Supreme Court as "The Rule of Necessity" as follows:

**Rule of Necessity**

*The Rule of Necessity had its genesis at least five and a half centuries ago. Its earliest recorded invocation was in 1430, when it was held that the Chancellor of Oxford could act as judge of a case in which he was a party*

when there was no provision for appointment of another judge. *Y. B. Hil. 214\*214 8 Hen. VI, f. 19, pl. 6.*<sup>326</sup> Early cases in this country confirmed the vitality of the Rule<sup>327</sup>.

The Rule of Necessity has been consistently applied in this country in both state and federal courts. In *State ex rel. Mitchell v. Sage Stores Co.*, 157 Kan. 622, 143 P.2d. 652 (1943) the Supreme Court of Kansas observed:

"[I]t is well established that actual disqualification of a member of a court of last resort will not excuse such member from performing his official duty if failure to do so would result in a denial of a litigant's constitutional right to have a question, properly presented to such court, adjudicated." *Id.*, at 629, 143 P. 2d, at 656.

Similarly, the Supreme Court of Pennsylvania held:

"The true rule unquestionably is that wherever it becomes necessary for a judge to sit even where he has an interest—where no provision is made for calling another in, or where no one else can take his place—it is his duty to hear and decide, however disagreeable it may be." *Philadelphia v. Fox*, 64 Pa. 169, 185 (1870).

Other state<sup>328</sup> and federal<sup>329</sup> courts also have recognized the Rule.

215\*215 The concept of the absolute duty of judges to hear and decide cases within their jurisdiction revealed in Pollack, *supra*, and *Philadelphia v. Fox*, *supra*, is reflected in decisions of this Court. Our earlier cases dealing with the Compensation Clause did not directly involve the compensation of Justices or name them as parties, and no express reference to the Rule is found. See, e. g., *O'Malley v. Woodrough*, 307 U.S. 277 (1939); *O'Donoghue v. United States*, 289 U.S. 516 (1933); *Evans v. Gore*, 253 U.S. 245 (1920). In *Evans*, however, an action brought by an individual judge in his own behalf, the Court by clear implication dealt with the Rule:

"Because of the individual relation of the members of this court to the question . . . , we cannot but regret that its solution falls to us . . . . But jurisdiction of the present case cannot be declined or renounced. The plaintiff was entitled by law to invoke our decision on the question as respects his own compensation, in which no other judge can have any direct personal interest; and there was no other appellate tribunal to which under the law he could go." *Id.*, at 247-248.<sup>330</sup>

216\*216 It would appear, therefore, that this Court so took for granted the continuing validity of the Rule of Necessity that no express reference to it or extended discussion of it was needed.<sup>331</sup> [*United States v. Will Et Al*, 449 U.S. 200 (1980)]

Now do you see how the pieces of the puzzle were cleverly and invisibly weaved together by conspiracies involving all three branches of the federal government over several years to create the totally unjust and extortionary slavery tax system we have now? Now do you understand why Thomas Jefferson said:

<sup>326</sup> Rolle's Abridgment summarized this holding as follows:

"If an action is sued in the bench against all the Judges there, then by necessity they shall be their own Judges." 2 H. Rolle, An Abridgment of Many Cases and Resolutions at Common Law 93 (1668) (translation).

<sup>327</sup> For example, in *Mooers v. White*, 6 Johns. Ch. 360 (N. Y. 1822) Chancellor Kent continued to sit despite his brother-in-law's being a party; New York law made no provision for a substitute chancellor. See *In re Leefe*, 2 Barb. Ch. 39 (N. Y. 1846). See also cases cited in Annot., 39 A. L. R. 1476 (1925).

<sup>328</sup> E.g., *Moulton v. Byrd*, 224 Ala. 403, 140 So. 384 (1932); *Olson v. Cory*, 26 Cal. 3d 672, 609 P. 2d 991 (1980); *Nellius v. Stifel*, 402 A. 2d 359 (Del. 1978); *Dacey v. Connecticut Bar Assn.*, 170 Conn. 520, 368 A. 2d 125 (1976); *Wheeler v. Board of Trustees of Fargo Consol. School Dist.*, 200 Ga. 323, 37 S. E. 2d 322 (1946); *Schward v. Ariyoshi*, 57 Haw. 348, 555 P. 2d 1329 (1976); *Higher v. Hansen*, 67 Idaho 45, 170 P. 2d 411 (1946); *Gordy v. Dennis*, 176 Md. 106, 5 A. 2d 69 (1936); *State ex rel. Gardner v. Holm*, 241 Minn. 125, 62 N. W. 2d 52 (1954); *State ex rel. West Jersey Traction Co. v. Board of Public Works*, 56 N. J. L. 431, 29 A. 163 (1894); *Long v. Watts*, 183 N. C. 99, 110 S. E. 765 (1922); *First American Bank & Trust Co. v. Ellwein*, 221 N. W. 2d 509 (N. D.), cert. denied, 419 U. S. 1026 (1974); *McCoy v. Handlin*, 35 S. D. 487, 153 N. W. 361 (1915); *Alamo Title Co. v. San Antonio Bar Assn.*, 360 S. W. 2d 814 (Tex. Civ. App.), writ ref'd, no rev. error (Tex. 1962).

<sup>329</sup> E. g., *Atkins v. United States*, 214 Ct.Cl. 186, 556 F.2d. 1028 (1977) cert. denied, 434 U.S. 1009 (1978); *Pilla v. American Bar Assn.*, 542 F.2d. 56 (CA8 1976); *Brinkley v. Hassig*, 83 F.2d. 351 (CA10 1936); *United States v. Corrigan*, 401 F.Supp. 795 (Wyo. 1975).

<sup>330</sup> *O'Malley* cast doubt on the substantive holding of *Evans*, see n. 31, *infra*, but the fact that the Court reached the issue indicates that it did not question this aspect of the *Evans* opinion.

<sup>331</sup> In another, not unrelated context, Chief Justice Marshall's exposition in *Cohens v. Virginia*, 6 Wheat. 264 (1821) could well have been the explanation of the Rule of Necessity; he wrote that a court "must take jurisdiction if it should. The judiciary cannot, as the legislature may, avoid a measure because it approaches the confines of the constitution. We cannot pass it by, because it is doubtful. With whatever doubts, with whatever difficulties, a case may be attended, we must decide it, if it be brought before us. We have no more right to decline the exercise of jurisdiction which is given, than to usurp that which is not given. The one or the other would be treason to the constitution. Questions may occur which we would gladly avoid; but we cannot avoid them." *Id.*, at 404 (emphasis added).

"Single acts of tyranny may be ascribed to the accidental opinion of a day. But a series of oppressions, pursued unalterably through every change of ministers, too plainly proves a deliberate systematic plan of reducing us to slavery".  
[Thomas Jefferson]

Do you also now understand why Franklin Delano Roosevelt said?:

"In politics, nothing happens by accident. If it happens, it was planned that way."  
[Franklin D. Roosevelt]

## **28.7 The Scandalous and Mysterious "Fourth Branch" of Government**

The advocacy of franchises to further the plunder and enslavement of the people has even resulted in the unconstitutional and fraudulent creation by the U.S. Supreme Court of what it calls the "Fourth Branch" of the government. This branch is mysterious because it:

1. Was never expressly authorized in the Constitution.
2. Is not an official part of any specific existing department in the de jure government.
3. Has no legislative authority to even exist.
4. Was created from "prima facie" evidence rather than enacted positive law. Hence, it's existence is a mere "belief" rather than a fact. All of the following franchises are identified in 1 U.S.C. §204 as "prima facie" evidence, meaning nothing but a presumption that is NOT evidence of ANY obligation.
  - 4.1. The entire Internal Revenue Code. Title 26. The entire I.R.C., in fact, was REPEALED and is not now enacted law.
  - 4.2. The Social Security Act. Title 42.
5. Implements the tenets of a civil religion which elevates government to an unequal and superior relation to those being governed, and yet most Americans are blissfully unaware of this religion or the idolatry that sustains it. Even so, the U.S. Supreme Court still hypocritically recognizes this "supernatural being" as being one of delegated powers. This is a contradiction because the people cannot delegate an authority that they themselves do not individually and personally possess. See:

*Socialism: The New American Civil Religion*, Form #05.016  
<http://sedm.org/Forms/FormIndex.htm>
6. Collects "tithes" to sustain the civil religion without most Americans even knowing or being properly informed that these contributions, from a statutory perspective, are entirely voluntary. These tithes are statutorily called "taxes", but in fact the statutes in 31 U.S.C. §321(d) identify all such tithes as "gifts" and therefore donations.

We argue that the maintenance and expansion of this malicious and unconstitutional Fourth Branch of the government, which we call the "Administrative Franchise Branch", is anathema to a free people. Nearly every American by force and fraud has been recruited as a statutory "employee" working within this unconstitutional branch of government. We will prove its existence in this section and show that even the U.S. Supreme Court continues to collude in maintaining and expanding it.

As we have established throughout this document and our website:

1. Franchise courts which adjudicate franchise disputes are at least alleged by the courts to be in the Executive or Legislative Branch of the government. We established earlier in section 25.4, for instance, that the U.S. Tax Court is an Executive Branch agency that is NOT in the Judicial Branch.
2. The Internal Revenue Service, which administers the "trade or business" franchise, has no legal authority to even exist and was not ever even established by law. Not even the name ever appears in federal law and nowhere in Title 31 is the IRS even identified as a bureau within the Department of the Treasury. See:

*Origins and Authority of the Internal Revenue Service*, Form #05.005  
<http://sedm.org/Forms/FormIndex.htm>
3. All of the U.S. District and Circuit Courts are administrative franchise/property courts established under Article 4, Section 3, Clause 2 of the United States Constitution. See section 25.5 earlier and:

*What Happened to Justice?*, Form #06.012  
<http://sedm.org/Forms/FormIndex.htm>
4. Federal franchises cannot lawfully be established or enforced within states of the Union without violating the separation of powers doctrine. Any attempt to enforce them outside of federal territory or against persons protected by

the Constitution amounts to private business activity which carries with it an implied waiver of sovereign immunity. See section 11 earlier.

5. Even the statutory "U.S. citizen" status has been converted into a franchise to facilitate the conversion of nearly all federal courts into franchise courts. See:

<p><u>Why You are a "national", "state national", and Constitutional but not Statutory Citizen</u>, Form #05.006 <a href="http://sedm.org/Forms/FormIndex.htm">http://sedm.org/Forms/FormIndex.htm</a></p>
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Consistent with the above, even the U.S. Supreme Court has unconstitutionally jumped on the franchise/PLUNDER bandwagon by recognizing and thereby creating what it calls "The Fourth Branch of Government". This fictional entity is described by Justice Scalia in his concurring opinion within *Freytag v. Commissioner*, 501 U.S. 868 (1991), which deals with the U.S. Tax Court.

*I must confess that, in the case of the Tax Court, as with some other independent establishments (notably, the so-called "independent regulatory agencies" such as the FCC and the Federal Trade Commission) permitting appointment of inferior officers by the agency head may not ensure the [501 U.S. 921] high degree of insulation from congressional control that was the purpose of the appointments scheme elaborated in the Constitution. That is a consequence of our decision in *Humphrey's Executor v. United States*, 295 U.S. 602 (1935), which approved congressional restriction upon arbitrary dismissal of the heads of such agencies by the President, a scheme avowedly designed to make such agencies less accountable to him, and hence he less responsible for them. Depending upon how broadly one reads the President's power to dismiss "for cause," it may be that he has no control over the appointment of inferior officers in such agencies; and if those agencies are publicly regarded as beyond his control -- a "headless Fourth Branch" -- he may have less incentive to care about such appointments. It could be argued, then, that much of the *raison d'être* for permitting appointive power to be lodged in "Heads of Departments," see *supra* at 903-908, does not exist with respect to the heads of these agencies, because they, in fact, will not be shored up by the President, and are thus not resistant to congressional pressures. That is a reasonable position -- though I tend to the view that adjusting the remainder of the Constitution to compensate for *Humphrey's Executor* is a fruitless endeavor. But, in any event, it is not a reasonable position that supports the Court's decision today -- both because a "Court of Law" artificially defined as the Court defines it is even less resistant to those pressures, and because the distinction between those agencies that are subject to full Presidential control and those that are not is entirely unrelated to the distinction between Cabinet agencies and non-Cabinet agencies, and to all the other distinctions that the Court successively embraces. (The Central Intelligence Agency and the Environmental Protection Agency, for example, though not Cabinet agencies or components of Cabinet agencies, are not "independent" agencies in the sense of independence from Presidential control.) [501 U.S. 922] In sum, whatever may be the distorting effects of later innovations that this Court has approved, considering the Chief Judge of the Tax Court to be the head of a department seems to me the only reasonable construction of Article II, §2.*  
*[Freytag v. Commissioner, 501 U.S. 868 (1991)]*

Here is how Justice Scalia describes the U.S. Tax Court, which is an administrative franchise/property court established under Article I of the United States Constitution per 26 U.S.C. §7441. His remarks by implication extend to other franchise courts that are part of the mysterious "Headless Fourth Branch" of administrative franchise courts and agencies:

1. It "exercises the executive power of the United States", and therefore is in the Executive Branch rather than the Judicial Branch. 501 U.S. 915.
2. It is an independent agency NOT within the Dept. of Treasury:

*"Since the Tax Court is not a court of law, unless the Chief Judge is the head of a department, the appointment of the Special Trial Judge was void. Unlike the Court, I think he is. [501 U.S. 915]"*

*I have already explained that the Tax Court, like its predecessors, exercises the executive power of the United States. This does not, of course, suffice to market a "Departmen[t]" for purposes of the Appointments Clause. If, for instance, the Tax Court were a subdivision of the Department of the Treasury -- as the Board of Tax Appeals used to be -- it would not qualify. In fact, however, the Tax Court is a freestanding, self-contained entity in the Executive Branch, whose Chief Judge is removable by the President (and, save impeachment, no one else). Nevertheless, the Court holds that the Chief Judge is not the head of a department."*  
*[Freytag v. Commissioner, 501 U.S. 868, 914-915 (1991)]*

3. It does NOT exercise Constitutional "judicial power", but rather statutory and ADMINISTRATIVE power, just like the I.R.S.

*When the Tax Court was statutorily denominated an "Article I Court" in 1969, its judges did not magically acquire the judicial power. They still lack life tenure; their salaries may still be diminished; they are still removable by the President for "inefficiency, neglect of duty, or malfeasance in office." 26 U.S.C. §7443(f). (In *Bowsher v. Synar*, *supra* at 729, we held that these latter terms are "very broad" and "could sustain removal . . . for any number of actual or perceived transgressions.") How anyone with these characteristics can exercise judicial*



power "independent . . . [of] the Executive Branch" is a complete mystery. It seems to me entirely obvious that the Tax Court, like the Internal Revenue Service, the FCC, and the NLRB, exercises executive power. Amar, Marbury, Section 13, and the Original Jurisdiction of the Supreme Court, 56 U.Chi.L.Rev. 443, 451, n. 43 (1989). See also Northern Pipeline, 458 U.S. at 113 (WHITE, J., dissenting) (equating administrative agencies and Article I courts); Samuels, Kramer & Co. v. Commissioner, 930 F.2d. 975, 992-993 (CA2 1991) (collecting academic authorities for same proposition). [501 U.S. 913] [Freytag v. Commissioner, 501 U.S. 868, 912 (1991)]

4. The U.S. Tax Court is like every other administrative franchise/property court, in that it exercises administrative power within the Executive and not Judicial Branch:

The Tax Court is indistinguishable from my hypothetical Social Security Court. It reviews determinations by Executive Branch officials (the Internal Revenue Service) that this much or that much tax is owed -- a classic executive function. For 18 years its predecessor, the Board of Tax Appeals, did the very same thing, see H. Dubroff, *The United States Tax Court* 47-175 (1979), and no one suggested that body exercised "the judicial power." We held just the opposite:

The Board of Tax Appeals is not a court. It is an executive or administrative board, upon the decision of which the parties are given an opportunity to base a petition for review to the courts after the administrative inquiry of the Board has been had and decided. Old [501 U.S. 912] *Colony Trust Co. v. Commissioner*, 279 U.S. 716, 725 (1929) (Taft, C.J.). Though renamed "the Tax Court of the United States" in 1942, it remained "an independent agency in the Executive Branch," 26 U.S.C. §1100 (1952 ed.), and continued to perform the same function. As an executive agency, it possessed many of the accoutrements the Court considers "quintessentially judicial," ante at 891. It administered oaths, for example, and subpoenaed and examined witnesses, § 1114; its findings were reviewed "in the same manner and to the same extent as decisions of the district courts in civil actions tried without a jury," § 1141(a). This Court continued to treat it as an administrative agency, akin to the Federal Communications Commission (FCC) or the National Labor Relations Board (NLRB). See *Dobson v. Commissioner*, 320 U.S. 489, 495-501 (1943). [Freytag v. Commissioner, 501 U.S. 868, 911-912 (1991)]

5. Franchise courts adjudicate over "public monies", and these monies MUST BECOME public **BEFORE** a statutory franchise court can even lawfully entertain or petition for the services of the court. You must donate the monies, in fact, to a public use and a public office BEFORE they can even lawfully be reported to the IRS on an information return to begin with. Hence, those who go before the court must lawfully be serving in a public office and that office must be created and exist INDEPENDENT of any provision of the Internal Revenue Code and not be created BY the I.R.C. Tax Court Rule 13(a) says that ONLY "taxpayers", and hence "public offices" within the SAME branch as the U.S. Tax Court itself, can petition said court. 26 U.S.C. §§6901 and 6903 recognize, in fact, that those who petition said franchise court must be "transferees" over all property to be adjudicated, meaning that the property must ALREADY be public property before the court can even hear the matter:

It is no doubt true that all such bodies "adjudicate," i.e., they determine facts, apply a rule of law to those facts, and thus arrive at a decision. But there is nothing "inherently judicial" about "adjudication." To be a federal officer and to adjudicate are necessary but not sufficient conditions for the exercise of federal judicial power, as we recognized almost a century and a half ago.

That the auditing of the accounts of a receiver of public moneys may be, in an enlarged sense, a judicial act, must be admitted. So are all those administrative duties the performance of which involves an inquiry into the existence of facts and the application to them of rules of law. In this sense the act of the President in calling out the militia under the act of 1795, [Martin v. Mott,] [501 U.S. 910] 12 Wheat. 19 [(1827)], or of a commissioner who makes a certificate for the extradition of a criminal, under a treaty, is judicial. But it is not sufficient to bring such matters under the judicial power, that they involve the exercise of judgment upon law and fact." [Freytag v. Commissioner, 501 U.S. 868, 909-910 (1991)]

6. It is FRAUD on the part of the U.S. Supreme Court in the case of the majority opinion in Freytag, to identify the U.S. Tax Court as exercising "judicial power" in a constitutional sense, and by implication, to describe ANY franchise court as exercising such constitutional "judicial power". Hence, the I.R.C. itself may not operate in places protected by the Constitution, because the judicial power described is EXTRA-CONSTITUTIONAL. Therefore the I.R.C. can only operate upon federal territory, public officers within the government working on federal territory, and statutory but not constitutional "U.S. citizens" domiciled on federal territory WHEREVER physically situated:

Having concluded, against all odds, that "the Courts of Law" referred to in Article II, §2, are not the courts of law established by Article III, the Court is confronted with the difficult problem of determining what courts of law they are. It acknowledges that they must be courts which exercise "the judicial power of the United States" and concludes that the Tax Court is such a court -- even though it is not an Article III court. This is quite a feat, considering that Article III begins "The judicial Power of the United States" -- not "Some of the judicial



*Power of the United States," or even "Most of the judicial Power of the United States" -- "shall be vested in one supreme Court, and in such inferior Courts as the Congress may from time to time ordain and establish."* Despite this unequivocal text, the Court sets forth the startling proposition that "the judicial power of the United States is not limited to the judicial power defined under Article III." Ante at 889. It turns out, however -- to our relief, I suppose it must be said -- that this is really only a pun. ***"The judicial power," as the Court uses it, bears no resemblance to the constitutional term of art we are all familiar with, but means only "the power to adjudicate in the manner of courts."*** So used, as I shall proceed to explain, the phrase covers an infinite variety of individuals exercising executive, rather than judicial, power (in the constitutional sense), and has nothing to do with the separation of powers or with any other characteristic that might cause one to believe that is what was meant by "the Courts of Law." As far as I can tell, the only thing to be said for this approach is that it makes the Tax [501 U.S. 909] Court a "Court of Law" -- which is perhaps the object of the exercise. [Freytag v. Commissioner, 501 U.S. 868, 908-909 (1991)]

In addition to the problems duly noted by Justice Scalia in the above case, there are many other problems with the majority opinion in Freytag which they conveniently and deliberately ignored, such as:

1. Doesn't the U.S. Tax Court have to be in the Legislative and not Judicial Branch of the government, since Article 1, Section 8, Clause 1 of the Constitution delegates the power to lay AND collect ONLY to the Legislative Branch and not Executive Branch? The Constitution forbids delegating powers of one branch to any other branch. The delegation of the taxation to any branch outside the legislative branch separates the taxation and representation function between two branches of the government and therefore violates the separation of Powers doctrine and the purpose for establishing said government to begin with: That taxation and representation should coincide in the SAME physical person in the House of Representatives.

*"...a power definitely assigned by the Constitution to one department can neither be surrendered nor delegated by that department, nor vested by statute in another department or agency. Compare [Springer v. Philippine Islands](#), 277 U.S. 189, 201, 202, 48 S.Ct. 480, 72 L.Ed. 845."* [Williams v. U.S., 289 U.S. 553, 53 S.Ct. 751 (1933)]

2. If the U.S. Tax Court really does exercise "judicial power", then how can they issue declaratory judgments about taxes, which are prohibited by 28 U.S.C. §2201(a)? The Freytag case says *"section 7443A(b) of the Internal Revenue Code specifically authorizes the Chief Judge of the Tax Court to assign four categories of cases to special trial judges: '(1) any declaratory judgment proceeding,'"* and yet 28 U.S.C. §2201(a) forbids declaratory judgments for a REAL court exercising REAL "judicial power". Here is an example of that prohibition upon a District Court, whereby someone wanted to be declared a "nontaxpayer":

*Specifically, Rowen seeks a declaratory judgment against the United States of America with respect to "whether or not the plaintiff is a taxpayer pursuant to, and/or under 26 U.S.C. §7701(a)(14)." (See Compl. at 2.) **This Court lacks jurisdiction to issue a declaratory judgment "with respect to Federal taxes other than actions brought under section 7428 of the Internal Revenue Code of 1986," a code section that is not at issue in the instant action. See 28 U.S.C. §2201; see also Hughes v. United States, 953 F.2d. 531, 536-537 (9th Cir. 1991)** (affirming dismissal of claim for declaratory relief under § 2201 where claim concerned question of tax liability). Accordingly, defendant's motion to dismiss is hereby GRANTED, and the instant action is hereby DISMISSED. [[Rowen v. U.S., 05-3766MMC \(N.D.Cal. 11/02/2005\)](#)]*

Obviously, 28 U.S.C. §2201(a) can only pertain to public officers called "taxpayers" petitioning the court, and not to ALL people or even PRIVATE people protected by the Constitution. As a practical matter, it is a violation of the legislative intent of the Constitution for Congress to enact any law that interferes with or prevents the protection of PRIVATE rights that are the ONLY reason why governments were created to begin with. The clear message from the covetous courts and their self-serving interpretation of 28 U.S.C. §2201(a) is summarized by the following:

*"If you want to be our cheap whore who bends over for free, we'll issue a declaratory judgment telling you how many times and for how long you have to bend over for us. We'll even coach you on how much you have to pay us for the PRIVILEGE of engaging in such a wonderful activity, which we call a 'benefit'/franchise. However, we ain't NEVER going to admit, even though it's true, that:*

1. No one has the power to compel you to BE a whore called a 'taxpayer' and if they do, it's involuntary servitude.
2. "Nontaxpayers" even exist.
3. Not everyone is a "taxpayer".
4. There is any such thing as private rights or private property.
5. We have the power or even the desire to protect private rights by calling you a "nontaxpayer".
6. No one in a state of the Union protected by the Constitution can lawfully be a statutory "taxpayer".

7. The U.S. Tax Court cannot lawfully hear the case of a 'nontaxpayer', but rather has to dismiss such as case and end the collection activity.

In short, we will NEVER satisfy the purpose of the creation of the government, which is the protection of PRIVATE rights and PRIVATE property. Instead, we will use every opportunity to adjudicate as a means to create our own little fiefdom by turning EVERYTHING into a privilege, converting all rights to privileges, and force you to waive all your rights before you can get any kind of remedy at all from the imperial judiciary. It's our way or the highway. You will either lick the hands that feed you and LOVE IT, or we will destroy your commercial identity and implement criminal financial genocide of you and your family until you do."

3. The U.S. Supreme Court places the U.S. Tax Court OUTSIDE even the U.S. Treasury and says it is completely independent of said department. By what authority is a NEW department outside the existing Executive, Legislative, and Judicial Branches created?
  - 3.1. Is this what you call a "supernatural power", because it is not expressly created by the NATURAL human beings who penned the Constitution and delegated authority to the federal government to begin with?
  - 3.2. If it is a "supernatural being" with powers superior to the human beings who created it, isn't this a violation of the requirement for equal protection and equal treatment that is the foundation of the United States Constitution?
4. By what legal authority are the public offices supervised by this unconstitutional "Fourth Branch" created?
5. Where within the franchise agreements themselves does it expressly say that these public offices can lawfully be exercised? 4 U.S.C. §72 says these offices may be exercised ONLY in the District of Columbia and not elsewhere, which means they cannot be exercised within the borders of a state of the Union.
6. Aren't those who are NOT lawfully serving in public offices within this branch committing the crime of impersonating a public office per 18 U.S.C. §912 to even participate? Doesn't the U.S. Tax Court itself become a party to a conspiracy to commit this crime if it does not at least verify the lawful creation of the public office being supervised?
7. Is filling out a IRS Forms W-4 or 1040 an act of electing oneself into a public office by consenting to fill the office?
  - 7.1. By what authority are such elections held?
  - 7.2. By what Constitutional authority can people consent to join the fictitious Fourth Branch of government?
8. By what constitutional authority can those charged with protecting PRIVATE rights abuse their authority to compel EVERYONE to convert them to PUBLIC rights? Isn't it TREASON to make a business out abusing the legislation and "selective enforcement" to accomplish the OPPOSITE end of the creation of government to begin with?
9. How can the government create a Fourth Branch of government that behaves as a state-sponsored religion using nothing but judicial fiat and prima facie evidence (1 U.S.C. §204), make the object of this religion the worship of civil rulers instead of the living God, and compel payment of tithes to this fake religion without violating the First Amendment establishment clause by creating a state-sponsored religion? The Religious Freedom Restoration Act applies EVERYWHERE, including federal territory and within government itself. See 42 U.S.C. Chapt. 21B.

*"The "establishment of religion" clause of the First Amendment means at least this: neither a state nor the Federal Government can set up a church. Neither can pass laws which aid one [state-sponsored political] religion, aid all religions, or prefer one religion over another. Neither can force or influence a person to go to or to remain away from church against his will, or force him to profess a belief or disbelief in any religion. No person can be punished for entertaining or professing religious beliefs or disbeliefs, for church attendance or non-attendance. No tax in any amount, large or small, can be levied to support any religious activities or institutions, whatever they may be called, or whatever form they may adopt to teach or practice religion. Neither a state nor the Federal Government can, openly or secretly, participate in the affairs of any religious organizations or groups and vice versa."*  
[Everson v. Bd. of Ed., 330 U.S. 1, 15 (1947)]

10. Isn't it a violation of the separation of powers to FORCE EVERYONE into a public office in the Executive Branch as public officer surety for a statutory "taxpayer", and thereby to effectively:
  - 10.1. Replace a de jure government with a de facto government?
  - 10.2. Eliminate all PRIVATE rights and replace them with PUBLIC rights?
  - 10.3. Convert all PRIVATE property into PUBLIC property, in one massive instance of "eminent domain"?
  - 10.4. Outlaw personal responsibility by forbidding people from governing their own lives and forcing them to ask for permission to do ANYTHING from a judicial and administrative oligarchy.
  - 10.5. Concentrate all power and sovereignty to what amounts to a private, de facto, for profit corporation monopoly called the "United States".
  - 10.6. Make it impossible for a private person to get a remedy in ANY court in which franchise participation is at issue, because all potential jurists are receiving bribes from the franchise and possibly even participating unlawfully.
11. Isn't it a violation of the constitutional requirement for equal protection and the equivalent of a "bill of attainder" to, on the one hand provide an essentially ADMINISTRATIVE remedy to those who are statutory "taxpayers", and yet to NOT provide an equally convenient JUDICIAL remedy to those who are PRIVATE parties and "nontaxpayers"?

There is no equivalent court for “nontaxpayers” and U.S. Tax Court Rule 13(a) prohibits these parties from even petitioning the franchise court. The only place PRIVATE parties who are “nontaxpayers” can go is a state court. This is rather scandalous, considering that the MAIN purpose for establishing government to begin with is to protect PRIVATE rights and CONSTITUTIONAL rights, and yet there IS not court within the federal government that can even entertain a suit or provide a remedy for such a person. Hence, there IS no real government at the federal level. The only way you can approach Uncle, in short, is as a privileged statutory “employee” or public officer who has no rights and works as a cheap whore for Uncle without compensation. To add insult to injury, this privileged state of affairs is termed a “benefit” for which you “owe” them a tax to sustain.

*"It has long been established that a State may not impose a penalty upon those who exercise a right guaranteed by the Constitution." Frost & Frost Trucking Co. v. Railroad Comm'n of California, 271 U.S. 583. "Constitutional rights would be of little value if they could be indirectly denied," Smith v. Allwright, 321 U.S. 649, 644, or manipulated out of existence," Gomillion v. Lightfoot, 364 U.S. 339, 345."*  
[Harman v. Forssenius, 380 U.S. 528 at 540, 85 S.Ct. 1177, 1185 (1965)]

12. How did the monies being adjudicated become “public monies” in the case of those who are private parties and NOT public officers and who are the victim of false information returns that the IRS refuses is legal duty to correct?

*"Men are endowed by their Creator with certain unalienable rights, 'life, liberty, and the pursuit of happiness;' and to 'secure,' not grant or create, these rights, governments are instituted. That property [or income] which a man has honestly acquired he retains full control of, subject to these limitations: First, that he shall not use it to his neighbor's injury, and that does not mean that he must use it for his neighbor's benefit [e.g. SOCIAL SECURITY, Medicare, and every other public "benefit"]; second, that if he devotes it to a public use, he gives to the public a right to control that use; and third, that whenever the public needs require, the public may take it upon payment of due compensation."*  
[Budd v. People of State of New York, 143 U.S. 517 (1892)]

You might want to ask some of these questions if you ever end up in front of the Kangaroo U.S. Tax Court.

## **29 Defenses against government illegal enforcement of franchises in court**

### **29.1 Justice in the context of franchises and your right to contract<sup>332</sup>**

The whole notion of “justice” implies the requirement of positive law in all dealings with the public. The only way that positive law can be enacted is through the consent of those it is enforced against, which the Declaration of Independence calls “the consent of the governed”. Below is a definition of “justice” from Easton’s Bible Dictionary which clearly proves this:

***JUSTICE** — is rendering to **everyone** [equally, whether citizen or alien] that which is his due. It has been distinguished from equity in this respect, that while justice means merely the doing [of] what positive law demands, equity means the doing of what is fair and right in every separate case.<sup>333</sup>*  
[Easton’s Bible Dictionary, 1996]

We would also add to the above definition that:

1. Enforcing anything BUT “positive law”.
2. Enforcing anything unequally against one group or class of persons more than another.
3. Taking more tax as a percentage from one group than another.

. . . equates with INjustice or the OPPOSITE of justice, in our view. When we look up the definition of “justice” in the legal dictionary, however, lawyers try to hide its relationship to “positive law”. Below is the definition of “justice” from Black’s Law Dictionary, Sixth Edition:

***Justice**, n. Title given to judges, particularly judges of U.S. and state supreme courts, and as well to judges of appellate courts. The U.S. Supreme Court, and most state supreme courts are composed of a chief justice and several associate justices.*

<sup>332</sup> Source: *Requirement for Consent*, Form #05.003, Section 8.10.4; <http://sedm.org/Forms/FormIndex.htm>.

<sup>333</sup> Easton, M. 1996, c1897. *Easton's Bible dictionary*. Logos Research Systems, Inc.: Oak Harbor, WA

Proper administration of laws. In jurisprudence, the constant and perpetual disposition of legal matters or disputes to render every man his due.

Commutative justice concerns obligations as between persons (e.g., in exchange of goods) and requires proportionate equality in dealings of person to person; Distributive justice concerns obligations of the community to the individual, and requires fair disbursement of common advantages and sharing of common burdens; Social justice concerns obligations of individual to community and its end is the common good.

In Feudal law, jurisdiction; judicial cognizance of causes or offenses. High justice was the jurisdiction or right of trying crimes of every kind, even the highest. This was a privilege claimed and exercised by the great lords or barons of the middle ages. Law justice was jurisdiction of petty offenses.

See also Miscarriage of justice; Obstructing justice.  
[Black's Law Dictionary, Sixth Edition, p. 864]

Apparently, only pastors can be trusted to tell the truth about the meaning of “justice”, because Pharisees/lawyers with Mercedes payments to make aren’t going to undermine their livelihood and make their job moot by telling the truth. Common to both the ecclesiastical and the legal dictionary definitions of “justice” above, however, is the notion of “rendering to every man his due”. The world owes NOTHING to any man. As the Great IRS Hoax, Form #11.302 says at the beginning of section 4.1:

“Don't go around saying the world owes you a living. The world owes you nothing. It was here first.”  
[Mark Twain]

The only thing that can be “owed” or “due” to a man is that which he has earned or procured under contract to some other free agent. What is owed to him is considered “property”, and the government’s most fundamental obligation is to protect our right to property. Therefore, the whole notion of “justice” originates from the exercise of our right to contract. All law, in fact, is an extension of our right to contract, as we said in the previous sections, because it is created with our consent, behaves as a contract, and conveys to us certain rights and benefits that courts have a sacred duty to protect. Even the U.S. Supreme Court recognized this fact, when it said:

"Independent of these views, there are many considerations which lead to the conclusion that the power to impair contracts [either the Constitution or the Holy Bible], by direct action to that end, does not exist with the general [federal] government. In the first place, one of the objects of the Constitution, expressed in its preamble, was the establishment of justice, and what that meant in its relations to contracts is not left, as was justly said by the late Chief Justice, in Hepburn v. Griswold, to inference or conjecture. As he observes, at the time the Constitution was undergoing discussion in the convention, the Congress of the Confederation was engaged in framing the ordinance for the government of the Northwestern Territory, in which certain articles of compact were established between the people of the original States and the people of the Territory, for the purpose, as expressed in the instrument, of extending the fundamental principles of civil and religious liberty, upon which the States, their laws and constitutions, were erected. By that ordinance it was declared, that, in the just preservation of rights and property, 'no law ought ever to be made, or have force in the said Territory, that shall, in any manner, interfere with or affect private contracts or engagements bona fide and without fraud previously formed.' The same provision, adds the Chief Justice, found more condensed expression in the prohibition upon the States [in Article 1, Section 10 of the Constitution] against impairing the obligation of contracts, which has ever been recognized as an efficient safeguard against injustice; and though the prohibition is not applied in terms to the government of the United States, he expressed the opinion, speaking for himself and the majority of the court at the time, that it was clear 'that those who framed and those who adopted the Constitution intended that the spirit of this prohibition should pervade the entire body of legislation, and that the justice which the Constitution was ordained to establish was not thought by them to be compatible with legislation [or judicial precedent] of an opposite tendency.'" 8 Wall. 623. [99 U.S. 700, 765] Similar views are found expressed in the opinions of other judges of this court."  
[Sinking Fund Cases, 99 U.S. 700 (1878)]

The reason the U.S. Supreme Court had to state the above is that if it did not, it would be sanctioning public servants to violate the right to contract of We the People, by disrespecting the Constitution itself, which is a contract. The U.S. Supreme Court also recognized that state Constitutions are “contracts” as well, when it said:

"A state can no more impair the obligation of a contract by her organic law [constitution] than by legislative enactment; for her constitution is a law within the meaning of the contract clause of the national constitution. Railroad Co. v. [115 U.S. 650, 673] McClure, 10 Wall. 511; Ohio Life Ins. & T. Co. v. Debolt, 16 How. 429; Sedg. St. & Const. Law, 637 And the obligation of her contracts is as fully protected by that instrument against impairment by legislation as are contracts between individuals exclusively. State v. Wilson, 7 Cranch, 164; Providence Bank v. Billings, 4 Pet. 514; Green v. Biddle, 8 Wheat. 1; Woodruff v. Trapnall, 10 How. 190; Wolff v. New Orleans, 103 U.S. 358."  
[New Orleans Gas Company v. Louisiana Light Company, 115 U.S. 650 (1885)]



You can also electronically search, as we have, the entire 50+ volume legal encyclopedia called American Jurisprudence 2d Legal Encyclopedia for a definition of “justice” and you will not find one. Think about just how absurd this is: The entire purpose of law, government, and the legal profession is justice, as revealed by the founding fathers in Federalist Paper #51:

***“Justice is the end of government. It is the end of civil society. It ever has been, and ever will be pursued, until it be obtained, or until liberty be lost in the pursuit.”***  
[James Madison, *The Federalist* No. 51 (1788)]

...and yet the largest legal reference and encyclopedia on law in the country, American Jurisprudence 2d Legal Encyclopedia, doesn’t even define exactly what “justice” is as revealed here! The foundation of justice is enforcing ONLY positive law. The foundation of positive law is consent. Therefore, to ignore the requirement for positive law is to ignore the requirement for “consent of the governed”, which is the very foundation of our system of government starting with the Declaration of Independence and going down from there. Here, in fact, is how the U.S. Supreme Court describes the relationship of the Declaration of Independence to our system of jurisprudence:

*“No language is more worthy of frequent and thoughtful consideration than these words of Mr. Justice Matthews, speaking for this court, in *Yick Wo v. Hopkins*, 118 U.S. 356, 369, 6 S. Sup. Ct. 1064, 1071: ‘When we consider the nature and the theory of our institutions of government, the principles upon which they are supposed to rest, and review the history of their development, we are constrained to conclude that they do not mean to leave room for the play and action of purely personal and arbitrary power.’ The first official action of this nation declared the foundation of government in these words: ‘We hold these truths to be self-evident, [165 U.S. 150, 160] that all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness.’ **While such declaration of principles may not have the force of organic law, or be made the basis of judicial decision as to the limits of right and duty, and while in all cases referenced must be had to the organic law of the nation for such limits, yet the latter is but the body and the letter of which the former is the thought and the spirit, and it is always safe to read the letter of the constitution in the spirit of the Declaration of Independence. No duty rests more imperatively upon the courts than the enforcement of those constitutional provisions intended to secure that equality of rights which is the foundation of free government.**”*  
[*Gulf, C. & S.F.R. Co. v. Ellis*, 165 U.S. 150 (1897)]

Ignoring the requirement for positive law in all interactions of the government with its citizens and subjects is therefore INjustice, not justice. Now do you understand Jesus’ condemnation of the Pharisees/Lawyers, when he said:

*“Woe to you, scribes and Pharisees [lawyers], hypocrites! For you pay tithe of mint and anise and cummin, and **have neglected the weightier matters of the [God's] law: justice** and mercy and faith. These you ought to have done [FIRST], without leaving the others undone.”*  
[Matthew 23:23, Bible, NKJV]

This is very telling indeed. If lawyers and judges had to admit what REAL justice was and that it consisted of enforcing ONLY “positive law” enacted with the full authority of “consent of the governed”, then they would have to admit that most of what our present day government does amounts to INjustice, because they are implementing that which is not specifically authorized by any public law, and which therefore only applies to those who individually consent to it. To give you just a few examples of private law that is wrongfully enforced as though it were positive public law, consider the following important private laws:

1. Title 42, which contains the Social Security, FICA, and Medicare codes, is not positive law. Therefore, these are strictly voluntary programs that no one can be compelled to participate in, and certainly not those domiciled in a state of the Union. The U.S. Supreme Court confirmed this, when it called Social Security “not coercive”, which means unenforceable unless individual consent is provided:

*“There remain for consideration the contentions that the state act is invalid because its enactment was coerced by the adoption of the Social Security Act, and that it involves an unconstitutional surrender of state power. **Even though it be assumed that the exercise of a sovereign power by a state, in other respects valid, may be rendered invalid because of the coercive effect of a federal statute enacted in the exercise of a power granted to the national government, such coercion is lacking here.** [301 U.S. 495, 526] **It is unnecessary to repeat now those considerations which have led to our decision in the *Chas. C. Steward Machine Co. Case*, that the Social Security Act has no such coercive effect. As the Social Security Act is not coercive in its operation, the Unemployment Compensation Act cannot be set aside as an unconstitutional product of coercion.** The United States and the State of Alabama are not alien governments. They coexist within the same territory. Unemployment within it is their common concern. Together the two statutes now before us embody a cooperative legislative effort by state and national governments for carrying out a public purpose common to both, which neither could fully achieve without the cooperation of the other. The Constitution does not prohibit such cooperation.”*  
[Carmichael v. Southern Coal and Coke Co., 301 U.S. 495 (1937)]



2. Title 50, which contains the Military Selective Service Act and describes how men may be “drafted”, is not positive law. Therefore, participation is voluntary for people in states of the Union. The only persons it can pertain to are “U.S. citizens” domiciled in the federal zone. See: <http://famguardian.org/Subjects/Military/Draft/NotSubjectToDraft.htm>
3. Title 26, which is the Internal Revenue Code, is not positive law. Neither has there ever been any attempt by any court that we are aware of to decide which of its provisions are indeed positive law. Therefore, its provisions must be voluntary for everyone, and especially for those domiciled in states of the Union.

Instead, our public “servants” have turned our government into a money-making corporation (see 28 U.S.C. §3002(15)(A)) intent on maximizing “corporate profit” by plundering the most that it can from people it is supposed to instead be protecting, rather than plundering. They have become PREDATORS, not PROTECTORS.

Lastly, there are only two ways that courts can lawfully ignore the requirement for “consent of the governed”. Those two ways are:

1. To fool you into signing away your rights via a contract or to involve yourself in some act that creates a presumption that you waived your rights. Most often, this method relies on some government benefit program such as Social Security to make you a federal “employee”. Participating in such benefit programs makes participation in federal taxation “quasi-contractual”, as the Supreme Court calls it. See *Milwaukee v. White*, 296 U.S. 268 (1935)
2. To kidnap your legal identity and “domicile” and to physically place it in a location where consent of the governed is not legally required. That place is the “federal zone”, as revealed throughout this book. See, for instance, 26 U.S.C. §7408(d) or 26 U.S.C. §7701(a)(39), and 26 C.F.R. §301.6109-1(g) for examples of how this type of devious fraud is effected against those domiciled in states of the Union and outside of exclusive/general federal jurisdiction.

As you will learn throughout the remainder of this chapter, both of the above devious and dishonest tactics are used to assault and undermine the sovereignty of the people both in the Internal Revenue Code and daily in the federal courts. Whichever of the above two devious tricks they pull on you, we wish to remind the readers of the following fact, that most people overlook when litigating to defend their rights:

*“In all legal actions bearing upon legal rights, the moving party asserting the right, which is the government in most cases, has the burden of proving with a preponderance of evidence that the defendant gave his consent in some form, or that you maintained a legal domicile in a place where consent was not required. Absent such proof, there is no way to enforce a government regulation or statute that is not positive law against the defendant. Strictly satisfying this requirement in all legal proceedings is the very essence and definition of ‘due process’ as we understand it.”*  
[Family Guardian Fellowship]

## 29.2 Background on litigation in franchise courts

When you are called before a franchise court, it is important to understand the nature of the proceeding.

1. Franchise courts include traffic court, family court, and tax court, etc.
2. Franchise courts are administrative agencies within the executive and not judicial branch of the government.
  - 2.1. As such, the “judge” is really just an administrative government employee supervising OTHER government employees or “public officers”.
  - 2.2. The franchise code being enforced is really just the employee rule book. They are “rules” under Article 4, Section 3, Clause 2, for administration INTERNAL to the government that may not affect PRIVATE Americans.

*United States Constitution  
Article 4, Section 3, Clause 2*

*The Congress shall have Power to dispose of and make all needful Rules and Regulations respecting the Territory or other Property belonging to the United States; and nothing in this Constitution shall be so construed as to Prejudice any Claims of the United States, or of any particular State.*

The term “or other Property” includes franchises. All franchises are “property” of the GRANTOR of the franchise. All franchises, in turn, are contracts. Contracts convey rights and are therefore “property” within the meaning of the above.

- 1 3. Even state franchises such as driver licensing, marriage licensing, and professional licensing ultimately are used to  
2 kidnap your identity and move it illegally to federal territory.
- 3 3.1. You can't apply for these things without Social Security Numbers and Taxpayer Identification Numbers. This  
4 requirement is usually not imposed by statute, but rather by FIAT and POLICY of the agency administering the  
5 franchise. It would be ILLEGAL to impose by statute because it would violate the Thirteenth Amendment.
- 6 3.2. The definitions within franchise codes confirm federal territory.
- 7 4. The constitution does not constrain any aspect of the proceeding BECAUSE all the parties who appear there are at least  
8 "in theory" there by their express CONSENT in some form.
- 9 4.1. You had to consent by filling out an application for a license or a "Taxpayer Identification Number" in order to be  
10 subject to the "rules" administering the franchise.
- 11 4.2. That which you consent to cannot form the basis for a constitutional tort.

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

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

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

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

### 22 **29.3 How choice of law rules are illegally circumvented by corrupted government officials to** 23 **illegally enforce franchises, kidnap your legal identity, and STEAL from You**

24 In cases against the government, corrupt judges and prosecutors employ several important tactics that you should be very  
25 aware of in order to:

- 26 1. Circumvent choice of law rules and thereby illegally and unconstitutionally enforce federal law outside of federal  
27 territory within a foreign state called a state of the Union.
- 28 2. STEAL private property from you and use it for their own benefit, in what amounts to a criminal and financial conflict  
29 of interest per 18 U.S.C. §208, 28 U.S.C. §144, and 28 U.S.C. §455.
- 30 3. Unlawfully enlarge their jurisdiction and importance in what amounts to treason in violation of 18 U.S.C. §2381.
- 31 4. Break down the constitutional separation between the states and the federal government that is the foundation of the  
32 Constitution and the MAIN protection for your PRIVATE rights. See:

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

33 The most frequent methods to circumvent choice of law rules are the following tactics:

- 34 1. Abuse "words of art" to deceive and undermine the sovereignty of the non-governmental opponent. This includes:
- 35 1.1. Add things or classes of things to the meaning of statutory terms that do not EXPRESSLY appear in their  
36 definitions, in violation of the rules of statutory construction. See:
- 37 1.2. Violate the rules of statutory construction by abusing the word "includes" to add things or classes of things to  
38 definitions of terms that do not expressly appear in the statutes and therefore MUST be presumed to be  
39 purposefully excluded.
- 40 1.3. Refuse to allow the jury to read the definitions in the law and then give them a definition that is in conflict with  
41 the statutory definition. This substitutes the JUDGE'S will for what the law expressly says and thereby substitutes  
42 PUBLIC POLICY for the written law.
- 43 1.4. Publish deceptive government publications that are in deliberate conflict with what the statutes define terms to  
44 mean and then tell the public that they CANNOT rely on the publication. The [IRS does this with ALL of their](#)  
45 [publications](#) and it is FRAUD. See:

Reasonable Belief About Income Tax Liability, Form #05.007  
FORMS PAGE: <http://sedm.org/Forms/FormIndex.htm>  
DIRECT LINK: <http://sedm.org/Forms/05-MemLaw/ReasonableBelief.pdf>

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

For details on this SCAM, see:

Legal Deception, Propaganda, and Fraud, Form #05.014  
<http://sedm.org/Forms/FormIndex.htm>

2. PRESUME that CONSTITUTIONAL citizens and STATUTORY citizens are EQUIVALENT under federal law. They are NOT. A CONSTITUTIONAL citizen is a "non-resident" under federal civil law and NOT a STATUTORY "national and citizen of the United States\*\* at birth" per 8 U.S.C. §1401. See the document below:

Why You are a "national", "state national", and Constitutional but not Statutory Citizen, Form #05.006  
FORMS PAGE: <http://sedm.org/Forms/FormIndex.htm>  
DIRECT LINK: <http://sedm.org/Forms/05-MemLaw/WhyANational.pdf>

3. PRESUME that "nationality" and "domicile" are equivalent. They are NOT. See:

Why Domicile and Becoming a "Taxpayer" Require Your Consent, Form #05.002  
FORMS PAGE: <http://sedm.org/Forms/FormIndex.htm>  
DIRECT LINK: <http://sedm.org/Forms/05-MemLaw/Domicile.pdf>

4. Use the word "citizenship" in place of "nationality" OR "domicile", and refuse to disclose WHICH of the two they mean in EVERY context.
5. Confuse the POLITICAL/CONSTITUTIONAL meaning of words with the civil STATUTORY context. For instance, asking on government forms whether you are a POLITICAL/CONSTITUTIONAL citizen and then FALSELY PRESUMING that you are a STATUTORY citizen under 8 U.S.C. §1401.
6. Confuse the words "[domicile](#)" and "[residence](#)" or impute either to you without satisfying the burden of proving that you EXPRESSLY CONSENTED to it and thereby illegally kidnap your civil legal identity against your will. One can have only one "domicile" but many "residences" and BOTH require your consent. See:

Why Domicile and Becoming a "Taxpayer" Require Your Consent, Form #05.002  
FORMS PAGE: <http://sedm.org/Forms/FormIndex.htm>  
DIRECT LINK: <http://sedm.org/Forms/05-MemLaw/Domicile.pdf>

7. Confuse "federal" with "national" or use these words interchangeably. They are NOT equivalent and this lack of equivalence is a product of the separation of powers doctrine that is the foundation of the USA Constitution.

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

**"NATIONAL GOVERNMENT.** The government of a whole nation, as distinguished from that of a local or territorial division of the nation, and also as distinguished from that of a league or confederation.

*"A national government is a government of the people of a single state or nation, united as a community by what is termed the "social compact," and possessing complete and perfect supremacy over persons and things, so far as they can be made the lawful objects of civil government. A federal government is distinguished from a national government by its being the government of a community of independent and sovereign states, united by compact." Piqua Branch Bank v. Knoup, 6 Ohio.St. 393."*  
*[Black's Law Dictionary, Revised Fourth Edition, 1968, p. 1176]*

**"FEDERAL GOVERNMENT.** The system of government administered in a state formed by the union or confederation of several independent or quasi independent states; also the composite state so formed.

*In strict usage, there is a distinction between a confederation and a federal government. The former term denotes a league or permanent alliance between several states, each of which is fully sovereign and independent, and each of which retains its full dignity, organization, and sovereignty, though yielding to the central authority a controlling power for a few limited purposes, such as external and diplomatic relations. In this case, the component states are the units, with respect to the confederation, and the central government acts upon them, not upon the individual citizens. In a federal government, on the other hand, the allied states form a union, not, indeed, to such an extent as to destroy their separate organization or deprive them of quasi sovereignty with respect to the administration of their purely local concerns, but so that the central power is erected into a*

1 true state or nation, possessing sovereignty both external and internal,-while the administration of national  
2 affairs is directed, and its effects felt, not by the separate states deliberating as units, but by the people of all,  
3 in their collective capacity, as citizens of the nation. The distinction is expressed, by the German writers, by the  
4 use of the two words "Staatenbund" and "Bundesstaat;" the former denoting a league or confederation of states,  
5 and the latter a federal government, or state formed by means of a league or confederation."  
6 [Black's Law Dictionary, Revised Fourth Edition, 1968, p. 740]

Here is a table comparing the two:

**Table 24: "National" v. "Federal"**

#	Description	"National" government	"Federal" government
1	Legislates for	Federal territory and NOT states of the Union	Legislates for states of the Union and NOT federal territory
2	Social compact	None. Jurisdiction is unlimited per Article 1, Section 8, Clause 17	Those domiciled within states of the Union
3	Type of jurisdiction exercised	General jurisdiction	Subject matter jurisdiction (derived from Constitution)
4	Citizens	1. Statutory "nationals and citizens at birth" per 8 U.S.C. §1401. 2. "U.S. citizens" per 26 U.S.C. §3121(e) and 26 C.F.R. §1.1-1(c). 3. EXCLUDES constitutional "Citizens" or "citizens of the United States" per Fourteenth Amendment.	1. "Citizens". 2. Fourteenth Amendment "citizens of the United States". 3. EXCLUDES statutory citizens per 8 U.S.C. §1401 "U.S. citizens" per 26 U.S.C. §3121(e) and 26 C.F.R. §1.1-1(c).
5	Courts	Federal District and Circuit Courts (legislative franchise courts that can only hear disputes over federal territory and property per Art. 4, Sect. 3, Clause 2 of USA Constitution).	1. State courts. 2. U.S. Supreme Courts.
6	Those domiciled within this jurisdiction are	Statutory "aliens" in relation to states of the Union.	Statutory "aliens" in relation to the national government.
7	Those domiciled here are subject to Subtitles A through C of the Internal Revenue Code?	Yes	No

For further details on this SCAM, see:

*Two Political Jurisdictions: "National" government v. "Federal" government*, Family Guardian Fellowship  
<http://famguardian.org/Subjects/Taxes/Remedies/USvUSA.htm>

8. Abuse franchises such as the income tax, Social Security, Medicare, etc. to be used to UNLAWFULLY create new public offices in the U.S. government. This results in a de facto government in which there are no private rights or private property and in which EVERYONE is illegally subject to the whims of the government. See:

*De Facto Government Scam*, Form #05.043  
 FORMS PAGE: <http://sedm.org/Forms/FormIndex.htm>  
 DIRECT LINK: <http://sedm.org/Forms/05-MemLaw/DeFactoGov.pdf>

9. Connect the opponent to a government franchise or to PRESUME they participate and let the presumption go unchallenged and therefore agreed to. This is done:
- 9.1. PRESUMING that because someone connected ONE activity to a government franchise, that they elected to act in the capacity of a franchisee for ALL activities. This is equivalent to outlawing PRIVATE rights and PRIVATE property.
- 9.2. Refusing to acknowledge or respect the method by which PRIVATE property is donated to a PUBLIC use, which is by VOLUNTARILY associating formerly PRIVATE property with a de facto license to represent a public office in the government called a Social Security Number (SSN) or Taxpayer Identification Number (TIN).
- 9.3. Calling use of SSNs and TINs VOLUNTARY and yet REFUSING to prosecute those who COMPEL their use. This results in a LIE.
- 9.4. Compelling the use of Social Security Numbers or Taxpayer Identification Numbers. This is combated using the following:
- 9.4.1. *Why It is Illegal for Me to Request or Use a "Taxpayer Identification Number"*, Form #04.205  
<http://sedm.org/Forms/FormIndex.htm>
- 9.4.2. *About SSNs and TINs On Government Forms and Correspondence*, Form #05.012



<http://sedm.org/Forms/FormIndex.htm>  
9.4.3. Resignation of Compelled Social Security Trustee, Form #06.002

<http://sedm.org/Forms/FormIndex.htm>  
9.5. Using forms signed by the government opponent in which they claimed a status under a government franchise, such as statutory "taxpayer", "individual", "U.S. person", "U.S. citizen", etc. This is combated by attaching the following to all tax forms one fills out:

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

## **29.4 Forcing governments to disclose when and how PRIVATE property was converted to PUBLIC property**

It is very important to force the government to disclose when and how property they claim an interest in was lawfully converted from PRIVATE property to PUBLIC property. Recall that PRIVATE property is property that is exclusively owned by its owner and which the government may not tax, regulate, or derive any benefit from. Our Disclaimer provides a hint on this subject by saying the following:

### **SEDM Disclaimer, Section 4: Meaning of Words**

*The word "private" when it appears in front of other entity names such as "person", "individual", "business", "employee", "employer", etc. shall imply that the entity is:*

1. *In possession of absolute, exclusive ownership and control over their own labor, body, and all their property. In Roman Law this was called "dominium".*
2. *On an [EQUAL rather than inferior relationship to government in court](#). This means that they have no obligations to any government OTHER than possibly the duty to serve on jury and vote upon voluntary acceptance of the obligations of the civil status of "citizen" (and the [DOMICILE](#) that creates it). Otherwise, they are entirely free and unregulated unless and until they INJURE the equal rights of another under the common law.*
3. *A "nonresident" in relation to the state and federal government.*
4. *Not a PUBLIC entity defined within any state or federal statutory law. This includes but is not limited to statutory "person", "individual", "taxpayer", "driver", "spouse" under any under any civil statute or franchise.*
5. *Not engaged in a public office or "trade or business" (per 26 U.S.C. §7701(a)(26)). Such offices include but are not limited to statutory "person", "individual", "taxpayer", "driver", "spouse" under any civil statute or franchise.*
6. *Not consenting to contract with or acquire any public status, public privilege, or public right under any state or federal franchise. For instance, the phrase "private employee" means a common law worker that is NOT the statutory "employee" defined within 26 U.S.C. §3401(c) or 26 C.F.R. §301.3401(c)-1 or any other federal or state law or statute.*
7. *Not sharing ownership or control of their body or property with anyone, and especially a government. In other words, ownership is not "qualified" but "absolute".*
8. *Not subject to civil enforcement or regulation of any kind, except AFTER an injury to the equal rights of others has occurred. Preventive rather than corrective regulation is a taking of property under the Fifth Amendment Takings Clause.*

*"Law" is defined to EXCLUDE any and all [civil statutory codes, franchises, or privileges](#) in relation to any and all governments and to include ONLY the COMMON law, the CONSTITUTION (if trespassing government actors ONLY are involved), and the CRIMINAL law. Civil statutory codes, franchises, or privileges are referred to on this website as "private law", but not "law". The word "public" precedes all uses of "law" when dealing with acts of government and hence, refers only to COMMON law and CRIMINAL law that applies equally to everyone, regardless of [their consent](#). Involvement in any and all ["private law" franchises or privileges](#) offered by any government ALWAYS undermines and threatens sovereignty, autonomy, and [equality](#), turns government into an [unconstitutional civil religion](#), and [corrupts even the finest of people](#). This is explained in:*

### **Government Instituted Slavery Using Franchises, Form #05.030**

*Any use of the word "law" by any government actor directed at us or any member, if not clarified with the words "private" or "public" in front of the word "law" shall constitute:*

1. *A criminal attempt and conspiracy to recruit is to be a public officer called a "person", "taxpayer", "citizen", "resident", etc.*
2. *A solicitation of [illegal bribes called "taxes"](#) to treat us "AS IF" we are a public officer.*
3. *A criminal conspiracy to convert PRIVATE rights into PUBLIC rights and to violate the Bill of Rights.*

The protection of PRIVATE rights mandated by the Bill of Rights BEGINS with and requires:

1. ALWAYS keeping PRIVATE and PUBLIC rights separated and never mixing them together.
2. Using unambiguous language about the TYPE of "right" that is being protected: PUBLIC or PRIVATE in every use of the word "right". The way to avoid confusing PUBLIC and PRIVATE RIGHTS is to simply refer to PRIVATE rights as "privileges" and NEVER refer to them as "rights".
3. Only converting PRIVATE rights to PUBLIC rights with the express written consent of the HUMAN owner.
4. Limiting the conversion to geographical places where rights are NOT unalienable. This means the conversion occurred either abroad or on government territory not within the exclusive jurisdiction of a Constitutional state. Otherwise, the Declaration of Independence, which is organic law, would be violated.
5. Keeping the rules for converting PRIVATE to PUBLIC so simple, unambiguous, and clear that a child could understand them and always referring to these rules in every interaction between the government and those they are charged with protecting.
6. Ensuring that in every interaction (and ESPECIALLY ENFORCEMENT ACTION) between the government both administratively and in court, that any right the government claims to civilly enforce against, regulate, tax, or burden otherwise PRIVATE property is proven ON THE RECORD IN WRITING to originate from the rules documented in the previous step. This BURDEN OF PROOF must be met both ADMINISTRATIVELY and IN COURT BEFORE any enforcement action may be lawfully attempted by any government. It must be met by an IMPARTIAL decision maker with NO FINANCIAL interest in the outcome and not employed by the government or else a criminal financial conflict of interest will result. In other words, the government has to prove that it is NOT stealing before it can take property, that it is the lawful owner, and expressly HOW it became the lawful owner.
7. Enforcing the following CONCLUSIVE PRESUMPTION against government jurisdiction to enforce unless and until the above requirements are met:

"All rights and property are PRESUMED to be EXCLUSIVELY PRIVATE and beyond the control of government or the CIVIL law unless and until the government meets the burden of proving, WITH EVIDENCE, on the record of the proceeding that:

1. A SPECIFIC formerly PRIVATE owner consented IN WRITING to convert said property to PUBLIC property.

2. The owner was either abroad, domiciled on, or at least PRESENT on federal territory NOT protected by the Constitution and therefore had the legal capacity to ALIENATE a Constitutional right or relieve a public servant of the fiduciary obligation to respect and protect the right. Those physically present but not necessarily domiciled in a constitutional but not statutory state protected by the constitution cannot lawfully alienate rights to a real, de jure government, even WITH their consent.

3. If the government refuses to meet the above burden of proof, it shall be CONCLUSIVELY PRESUMED to be operating in a PRIVATE, corporate capacity on an EQUAL footing with every other private corporation and which is therefore NOT protected by official, judicial, or sovereign immunity."

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

The text below the line and following this paragraph shows how to force the government to disclose when and how property they claim an interest in was lawfully converted from PRIVATE property to PUBLIC property. You can use this information in a court pleading under the common law:

#### **Evidence required to meet the burden of proof to remove this action to federal court**

1. Proof of the lawful rules for converting PRIVATE, EXCLUSIVELY OWNED property to PUBLIC property have been honored by the Respondents.

"Men are endowed by their Creator with certain unalienable rights, - 'life, liberty, and the pursuit of happiness;' and to 'secure,' not grant or create, these rights, governments are instituted. That property [or income] which a man has honestly acquired he retains full control of, subject to these limitations: First, that he shall not use it to his neighbor's injury, and that does not mean that he must use it for his neighbor's benefit [e.g. SOCIAL SECURITY, Medicare, and every other public "benefit"]; second, that if he devotes it to a public use, he gives to the public a right to control

*that use; and third, that whenever the public needs require, the public may take it upon payment of due compensation.”*  
*[Budd v. People of State of New York, 143 U.S. 517 (1892)]*

The above rules are summarized below:

**Table 25: Rules for converting private property to a public use or a public office**

#	Description	Requires consent of owner to be taken from owner?
1	The owner of property justly acquired enjoys full and exclusive use and control over the property. This right includes <u>the right to exclude government uses</u> or ownership of said property.	Yes
2	He may not use the property to injure the equal rights of his neighbor. For instance, when you murder someone, the government can take your liberty and labor from you by putting you in jail or your life from you by instituting the death penalty against you. Both your life and your labor are “property”. Therefore, the basis for the “taking” was violation of the equal rights of a fellow sovereign “neighbor”.	No
3	He cannot be compelled or required to use it to “benefit” his neighbor. That means he cannot be compelled to donate the property to any franchise that would “benefit” his neighbor such as Social Security, Medicare, etc.	Yes
4	If he donates it to a public use, he gives the public the right to control that use.	Yes
5	Whenever the public needs require, the public may take it without his consent upon payment of due compensation. E.g. “eminent domain”.	No

2. Exactly WHICH one of the above options was employed to convert the property in question from EXCLUSIVELY PRIVATE ABSOLUTE ownership to QUALIFIED SHARED ownership?
  - 2.1. The parties are advised that the purpose of founding governments is to protect ONLY private property, per the Declaration of Independence.
  - 2.2. The parties are reminded that the purpose of taxation itself is to convert PRIVATE property to PUBLIC property LAWFULLY. That conversion requires the express consent of the original PRIVATE nontaxpayer owner AT SOME POINT. Evidence of that consent MUST be produced by the Respondent or the taxation process is unconstitutional.
  - 2.3. The Plaintiff has a right to receive reasonable notice from any and all governments allegedly “protecting” said property of the nature of its ownership over any property held in his name, including whether ownership is ABSOLUTE or QUALIFIED.

*Ownership of property is either absolute or qualified. The ownership of property is absolute when a single person has the absolute dominion over it, and may use it or dispose of it according to his pleasure, subject only to general laws. The ownership is qualified when it is shared with one or more persons, when the time of enjoyment is deferred or limited, or when the use is restricted. Calif. Civil Code, §§678-680.*

*There may be ownership of all inanimate things which are capable of appropriation or of manual delivery; of all domestic animals; of all obligations; of such products of labor or skill as the composition of an author, the goodwill of a business, trademarks and signs, and of rights created or granted by statute. Calif. Civil Code, §655.*

*In connection with burglary, “ownership” means any possession which is rightful as against the burglar.*

*See also Equitable ownership; Exclusive ownership; Hold; Incident of ownership; Interest; Interval ownership; Ostensible ownership; Owner; Possession; Title.*  
*[Black’s Law Dictionary, Sixth Edition, p. 1106]*

- 2.4. The Plaintiff has a constitutional right to receive reasonable notice of when and HOW his ABSOLUTE interest in a property becomes a QUALIFIED interest shared with the government, and the method of consent BY THE PLAINTIFF that makes that change in each and every instance.
- 2.5. If the rules identified above by the U.S. Supreme Court for converting PRIVATE property to PUBLIC property are deemed insufficient by the court, the party making such an assertion has a duty to define what the correct rules are. Otherwise, the Plaintiff is unconstitutionally deprived of reasonable notice of exactly WHAT property

held in its name is ABSOLUTELY owned, EXCLUSIVELY private, and whose ownership is therefore not shared with any government and therefore not subject to taxation.

- 2.6. Without reasonable notice of the nature of the Plaintiff's interest in properties it holds, Respondent and court would be violating due process of law to PRESUME that the government is either the ABSOLUTE owner or has a QUALIFIED interest in the property absent evidence PROVING the creation of that interest directly from the original owner. Such a presumption would constitute an unconstitutional eminent domain in the property.

*"The power to create presumptions is not a means of escape from constitutional restrictions."  
[Bailey v. Alabama, 219 U.S. 219, 238, et seq., 31 S.Ct. 145; Manley v. Georgia, 279 U.S. 1, 5-6, 49 S.Ct. 215]*

3. Proof of the EXACT STEP in the taxation process that ownership of the real property in question transitioned from ABSOLUTE PRIVATE ownership to QUALIFIED SHARED ownership with the government. Below are the specific steps in the taxation process that might be candidates for the conversion:
- 3.1. \_\_\_\_ There is no private property. EVERYTHING belongs to us and we just "RENT" it to you through taxes. Hence, we are NOT a "government" because there is not private property to protect. Everything is PUBLIC property by default.
  - 3.2. \_\_\_\_ When the Plaintiff became a CONSTITUTIONAL citizen?
  - 3.3. \_\_\_\_ When the Plaintiff changed domicile to a CONSTITUTIONAL and not STATUTORY "State".
  - 3.4. \_\_\_\_ When the Plaintiff indicated "U.S. citizen" or "U.S. resident" on a government form, and the agent accepting it FALSELY PRESUMED that meant I was a STATUTORY "national and citizen of the United States" per 8 U.S.C. §1401 rather than a CONSTITUTIONAL "citizen of the United States".
  - 3.5. \_\_\_\_ When Plaintiff disclosed and used a Social Security Number or Taxpayer Identification Number to my otherwise PRIVATE employer?
  - 3.6. \_\_\_\_ When Plaintiff submitted withholding documents for the properties in question, such as IRS Forms W-4 or W-8?
  - 3.7. \_\_\_\_ When the information return was filed against the Plaintiff's otherwise PRIVATE earnings that connected my otherwise PRIVATE earnings to a PUBLIC office in the national government?
  - 3.8. \_\_\_\_ When Plaintiff FAILED to rebut the false information return connecting my otherwise PRIVATE earnings to a PUBLIC office in the national government?
  - 3.9. \_\_\_\_ When Plaintiff filed a "taxpayer" form, such as IRS Forms 1040 or 1040NR?
  - 3.10. \_\_\_\_ When the IRS or state did an assessment under the authority of 26 U.S.C. §6020(b). This document establishes that all such assessments against human beings or using the 1040 form are illegal.
  - 3.11. \_\_\_\_ When Plaintiff failed to rebut a collection notice from the IRS?
  - 3.12. \_\_\_\_ When the IRS levied monies from Plaintiff's EXCLUSIVELY private account, which must be held by a PUBLIC OFFICER per 26 U.S.C. §6331(a) before it can lawfully be levied?
  - 3.13. \_\_\_\_ When the government decided they wanted to STEAL money of the Plaintiff and simply TOOK it, and were protected from the THEFT by a complicit U.S. Department of Justice, who split the proceeds with them?
  - 3.14. \_\_\_\_ When Plaintiff demonstrated legal ignorance of the law to the government sufficient to overlook or not recognize that it is impossible to convert PRIVATE to PUBLIC without my consent, as the Declaration of Independence requires.
4. Proof of the lawful rules for converting PRIVATE, EXCLUSIVELY OWNED property to PUBLIC property have been honored by the Respondents.

*"Men are endowed by their Creator with certain unalienable rights, - 'life, liberty, and the pursuit of happiness;' and to 'secure,' not grant or create, these rights, governments are instituted. That property [or income] which a man has honestly acquired he retains full control of, subject to these limitations: First, that he shall not use it to his neighbor's injury, and that does not mean that he must use it for his neighbor's benefit [e.g. SOCIAL SECURITY, Medicare, and every other public "benefit"]; second, that if he devotes it to a public use, he gives to the public a right to control that use; and third, that whenever the public needs require, the public may take it upon payment of due compensation."*

*[Budd v. People of State of New York, 143 U.S. 517 (1892)]*

The above rules are summarized below:

**Table 26: Rules for converting private property to a public use or a public office**

#	Description	Requires consent of owner to be taken from owner?
1	The owner of property justly acquired enjoys full and exclusive use and control over the property. This right includes <u>the right to exclude government uses</u> or ownership of said property.	Yes
2	He may not use the property to injure the equal rights of his neighbor. For instance, when you murder someone, the government can take your liberty and labor from you by putting you in jail or your life from you by instituting the death penalty against you. Both your life and your labor are “property”. Therefore, the basis for the “taking” was violation of the equal rights of a fellow sovereign “neighbor”.	No
3	He cannot be compelled or required to use it to “benefit” his neighbor. That means he cannot be compelled to donate the property to any franchise that would “benefit” his neighbor such as Social Security, Medicare, etc.	Yes
4	If he donates it to a public use, he gives the public the right to control that use.	Yes
5	Whenever the public needs require, the public may take it without his consent upon payment of due compensation. E.g. “eminent domain”.	No

## 29.5 Conducting discovery in the franchise proceeding

The critical questions to ask during the proceeding in the franchise court are:

1. What type of legal “right” is being enforced or protected:
  - 1.1. PUBLIC right? This is also called a “privilege”.
  - 1.2. PRIVATE right?
2. Who CREATED the right sought to be vindicated:
  - 2.1. The CONSTITUTION. This means it is a PRIVATE right.
  - 2.2. Congress by legislation. This means it is a PUBLIC right.
3. What are the “elements” that must be proven to prosecute the offense? See:
 

Civil Causes of Action, Litigation Tool #10.012  
<http://sedm.org/Litigation/LitIndex.htm>
4. What type of action is it? It has to fall into one of the following:
  - 4.1. Contract.
  - 4.2. Tort.
  - 4.3. Criminal.
5. WHO specifically is the injured party? If there IS no specific flesh and blood injured party, then:
  - 5.1. The provision is a malum prohibitum.
  - 5.2. The BODY CORPORATE is the party in interest and the provision enforced is effectively part of the employment agreement between YOU and the corporation, where YOU are the officer of the corporation.
6. What type of law does statute being enforced fall under?
  - 6.1. CIVIL law that has domicile as a prerequisite.
  - 6.2. PRIVATE law that acquires the “force of law” ONLY by your consent.
  - 6.3. CRIMINAL law that attaches to an act committed on the territory of the sovereign?
7. What do the CIVIL rights or PUBLIC RIGHTS being enforced attach to?:
  - 7.1. The STATUS of franchisee, such as “taxpayer”, or
  - 7.2. The LAND the party is physically on or domiciled on at the time.
8. What specific territory or legal person is party to the enforcement?
  - 8.1. Public officers consensually and lawfully occupying an office in the government.
  - 8.2. Private human beings.
9. How do the statutes define the terms “person”, “driver”, “spouse”, etc.? If it is a franchise, then the “person” is always a public officer in the government. See, for instance, 26 U.S.C. §7343 and 26 U.S.C. §6671(b).
10. Is the provision being enforced “positive law”, and therefore legal evidence of an obligation? The entire I.R.C. is not positive law and therefore not legal evidence of ANYTHING. The only way to lawfully make it INTO legal evidence is with your consent, which you should not give. See:



## 29.6 Remedies against illegal franchise enforcement

The following remedies are available when compelled to appear before a franchise court:

1. One should ALWAYS start from the following presumptions and make the GOVERNMENT prove the contrary:
  - 1.1. That all your property is EXCLUSIVELY PRIVATE unless and until the government PROVES you expressly consented in writing to either donate it to them or surrender it.
  - 1.2. The only way a government can take away PRIVATE property is if you:
    - 1.2.1. Knowingly donated the property to the government can they lawfully acquire the right to regulate or control or tax or burden its use.
    - 1.2.2. Used it to hurts someone else in violation of the criminal law.
  - 1.3. You are presumed to be a NON-franchisee, NON-taxpayer, NON-driver, and NON-spouse unless and until the government proves WITH EVIDENCE that you lawfully consented to those statuses in writing and occupied a public office BEFORE you consented. Franchises cannot be used to CREATE new public offices, but only to add “benefits” to existing offices. This is a corollary to the “innocent until proven guilty rule”.
2. No federal court can DECLARE or DECIDE that you are a statutory “taxpayer”.
  - 2.1. They are prohibited from doing so by 28 U.S.C. §2201(a).

*Specifically, Rowen seeks a declaratory judgment against the United States of America with respect to "whether or not the plaintiff is a taxpayer pursuant to, and/or under 26 U.S.C. §7701(a)(14)." (See Compl. at 2.) **This Court lacks jurisdiction to issue a declaratory judgment "with respect to Federal taxes other than actions brought under section 7428 of the Internal Revenue Code of 1986," a code section that is not at issue in the instant action. See 28 U.S.C. § 2201; see also Hughes v. United States, 953 F.2d. 531, 536-537 (9th Cir. 1991)** (affirming dismissal of claim for declaratory relief under § 2201 where claim concerned question of tax liability). Accordingly, defendant's motion to dismiss is hereby GRANTED, and the instant action is hereby DISMISSED. [Rowen v. U.S., 05-3766MMC. (N.D.Cal. 11/02/2005)]*

- 2.2. They also cannot MAKE you one by simply PRESUMING that you are one, because that would violate due process of law and turn legal process into an act of religion in violation of the First Amendment.
- 2.3. They cannot do INDIRECTLY that which they cannot do DIRECTLY. Hence, they cannot TREAT you like a franchisee if you are not one without exercising eminent domain over PRIVATE property.
3. The status you voluntarily acquire under the civil law is how you contract with and associate with the rest of the world. The purpose of establishing all civil government to protect your right to NOT associate with and NOT contract with those around you. NO ONE in government can impose any civil statutory status upon you without your consent, and if they do, they are exercising eminent domain over PRIVATE property. The amount of property subject to the eminent domain is all the PUBLIC RIGHTS that attach to the status. Such statuses include “taxpayer” (under the tax code), “driver” (under the vehicle code), “spouse” (under the family code), etc. Eminent domain without compensation is THEFT and a “taking” under the Fifth Amendment. For details on this subject, see:

Your Exclusive Right to Declare or Establish Your Civil Status, Form #13.008  
<http://sedm.org/Forms/FormIndex.htm>

4. The ONLY THING that a party who is NOT a franchisee can do in a franchise court is challenge jurisdiction. Any attempt to invoke the “benefits” or “protections” of the franchise agreement is a tacit admission that you are subject to it and therefore a statutory “taxpayer” (under the tax code), “driver” (under the vehicle code), “spouse” (under the family code), etc.
5. Throughout the legal proceeding in the franchise court, it is important to insist on the absolute equality of all participants and to emulate the behavior of your opponent. The only way you can become UNEQUAL in relation to the government is to CONSENT, and that consent was procured when you signed up for the franchise by submitting an application that DOES NOT reserve all your rights:
  - 5.1. If the government claims sovereign immunity, then you can too. The government is one of delegated powers ALONE, and the Sovereign People cannot truthfully delegate that which they personally and individually, as well as collectively do not ALSO possess.

*"The question is not what power the federal government ought to have, but what powers, in fact, have been given by the people... The federal union is a government of delegated powers. It has only such as are expressly conferred upon it, and such as are reasonably to be implied from those granted. In this respect, we differ radically from*

nations where all legislative power, without restriction or limitation, is vested in a parliament or other legislative body subject to no restriction except the discretion of its members." (Congress)  
[[U.S. v. William M. Butler, 297 U.S. 1 \(1936\)](#)]

5.2. If they claim the right to effectively "elect" you into a public office by allowing third parties to file knowingly false information returns against you and then refuse to correct them or prosecute the filers, then you have the SAME right to acquire rights against them by the same mechanism.

For further information on the above, see:

Requirement for Equal Protection and Equal Treatment, Form #05.033  
<http://sedm.org/Forms/FormIndex.htm>

6. The national government MAY NOT lawfully establish any federal franchise within a constitutional state of the Union. The case below has NEVER been overruled:

*"Thus, Congress having power to regulate commerce with foreign nations, and among the several States, and with the Indian tribes, may, without doubt, provide for granting coasting licenses, licenses to pilots, licenses to trade with the Indians, and any other licenses necessary or proper for the exercise of that great and extensive power; and the same observation is applicable to every other power of Congress, to the exercise of which the granting of licenses may be incident. All such licenses confer authority, and give rights to the licensee.*

*But very different considerations apply to the internal commerce or domestic trade of the States. Over this commerce and trade Congress has no power of regulation nor any direct control. This power belongs exclusively to the States. No interference by Congress with the business of citizens transacted within a State is warranted by the Constitution, except such as is strictly incidental to the exercise of powers clearly granted to the legislature. The power to authorize a business within a State is plainly repugnant to the exclusive power of the State over the same subject. It is true that the power of Congress to tax is a very extensive power. It is given in the Constitution, with only one exception and only two qualifications. Congress cannot tax exports, and it must impose direct taxes by the rule of apportionment, and indirect taxes by the rule of uniformity. Thus limited, and thus only, it reaches every subject, and may be exercised at discretion. But, it reaches only existing subjects. Congress cannot authorize [e.g. LICENSE, using a Social Security Number (SSN) or Taxpayer Identification Number (TIN)] a trade or business [per 26 U.S.C. §7701(a)(26)] within a State in order to tax it."*  
[License Tax Cases, [72 U.S. 462](#), 18 L.Ed. 497, 5 Wall. 462, 2 A.F.T.R. 2224 (1866) ]

7. There are NO limitations upon the establishment of franchise on federal territory. However, such franchises are NATIONAL franchises rather than FEDERAL franchises that may not lawfully be either OFFERED or ENFORCED within a constitutional state of the Union:

*"Indeed, the practical interpretation put by Congress upon the Constitution has been long continued and uniform to the effect [182 U.S. 244, 279] that the Constitution is applicable to territories acquired by purchase or conquest, only when and so far as Congress shall so direct. Notwithstanding its duty to 'guarantee to every state in this Union a republican form of government' (art. 4, 4), by which we understand, according to the definition of Webster, 'a government in which the supreme power resides in the whole body of the people, and is exercised by representatives elected by them,' Congress did not hesitate, in the original organization of the territories of Louisiana, Florida, the Northwest Territory, and its subdivisions of Ohio, Indiana, Michigan, Illinois, and Wisconsin and still more recently in the case of Alaska, to establish a form of government bearing a much greater analogy to a British Crown colony than a republican state of America, and to vest the legislative power either in a governor and council, or a governor and judges, to be appointed by the President. It was not until they had attained a certain population that power was given them to organize a legislature by vote of the people. In all these cases, as well as in territories subsequently organized west of the Mississippi, Congress thought it necessary either to extend to Constitution and laws of the United States over them, or to declare that the inhabitants should be entitled to enjoy the right of trial by jury, of bail, and of the privilege of the writ of habeas corpus, as well as other privileges of the bill of rights."*  
[Downes v. Bidwell, [182 U.S. 244](#) (1901)]

8. The limitations imposed by the preceding two items are evaded and undermined primarily through the following techniques by the corrupt judge and government prosecutor. You should be on the lookout for these tactics, and those mentioned in the previous section:

8.1. Confusing the STATUTORY, CONSTITUTIONAL, or COMMON contexts for the terms "State", "United States", "income", "employee", "gross income".

8.2. Refusing to define WHICH of the TWO contexts are implied.

8.3. Refusing to enforce the burden of proof on the part of the government to prove that the geographic area you are in is EXPRESSLY within the definition of the geographical terms.

9. A Bill of Attainder is a penalty administered or collected by OTHER than the judicial branch of the government. It is an unconstitutional "Bill of Attainder" for a franchise judge (all of whom are in the executive rather than judicial branch) or a franchise code to assess a penalty against:

- 9.1. Exclusively private parties, because the U.S. Supreme Court held that the ability to regulate EXCLUSIVELY private conduct is repugnant to the Constitution.
- 9.2. Those who are NOT consenting parties to the franchise and therefore NOT public officers.
- 9.3. Those who are outside the branch of government that the judge is in. The separation of powers forbids branches from affecting or enforcing against OTHER branches of the government.
10. The party you are litigating against on the other side of the courtroom is a government attorney. He will claim to represent the "State of \_\_\_\_\_" but in fact there are TWO "States of \_\_\_\_\_"
- 10.1. The body CORPORATE (the corporation). The "State" is defined in the STATUTORY law as a corporation, and all public officers within the government are officers of this corporation. Even the government attorney you are litigating against is a "franchisee" as a licensed attorney. He is even called an "officer of the court" and therefore of the government.
- 10.2. The body POLITIC, which is the people. The "State" is defined in the COMMON law as The Sovereign People and NOT the government.
11. It is very important to get on the record WHICH of the above two separate and distinct "States of \_\_\_\_\_" the government attorney, AND by implication the judge, are representing. By admitting WHICH of the above two that is being represented in actions before a franchise court, the government attorney indirectly is admitting that he is enforcing a franchise AND that you must be a franchisee and public officer in order for the court to have any jurisdiction at all.
12. In proceedings within franchise courts, the government as your opponent has the burden of proving that:
- 12.1. You expressly consented to the franchise and thereby waived your sovereign immunity. Otherwise the "public rights" or privileges enforced by the court are being STOLEN.
- 12.2. You had the capacity to consent to the franchise because you were domiciled on federal territory AT THE TIME you consented and CONTINUE to be domiciled there at the time of the alleged offense. Otherwise, you would not be a "person" or "individual" under the franchise contract but rather would be a nonresident and transient foreigner protected by the Longarm Statutes of the state and the Minimum Contacts Doctrine.
- 12.3. That you were a public officer in the government BEFORE you consented, because you can't elect yourself into a public office by filling out a government form. It's a crime in violation of 18 U.S.C. §912.
13. It is a violation of due process of law for the judge or the government prosecutor to PRESUME anything.
- 13.1. All presumptions that violate due process cause the judgment to be void.
- 13.2. All presumptions that are not substantiated with supporting evidence:
- 13.2.1. Are very injurious to your rights and liberty.
- 13.2.2. Violate the separation of powers by allowing otherwise constitutional courts to unlawfully entertain "political questions".
- 13.2.3. Cause a violation of due process of law because decisions are not based on legally admissible evidence. Instead, presumptions unlawfully and prejudicially turn beliefs into evidence in violation of Federal Rule of Evidence 610 and the Hearsay Rule, Federal Rule of Evidence 802.
- 13.2.4. Can be abused to replace equal protection and constitutional rights with franchises, privileges, hypocrisy, and lawful discrimination.
- 13.2.5. Turn private law franchises "codes" into a state-sponsored bible upon which "worship services" are based and convey the "force of law" upon them through your implied consent.
- 13.2.6. Turn judges into "priests" of a civil religion.
- 13.2.7. Turn legal pleadings into "prayers" to the priest.
- 13.2.8. Turn legal process into an act of religion.
- 13.2.9. Transform "attorneys" into deacons of a state-sponsored religion.
- 13.2.10. Turn the courtroom into a church building.
- 13.2.11. Turn court proceedings into a "worship service" akin to that of a church.
- 13.2.12. Turn "taxes" into tithes to a state-sponsored church, if the controversy before the court involves taxation.
14. In proceedings within franchise courts, the government as your opponent has the burden of proving the following. A failure to meet that burden of proof constitutes the equivalent of what we call "eminent domain by presumption":
- 14.1. You expressly consented to the franchise. Otherwise the "public rights" or privileges enforced by the court are being STOLEN. This is the same requirement the government imposes on all litigants, which is that if you want to sue them, you have to produce a WRITTEN, STATUTORY evidence of their consent to be sued.
- 14.2. You had the capacity to consent to the franchise because you were domiciled on federal territory AT THE TIME you consented and CONTINUE to be domiciled there at the time of the alleged offense. Otherwise, you would not be a "person" or "individual" under the franchise contract but rather would be a nonresident and transient foreigner protected by the Longarm Statutes of the state and the Minimum Contacts Doctrine.
- 14.3. That the consent took the form that YOU and not THEY specified.

14.4. That if they are enforcing a contract or compact, that THEY have an equal and opposite and mutual obligation and requirement to provide “consideration” not as THEY define it, but as YOU define it. Contracts are NOT valid unless there is MUTUAL consideration and MUTUAL obligation:

**Contract.** An agreement between two or more [sovereign] persons which creates an obligation to do or not to do a particular thing. As defined in Restatement, Second, Contracts §3: “A contract is a promise or a set of promises for the breach of which the law gives a remedy, or the performance of which the law in some way recognizes as a duty.” **A legal relationships consisting of the rights and duties of the contracting parties; a promise or set of promises constituting an agreement between the parties that gives each a legal duty to the other and also the right to seek a remedy for the breach of those duties. Its essentials are competent parties, subject matter, a legal consideration, mutuality of agreement, and mutuality of consideration. *Lamoureux v. Burrillville Racing Ass’n, 91 R.I. 94, 161 A.2d. 213, 215.***

Under U.C.C., term refers to total legal obligation which results from parties’ agreement as affected by the Code. Section 1-201(11). As to sales, “contract” and “agreement” are limited to those relating to present or future sales of goods, and “contract for sale” includes both a present sale of goods and a contract to sell goods at a future time. U.C.C. §2-106(a).

The writing which contains the agreement of parties with the terms and conditions, and which serves as a proof of the obligation  
[Black’s Law Dictionary, Sixth Edition, p. 322]

14.5. That you were a public officer in the government BEFORE you consented, because you can’t lawfully:

14.5.1. ALIENATE an UNALIENABLE right, even with your consent:

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

**“Unalienable. Inalienable; incapable of being aliened, that is, sold and transferred.”**  
[Black’s Law Dictionary, Fourth Edition, p. 1693]

14.5.2. Unilaterally “elect” yourself into a public office by filling out a government form. It’s a crime in violation of 18 U.S.C. §912.

14.5.3. Can’t consent to help or assist your public servants to VIOLATE the purpose of their creation, which is to protect PRIVATE rights. The FIRST step in protecting such rights is to PREVENT them from being converted to PUBLIC rights, even WITH the consent of the owner. Any attempt to make a profitable business or franchise out of destroying or undermining PRIVATE rights and PRIVATE property turns the civil temple into a whorehouse and a den of thieves. It doesn’t matter what you CALL that “business”, even if it is called a “trade or business”, it’s still a breach of the public trust and the fiduciary duty of all public officers to protect PRIVATE rights and PRIVATE property.

15. By enforcing or imposing the obligations of the public officer franchisee against you absent your express and lawful consent, you are:

15.1. A victim of eminent domain in violation of the state constitution, because you are not receiving compensation for the rights STOLEN from you.

15.2. Impersonating a public officer in criminal violation of 18 U.S.C. §912.

15.3. A victim of grand theft.

15.4. Participating in a violation of the Thirteenth Amendment prohibition against involuntary servitude. That amendment applies EVERYWHERE, including federal territory.

## **29.7 Franchise enforcement outside of federal territory is a criminal act of “simulating legal process”**

Readers should be interested to know that enforcement of franchises outside the territory they are created in amounts to a criminal act of “simulating legal process”. Most states have statutes forbidding such activities. Below is a definition of “simulating legal process”:

**“A person commits the offense of simulating legal process if he or she “recklessly causes to be delivered to another any document that simulates a summons, complaint, judgment, or other court process with the intent to .**



. . . cause another to submit to the putative authority of the document; or take any action or refrain from taking any action in response to the document, in compliance with the document, or on the basis of the document.”  
[Texas Penal Code Annotated, §32.48(a)(2)]

Below is one ruling by a Texas court relating to a “simulating legal process” charge against an ecclesiastical court:

Free Exercise of Religion

Government action may burden the free exercise of religion, in violation of the First Amendment, [10] in two quite different ways: by interfering with a believer's ability to observe the commands or practices of his faith and by encroaching on the ability of a church to manage its internal affairs. *Westbrook v. Penley*, 231 S.W.3d. 389, 395 (Tex. 2007). In appellant's pro se motions, he refers to the “exercise of one's faith.” More specifically, he raised the issue of ecclesiastical abstention in the trial court and cites to cases concerning this doctrine on appeal. His arguments are directed at the trial court's jurisdiction over this matter, not the constitutionality of section 32.48. So, it appears the judiciary's exercise of jurisdiction over the matter, rather than the Legislature's enactment of section 32.48, is the target of his challenge. We, then, will address that aspect of the constitutional issue he now presents on appeal; we will determine whether the trial court's exercise of jurisdiction violated appellant's right to free exercise of religion by encroaching on the ability of his church to manage its internal affairs.

The Constitution forbids the government from interfering with the right of hierarchical religious bodies to establish their own internal rules and regulations and to create tribunals for adjudicating disputes over religious matters. See *Serbian E. Orthodox Diocese v. Milivojevic*, 426 U.S. 696, 708–09, 724–25, 96 S.Ct. 2372, 49 L.Ed.2d. 151 (1976). Based on this constitutionally-mandated abstention, secular courts may not intrude into the church's governance of “religious” or “ecclesiastical” matters, such as theological controversy, church discipline, ecclesiastical government, or the conformity of members to standards of morality. See *In re Godwin*, 293 S.W.3d. 742, 748 (Tex.App.—San Antonio 2009, orig. proceeding).

The record shows that Coleman, to whom the “Abatement” was delivered, was not a member of appellant's church. That being so, the church's position on the custody matter is not a purely ecclesiastical matter over which the trial court should have abstained from exercising its jurisdiction. **This is not an internal affairs issue because the record conclusively establishes that the recipient is not a member of the church.** The ecclesiastical abstention doctrine does not operate to prevent the trial court from exercising its jurisdiction over this matter. We overrule appellant's final issue.

[*Michael Runningwolf v. State of Texas*, 317 S.W.3d. 829 (2010);  
SOURCE: [http://scholar.google.com/scholar\\_case?case=13768262149764043927](http://scholar.google.com/scholar_case?case=13768262149764043927)]

We take the same position as the court in the above ruling in protecting OUR members from secular courts as the secular courts take toward private courts. The First Amendment requires that you have a right to either NOT associate or to associate with any group you choose INCLUDING, but not limited to the “state” having general jurisdiction where you live. That means you have a RIGHT to NOT be a statutory:

1. A “citizen” or “resident” in the area where you physically are.
2. A “driver” under the vehicle code.
3. A “spouse” under the family code.
4. A “taxpayer” under the tax code.

The dividing line between who are “members” and who are NOT members is who has a domicile in that specific jurisdiction. The subject of domicile is extensively covered in the following insightful document:

[Why Domicile and Becoming a “Taxpayer” Require Your Consent](http://sedm.org/Forms/FormIndex.htm), Form #05.002  
<http://sedm.org/Forms/FormIndex.htm>

We allege that secular franchise courts such as tax court, traffic court, family court, social security administrative court, and even civil court in your area are equally culpable for the SAME crime of “simulating legal process” if they serve legal process upon anyone who is NOT a “member” of their “state” and a public officer, and who has notified them of that fact. As such, any at least CIVIL process served upon them by secular courts of the de facto government is ALSO a criminal simulation of legal process because it was instituted against non-consenting parties who are non-residents and “non-members”, just as in the above case. Membership has to be consensual.

The record shows that Coleman, to whom the “Abatement” was delivered, was not a member of appellant's church. That being so, the church's position on the custody matter is not a purely ecclesiastical matter over which



1 the trial court should have abstained from exercising its jurisdiction. **This is not an internal affairs issue because**  
2 **the record conclusively establishes that the recipient is not a member of the church.** The ecclesiastical  
3 abstention doctrine does not operate to prevent the trial court from exercising its jurisdiction over this matter.  
4 We overrule appellant's final issue.

5 [Michael Runningwolf v. State of Texas, 317 S.W.3d. 829 (2010);  
6 SOURCE: [http://scholar.google.com/scholar\\_case?case=13768262149764043927](http://scholar.google.com/scholar_case?case=13768262149764043927)]

7 We also argue that just like the above ruling, the secular government in fact and in deed is ALSO a church, as described in  
8 the following exhaustive proof of that fact:

Socialism: The New American Civil Religion, Form #05.016  
<http://sedm.org/Forms/FormIndex.htm>

9 In support of the above, Black's Law Dictionary defines "franchise courts" such as traffic court and family court as PRIVATE  
10 courts:

11 *"franchise court. Hist. A privately held court that (usu.) exists by virtue of a royal grant [privilege], with*  
12 *jurisdiction over a variety of matters, depending on the grant and whatever powers the court acquires over time.*  
13 *In 1274, Edward I abolished many of these feudal courts by forcing the nobility to demonstrate by what authority*  
14 *(quo warranto) they held court. If a lord could not produce a charter reflecting the franchise, the court was*  
15 *abolished. - Also termed courts of the franchise.*

16 *Dispensing justice was profitable. Much revenue could come from the fees and dues, fines and amercements. This*  
17 *explains the growth of the second class of feudal courts, the Franchise Courts. They too were private courts held*  
18 *by feudal lords. Sometimes their claim to jurisdiction was based on old pre-Conquest grants ... But many of them*  
19 *were, in reality, only wrongful usurpations of private jurisdiction by powerful lords. These were put down after*  
20 *the famous Quo Warranto enquiry in the reign of Edward I." W.J.V. Windeyer, Lectures on Legal History 56-57*  
21 *(2d ed. 1949)."*  
22 *[Black's Law Dictionary, Seventh Edition, p. 668]*

23 As a BARE minimum, we think that if you get summoned into any franchise court for violations of the franchise, such as tax  
24 court, traffic court, and family court, then the government as moving party who summoned you should at LEAST have the  
25 burden of proving that you EXPRESSLY CONSENTED in writing to become a "member" of the group that created the court,  
26 such as "taxpayer", "driver", "spouse", etc. and that if they CANNOT satisfy that burden of proof, then:

- 27 1. All charges should be dismissed.  
28 2. The franchise judge and government prosecutor should BOTH be indicted and civilly sued for simulating legal process  
29 under the common law and not statutory civil law.

## 30 **29.8 Responding to false allegations of government attorneys**

### 31 **29.8.1 Responding to the charge that "you knew or should have known" that the I.R.C. obligated you**

32 A frequent and dishonest tactic by government prosecutors in criminal tax trials is to accuse the defendant of the following:

33 *"Defendant knew or should have known that he had a duty to file a return or pay a tax and was willfully evading*  
34 *said tax. The IRC is law and every citizen is supposed to know the law"*

35 In point of fact, there is no evidence upon which to base a "reasonable belief" that the defendant had any obligation  
36 whatsoever:

- 37 1. Strictly speaking, the Internal Revenue Code, Subtitles A through C are franchises, and franchises are not "law" in a  
38 classical sense, but rather a "compact" that activates and acquires the "force of law" only upon a showing on the part of  
39 the government that express consent has been given to the franchise by the alleged franchisee. That is why it is called  
40 "the code" instead of "law", because like all statutes, it acquires the force of law only upon consent. The only way that  
41 a person can be expected to know and learn the terms of a compact or franchise is if they were properly informed that  
42 their participation was voluntary and if their consent was procured lawfully and without duress or fraud. No such  
43 elements are usually present in the case of most Americans, and therefore it is LUDICROUS to expect them to read  
44 and learn that which is a compact but not "law" in a classical sense, and which they never gave their consent to.

"Municipal law, thus understood, is properly defined to be "a rule of civil conduct prescribed by the supreme power in a state, commanding what is right and prohibiting what is wrong."

[...]

It is also called a rule to distinguish it from a compact or agreement; for a compact is a promise proceeding from us, law is a command directed to us. The language of a compact is, "I will, or will not, do this"; that of a law is, "thou shalt, or shalt not, do it." It is true there is an obligation which a compact carries with it, equal in point of conscience to that of a law; but then the original of the obligation is different. In compacts we ourselves determine and promise what shall be done, before we are obliged to do it; in laws, we are obliged to act without ourselves determining or promising anything at all. Upon these accounts law is defined to be "a rule."

[Readings on the History and System of the Common Law, Second Edition, Roscoe Pound, 1925, p. 4]

"Consensus facit legem.

Consent makes the law. A contract [or a franchise, which is also a contract] is a law between the parties, which can acquire force only by consent.

[Bouvier's Maxims of Law, 1856;

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

2. There is no federal common law within a state of the Union so the rulings of courts below the U.S. Supreme Court cannot form the basis for a belief. *Erie Railroad v. Tompkins*, 304 U.S. 64 (1938)
3. The I.R.S. itself says it is not bound by the rulings of any court below the U.S. Supreme Court. See Internal Revenue Manual (I.R.M.), Section 4.10.7.2.9.8. Therefore, the same standards can and should apply to EVERYONE ELSE and to the defendant for the purposes of equal protection and equal treatment that is the foundation of the United States Constitution.
4. The I.R.C. itself is identified in 1 U.S.C. §204 as "prima facie evidence", which means that it is nothing more than a presumption and all presumptions that adversely affect constitutional rights are a violation of due process that renders a void judgment.
5. The Internal Revenue Code itself nowhere defines the term "United States" to expressly include anything outside of federal territory and therefore states of the Union are expressly excluded per the rules of statutory construction and interpretation.

"When a statute includes an explicit definition, we must follow that definition, even if it varies from that term's ordinary meaning. *Meese v. Keene*, 481 U.S. 465, 484-485 (1987) ("It is axiomatic that the statutory definition of the term excludes unstated meanings of that term"); *Colausti v. Franklin*, 439 U.S. at 392-393, n. 10 ("As a rule, 'a definition which declares what a term "means" . . . excludes any meaning that is not stated"); *Western Union Telegraph Co. v. Lenroot*, 323 U.S. 490, 502 (1945); *Fox v. Standard Oil Co. of N.J.*, 294 U.S. 87, 95-96 (1935) (Cardozo, J.); see also 2A N. Singer, *Sutherland on Statutes and Statutory Construction*, §47.07, p. 152, and n. 10 (5th ed. 1992) (collecting cases). That is to say, the statute, read "as a whole," post at 998 [530 U.S. 943] (THOMAS, J., dissenting), leads the reader to a definition. That definition does not include the Attorney General's restriction -- "the child up to the head." Its words, "substantial portion," indicate the contrary."

[*Stenberg v. Carhart*, 530 U.S. 914 (2000)]

6. The IRS is expressly authorized under 26 U.S.C. §7601 to enforce ONLY within "internal revenue districts" and even to this day, the only remaining internal revenue district is the District of Columbia.
7. The entire Internal Revenue Code, Subtitles A and C is a franchise based on an activity called a "trade or business":
  - 7.1. Franchises may only lawfully be enforced against those who expressly consent. Use of a "status" under the franchise or an identifying number that may only be used in connection with the activity is the usual method of conveying such constructive consent, but such tactics were and are never undertaken by our members and therefore cannot apply. Instead, our Legal Notice of Change in Domicile/Citizenship Records and Divorce from the United States, Form #10.001 documents the precise requirements for how that consent MUST be conveyed, and those requirements are NEVER met by the government.
  - 7.2. Franchises are "law" only for the parties who consent to them. In other words, they only acquire the "force of law" against consenting parties. People in states of the Union may NOT lawfully consent to them because the Declaration of Independence says their rights are "unalienable", which means they cannot lawfully be sold, transferred, or bargained away by any commercial process.
  - 7.3. The franchise cannot lawfully be offered in a state of the Union and may only lawfully be exercised in the District of Columbia and not elsewhere per 4 U.S.C. §72.

If you would like to know more about how to defend yourself against such tactics, see the following resources on our website:

1. Legal Requirement to File Federal Income Tax Returns, Form #05.009  
<http://sedm.org/Forms/FormIndex.htm>
2. Reasonable Belief About Income Tax Liability, Form #05.007  
<http://sedm.org/Forms/FormIndex.htm>
3. Federal Jurisdiction, Form #05.018  
<http://sedm.org/Forms/FormIndex.htm>
4. Responding to a Criminal Tax Indictment, Litigation Tool #10.004  
<http://sedm.org/ItemInfo/Ebooks/TaxAraignment/TaxAraignment.htm>

## 29.8.2 Responding to the charge that you didn't pay "your fair share"

Government False Argument: The receipt of government "benefits" of any kind creates an implied franchise or quasi-contract between the government and those receiving the benefit that is enforceable as a legal liability or duty under federal law.

Corrected Alternative Argument: Government "benefits" under the Social Security Act, 42 U.S.C. Chapter 7 identify themselves as "grants" and therefore GIFTS to states of the Union. Gifts are legally defined such that they CANNOT create an obligation on the part of the recipient.

### Further information:

1. The Government "Benefits" Scam, Form #05.040  
<http://sedm.org/Forms/FormIndex.htm>
2. Government Instituted Slavery Using Franchises, Form #05.030  
<http://sedm.org/Forms/FormIndex.htm>

Those who refuse to accept [government franchises](#) and services and lawfully refuse to pay for these services are sometimes illegally prosecuted by zealous but *criminal* government attorneys for "willful failure to file" under [26 U.S.C. §7203](#) and "tax evasion" under [26 U.S.C. §7201](#). The government's offense in these cases is like a broken record:

*"Mr./Ms. \_\_\_\_\_ accepts the 'benefits' of living in this country but refuses to pay his/her 'fair share'. He/she is a LEECH and you ought to hang him!"*

For an example of the above such rhetoric from an actual criminal tax case, see:

Tax Protester Gets Federal Prison Time, Yahoo News, 5/23/2003  
<http://famguardian.org/Subjects/Taxes/News/Historical/TPConv-030523.pdf>

We will prove in this section that all such arguments amount to FRAUD and their basis is to make the government UNEQUAL and SUPERIOR in relation to the citizen, thus destroying equal protection that is the foundation of the Constitution, and substituting a civil religion of socialist idolatry in its place as described below:

Socialism: The New American Civil Religion, Form #05.016  
<http://sedm.org/Forms/FormIndex.htm>

42 U.S.C. Chapter 7 identifies all federal "benefits" as "grants". Here are a few examples:

1. SUBCHAPTER I—GRANTS TO STATES FOR OLD-AGE ASSISTANCE (§§ 301—306)
2. SUBCHAPTER III—GRANTS TO STATES FOR UNEMPLOYMENT COMPENSATION ADMINISTRATION (§§ 501—504)
3. SUBCHAPTER IV—GRANTS TO STATES FOR AID AND SERVICES TO NEEDY FAMILIES WITH CHILDREN AND FOR CHILD-WELFARE SERVICES (§§ 601—681\_to\_687)
4. SUBCHAPTER X—GRANTS TO STATES FOR AID TO BLIND (§§ 1201—1206)
5. SUBCHAPTER XIV—GRANTS TO STATES FOR AID TO PERMANENTLY AND TOTALLY DISABLED (§§ 1351—1355)
6. SUBCHAPTER XIX—GRANTS TO STATES FOR MEDICAL ASSISTANCE PROGRAMS (§§ 1396—1396w1)

7. SUBCHAPTER XX—BLOCK GRANTS TO STATES FOR SOCIAL SERVICES (§§ 1397—1397f)

The legal definition of “grant” is as follows:

*Grant. To bestow; to confer upon someone other than the person or entity which makes the grant. Porto Rico Ry., Light & Power Co. v. Colom, C.C.A.Puerto Rico, 106 F.2d. 345, 354. **To bestow or confer, with or without compensation, a gift or bestowal by one having control or authority over it, as of land or money.** Palmer v. U.S. Civil Service Commission, D.C.Ill., 191 F.Supp. 495, 537.*

*A conveyance; i.e. transfer of title by deed or other instrument. Dearing v. Brush Creek Coal Co., 182 Tenn. 302, 186 S.W.2d. 329, 331. Transfer of property real or personal by deed or writing. Commissioner of Internal Revenue v. Plestcheeff, C.C.A.9, 100 F.2d. 62, 64, 65. A generic term applicable to all transfers of real property, including transfers by operation of law as well as voluntary transfers. White v. Rosenthal, 140 Cal. App. 184,35 P.2d. 154, 155. A technical term made use of in deeds of conveyance of lands to import a transfer.*

*A deed for an incorporeal interest such as a reversion. As distinguished from a mere license, a grant passes some estate or interest, corporeal or incorporeal, in the lands which it embraces.*

*To give or permit as a right or privilege; e.g. grant of route authority to a public carrier.*

*By the word "grant," in a treaty, is meant not only a formal grant, but any concession, warrant, order, or permission to survey, possess, or settle, whether written or parol, express, or presumed from possession. Such a grant may be made by law, as well as by a patent pursuant to a law. Bryan v. Kennett, 113 U.S. 179, 5 S.Ct. 407, 28 L.Ed. 908.*

*In England, an act evidenced by letters patent under the great seal, granting something from the king to a subject. [Black's Law Dictionary, Sixth Edition, pp. 699-799]*

The statutory “States” identified above are not constitutional or sovereign States of the Union, but federal territories.

1. Original 1935 Social Security Act Definition:

*“The term State (except when used in section 531) includes Alaska, Hawaii, and the District of Columbia.”  
[Social Security Act of 1935, Section 1101(a)(1).]*

2. Current Definition:

*“(1) The term ‘State’, except where otherwise provided, includes the District of Columbia and the Commonwealth of Puerto Rico, and when used in titles IV, V, VII, XI, XIX, and XXI includes the Virgin Islands and Guam. Such term when used in titles III, IX, and XII also includes the Virgin Islands. Such term when used in title V and in part B of this title also includes American Samoa, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands. Such term when used in titles XIX and XXI also includes the Northern Mariana Islands and American Samoa. In the case of Puerto Rico, the Virgin Islands, and Guam, titles I, X, and XIV, and title XVI (as in effect without regard to the amendment made by section 301 of the Social Security Amendments of 1972<sup>[3]</sup>) shall continue to apply, and the term ‘State’ when used in such titles (but not in title XVI as in effect pursuant to such amendment after December 31, 1973) includes Puerto Rico, the Virgin Islands, and Guam. Such term when used in title XX also includes the Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands. Such term when used in title IV also includes American Samoa.”  
[42 U.S.C. §1301(a)(1)]*

Hence, under the rules of statutory construction alone, neither the states of the Union nor the people domiciled therein and protected by the United States Constitution are LAWFULLY ALLOWED to participate in any federal franchise or “benefit” program.

*“Expressio unius est exclusio alterius. A maxim of statutory interpretation meaning that **the expression of one thing is the exclusion of another.** Burgin v. Forbes, 293 Ky. 456, 169 S.W.2d. 321, 325; Newblock v. Bowles, 170 Okl. 487, 40 P.2d. 1097, 1100. Mention of one thing implies exclusion of another. **When certain persons or things are specified in a law, contract, or will, an intention to exclude all others from its operation may be inferred.** Under this maxim, if statute specifies one exception to a general rule or assumes to specify the effects of a certain provision, other exceptions or effects are excluded.”  
[Black's Law Dictionary, Sixth Edition, p. 581]*

In fact, it is a criminal violation of the separation of powers doctrine to:

1. Create or enforce any federal franchise or privilege within a constitutional state of the Union:

*“Thus, Congress having power to regulate commerce with foreign nations, and among the several States, and with the Indian tribes, may, without doubt, provide for **granting** coasting **licenses**, licenses to pilots, licenses to trade with the Indians, and any other **licenses** necessary or proper for the exercise of that great and extensive power; and the same observation is applicable to every other power of Congress, to the exercise of which the granting of licenses may be incident. All such licenses confer authority, and give rights to the licensee.*

*But very different considerations apply to the **internal commerce** or **domestic trade** of the **States**. Over this commerce and trade Congress has **no power of regulation nor any direct control**. This power belongs **exclusively** to the States. **No interference by Congress with the business of citizens transacted within a State is warranted by the Constitution, except such as is strictly incidental to the exercise of powers clearly granted to the legislature**. The power to authorize a business within a State is plainly repugnant to the exclusive power of the State over the same subject. It is true that the power of Congress to tax is a very extensive power. It is given in the Constitution, with only one exception and only two qualifications. Congress cannot tax exports, and it must impose direct taxes by the rule of apportionment, and indirect taxes by the rule of uniformity. Thus limited, and thus only, it reaches every subject, and may be exercised at discretion. But, it reaches only existing subjects. **Congress cannot authorize [e.g. LICENSE, using a de facto license such as a Social Security Number or Taxpayer identification Number] a trade or business within a State in order to tax it.**”  
[License Tax Cases, [72 U.S. 462](#), 18 L.Ed. 497, 5 Wall. 462, 2 A.F.T.R. 2224 (1866)]*

Note the use of the phrase “trade or business” by the U.S. Supreme Court, which has NEVER overruled the above ruling. And WHAT is the current income tax on? It is an excise tax on none other than a “trade or business”, which is defined in 26 U.S.C. §7701(a)(26) as “the functions of a public office”...in the U.S. government and not state government. What could be plainer? Even if Social Security Numbers or Taxpayer Identification Numbers are not CALLED licenses, they presently behave as such, and the U.S. Supreme Court has also held that we must judge things by how they WORK, and not the way they are DESCRIBED.

2. Use federal franchises or their illegal enforcement to break down the separation of powers between the states of the Union and the federal government. See:

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

3. Include states of the Union within the definition of “State” within any federal law.
4. Bribe states of the Union to surrender their sovereignty and thereby become UNEQUAL as parties to a federal franchise. This destroys equal protection that is the foundation of the United States Constitution.
5. Allow a state of the Union to either become or to be for all intents and purposes, a federal territory subject to federal law or any law that only applies within exclusive federal jurisdiction. This would destroy all the rights of those domiciled therein, because the purpose of this separation, according to the U.S. Supreme Court, is to protect PRIVATE rights, meaning rights of those OTHER than the government.
6. Bribe any official of a state with “benefits” in order to influence him to turn people under his or her care into public officers of the national government by condoning the filing of false information returns or the enforcement of federal law of a foreign state or foreign corporation against people under their care and protection. See: 18 U.S.C. §§201, 210, and 211.
7. Allow any judge to rule on an income tax matter who is financially interested. This includes those state judges who collect federal “benefits” or whose pay and/or benefits derive from federal income taxes either directly or indirectly. This is a criminal bribery and this bribery was first implemented at the federal level unlawfully starting in 1939.
8. Make any officer of a state government into a public officer in the federal government. All franchises require those who participate to be public officers in the national government. Nearly all states of the Union have either a constitutional prohibition or a statutory prohibition against simultaneously serving in BOTH a state public office and a federal public office at the SAME TIME. Hence, it is ILLEGAL for public officers of a de jure constitutional state to participate in federal franchises or benefits of any kind. A survey of all 50 states for laws on this subject are contained in:

[SEDM Jurisdictions Database](http://sedm.org/Litigation/LitIndex.htm), Litigation Tool #09.003  
<http://sedm.org/Litigation/LitIndex.htm>

It is not only a violation of the separation of powers doctrine, but a criminal offense to allow anyone in a constitutional state of the Union to participate in any federal “benefit” program or to use government identifying numbers as a “de facto license” to either establish or administer any federal franchise within a constitutional but not statutory state of the Union. See:

1. [Why It is Illegal for Me to Request or Use a “Taxpayer Identification Number”](http://sedm.org/Forms/FormIndex.htm), Form #04.205  
<http://sedm.org/Forms/FormIndex.htm>



2. Why You Aren't Eligible for Social Security, Form #06.001  
<http://sedm.org/Forms/FormIndex.htm>
3. Resignation of Compelled Social Security Trustee, Form #06.002. This form was sent to you by certified mail and you didn't rebut it and therefore agree you are in violation of the law to allow me to participate in Social Security  
<http://sedm.org/Forms/FormIndex.htm>
4. About SSNs and TINs On Government Forms and Correspondence, Form #05.012  
<http://sedm.org/Forms/FormIndex.htm>

To make matters MUCH worse, federal prosecutors use as their MAIN argument in tax prosecutions for "willful failure to file" or "tax evasion" the fact that the defendant collected these same "benefits" and yet did not pay their "fair share" for the cost of said benefits. To take this hypocritical and unconscionable approach is to:

1. Hypocritically treat a GIFT instead as a contract with strings attached AFTER receipt, which is FRAUD.
2. Make a business out of destroying, regulating, and taxing rights that are incapable of being alienated and which it is a violation of fiduciary duty to alienate. An "unalienable right" is, in fact, that which by definition cannot be sold, bargained away, or transferred through ANY commercial process, including a franchise. This makes the public trust into a sham trust:

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

*"Unalienable. Inalienable; **incapable of being aliened, that is, sold and transferred [by ANY means].**"*  
[Black's Law Dictionary, Fourth Edition, p. 1693]

3. Unconstitutionally deprive the recipient of "reasonable notice" of the conditions of the implied but not written contract. See:

Requirement for Reasonable Notice, Form #05.022  
<http://sedm.org/Forms/FormIndex.htm>

4. Illegally enforce federal law outside of federal territory.
5. Prejudicially add things to the definition of "State" through judicial or administrative fiat that do not in fact expressly appear in the act administering the benefit, and hence to engage in law-making power within the judicial branch in violation of the separation of powers and the rules of statutory construction:

*"**Expressio unius est exclusio alterius.** A maxim of statutory interpretation meaning that **the expression of one thing is the exclusion of another.** *Burgin v. Forbes*, 293 Ky. 456, 169 S.W.2d. 321, 325; *Newblock v. Bowles*, 170 Okl. 487, 40 P.2d. 1097, 1100. Mention of one thing implies exclusion of another. **When certain persons or things are specified in a law, contract, or will, an intention to exclude all others from its operation may be inferred.** Under this maxim, if statute specifies one exception to a general rule or assumes to specify the effects of a certain provision, other exceptions or effects are excluded."*  
[Black's Law Dictionary, Sixth Edition, p. 581]

6. Turn a society of law into a society of men and the policy of men, thus undermining any hope for the security of private rights.
7. Destroy the foundations of comity and federalism, which requires that even with consent of either states of the Union or the people in them, NO federal enforcement is allowed:

*"comity. **Courtesy; complaisance; respect; a willingness to grant a privilege, not as a matter of right, but out of deference and good will.** Recognition that one sovereignty allows within its territory to the legislative, executive, or judicial act of another sovereignty, having due regard to rights of its own citizens. *Nowell v. Nowell*, Tex.Civ.App., 408 S.W.2d. 550, 553. **In general, principle of "comity" is that courts of one state or jurisdiction will give effect to laws and judicial decisions of another state or jurisdiction, not as a matter of obligation, but out of deference and mutual respect.** *Brown v. Babbitt Ford, Inc.*, 117 Ariz. 192, 571 P.2d. 689, 695. See also *Full faith and credit clause.*"*  
[Black's Law Dictionary, Sixth Edition, p. 267]

8. Make the person paying the so-called "gift" into an Indian Giver, a HYPOCRITE, and a THIEF who abuses law to steal from people.

In addition, the whole notion of a “contract” or franchises that are also contracts, is MUTUAL and RECIPROCAL OBLIGATION.

**Contract.** An agreement between two or more [sovereign] persons which creates an obligation to do or not to do a particular thing. As defined in Restatement, Second, Contracts §3: “A contract is a promise or a set of promises for the breach of which the law gives a remedy, or the performance of which the law in some way recognizes as a duty.” **A legal relationships consisting of the rights and duties of the contracting parties; a promise or set of promises constituting an agreement between the parties that gives each a legal duty to the other and also the right to seek a remedy for the breach of those duties.** Its essentials are competent parties, subject matter, a legal consideration, mutuality of agreement, and mutuality of consideration. *Lamoureux v. Burrillville Racing Ass’n*, 91 R.I. 94, 161 A.2d. 213, 215.

Under U.C.C., term refers to total legal obligation which results from parties’ agreement as affected by the Code. Section 1-201(11). As to sales, “contract” and “agreement” are limited to those relating to present or future sales of goods, and “contract for sale” includes both a present sale of goods and a contract to sell goods at a future time. U.C.C. §2-106(a).

The writing which contains the agreement of parties with the terms and conditions, and which serves as a proof of the obligation  
[Black’s Law Dictionary, Sixth Edition, p. 322]

Contracts are not enforceable unless BOTH parties have some kind of express duty to each other that each regards as valuable consideration. We, for one, define EVERYTHING the present government does not as a “benefit”, but an INJURY, and WE have to define it as a benefit before it can, in fact, legally constitute “consideration”.

In fact, the U.S. Supreme Court admits that the national government has NO LEGAL OBLIGATION to pay you anything under any federal benefit program.

“We must conclude that **a person covered by the Act has not such a right in benefit payments**... This is not to say, however, that Congress may exercise its power to modify the statutory scheme free of all constitutional restraint.”  
[*Flemming v. Nestor*, 363 U.S. 603 (1960)]

Hence:

1. To call it a “benefit” at all is deliberately deceptive at best and FRAUD at worst.
2. The government cannot, as a matter of equity, justly acquire ANY reciprocal right to any of your earnings to pay for the so-called “benefit”.

If the government is not obligated to ANYTHING by giving you the gift, then you similarly cannot be obligated to PAY anyone anything for the gift in return and any statute administering such a program can NOT therefore acquire the “force of law” against you as a matter of equity. This same concept also applies to the federal income tax itself within Internal Revenue Code, Subtitles A through C. 31 U.S.C. §321(d) identifies ALL income taxes paid to the U.S. government as a “gift”.

31 U.S.C. §321(d)

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

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

Now let’s look at the surprising definition of the word “**gift**” in Black’s Law Dictionary, Sixth Edition, p. 688:

**Gift:** A **voluntary** transfer of property to another made gratuitously and without consideration. *Bradley v. Bradley*, Tex.Civ.App., 540 S.W.2d. 504, 511. Essential requisites of “gift” are capacity of donor, intention of donor to make gift, completed delivery to or for donee, and acceptance of gift by donee.

*In tax law, a payment is a gift if it is made without conditions, from detached and disinterested generosity, out of affection, respect, charity or like impulses, and **not from the constraining force of any moral or legal duty** or from the incentive of anticipated benefits of an economic nature.*

And finally, let's look up the word "**voluntary**" from Black's Law Dictionary, Sixth Edition, p. 1575:

*"Unconstrained by interference; unimpelled by another's influence; spontaneous; acting of oneself. Coker v. State, 199 Ga. 20, 33 S.E.2d. 171, 174. Done by design or intention. **Proceeding from the free and unrestrained will of the person. Produced in or by an act of choice. Resulting from free choice, without compulsion or solicitation.** The word, especially in statutes, often implies knowledge of essential facts. Without valuable consideration; gratuitous, as a voluntary conveyance. Also, having a merely nominal consideration; as, a voluntary deed."*  
[Black's Law Dictionary, Sixth Edition, p. 1575]

You might then ask yourself WHY the government continues to prosecute famous personalities for alleged tax fraud or misconduct when in fact, they are prosecuting people for refusing to pay "gifts" to the U.S. government. The answer is that they have NO LEGAL AUTHORITY to do so in the case of Internal Revenue Code, Subtitles A through C. The statutes invoked to prosecute, in fact, only pertain to OTHER taxes under the I.R.C. They know this, and the unsuspecting sheep who fall prey to their ruse are gagged by their very own attorneys from raising this issue in court to keep the Ponzi scheme and "confidence game" going. Some immoral judges even collude with government prosecutors to obstruct justice by making such cases or the evidence unpublished to cover up their own criminal conspiracy against your rights. Some victims of this corruption allege that there is more organized crime in the courts daily than all the rest of the country combined. They may be right. The "organizers" of this secretive criminal cabal and syndicate are the people who, instead of protecting you, only protect their own "protection racket" under the "color" but without the actual authority of positive law. Secretive in camera meetings between judges and government prosecutors and "selective enforcement" by the IRS against judges that both represent a conflict of interest and a criminal conspiracy against your rights, are the method of perpetuating a massive fraud upon the unsuspecting American public. For details, see:

1. Federal Jurisdiction, Form #05.018  
<http://sedm.org/Forms/FormIndex.htm>
2. Federal Enforcement Authority Within States of the Union, Form #05.032  
<http://sedm.org/Forms/FormIndex.htm>
3. Legal Requirement to File Federal Income Tax Returns, Form #05.009  
<http://sedm.org/Forms/FormIndex.htm>

If you would like to know more about how prosecutors and judges conspire against your rights to convert a "gift" into a quasi-contractual obligation to pay "protection money" to a "protection racket" and how to respond to it, please read:

The Government "Benefits" Scam, Form #05.040  
<http://sedm.org/Forms/FormIndex.htm>

### **30 Lawfully Avoiding government franchises and licenses**

Those wishing to retain their God-given "private rights" and not surrender them to procure a "privilege" should:

1. Demand that any court hearing a matter involving them and the opposing parties MAY NOT cite any provision of the franchise agreement, such as the Social Security Act or Internal Revenue Code, Subtitle A, against them without FIRST satisfying the burden of proof that you are subject to the agreement as a "taxpayer". See:

Government Burden of Proof, Form #05.025  
<http://sedm.org/Forms/FormIndex.htm>

2. Insist that all disputes they litigate in federal courts MUST be heard by Article III judges in Article III courts. This means that the Court's jurisdiction must be challenged and that it MUST produce the statute from the Statutes At Large which confers Article III powers upon the court. We have searched every enactment of Congress from the Statutes At Large and determined that NO United States District Court has Article III powers. See:

What Happened to Justice?, Form #06.012  
<http://sedm.org/Forms/FormIndex.htm>

- 1 3. Avoid engaging in franchises and “public rights” at all costs.
- 2 4. Not generate any evidence that might connect you to the franchise. For instance, NEVER:
- 3 4.1. Use a federal identifying number when corresponding with the government.
- 4 4.2. Open financial accounts with SSN’s or as a “U.S. person”. Instead, use the procedures below:
- About IRS Form W-8BEN*, Form #04.202  
<http://sedm.org/Forms/FormIndex.htm>
- 5 4.3. Submit IRS Form W-4 when you go to work. It’s the WRONG form. See:
- Federal and State Tax Withholding Options for Private Employers*, Form #04.101  
<http://sedm.org/Forms/FormIndex.htm>
- 6 4.4. Submit IRS Form 1040, which is the WRONG form. Everything that goes on this form is “trade or business”
- 7 earnings. See:
- The “Trade or Business” Scam*, Form #05.001  
<http://sedm.org/Forms/FormIndex.htm>
- 8 4.5. Sign up for Social Security using SSA Form SS-5. If you did this, you should quit using the instructions below:
- Resignation of Compelled Social Security Trustee*, Form #06.002  
<http://sedm.org/Forms/FormIndex.htm>
- 9 5. Promptly rebut all evidence generated by third parties which might connect you with a franchise, such as all IRS
- 10 information returns, which are usually false because most people are NOT engaged in a “public office” or “trade or
- 11 business”. See the following resources on how to rebut information returns that connect you to the “trade or business”
- 12 franchise pursuant to [26 U.S.C. §6041](#) or which are useful in rebutting tax collection notices based on these forms of
- 13 FALSE hearsay evidence:
- 14 5.1. Rebut all uses of federal identifying numbers on any government correspondence you receive. See:
- Wrong Party Notice*, Form #07.105  
<http://sedm.org/Forms/FormIndex.htm>
- 15 5.2. *Correcting Erroneous Information Returns*, Form #04.001
- 16 <http://sedm.org/Forms/FormIndex.htm>
- 17 5.3. *Correcting Erroneous IRS Form W-2’s*, Form #04.006
- 18 <http://sedm.org/Forms/FormIndex.htm>
- 19 5.4. *Correcting Erroneous IRS Form 1042’s*, Form #04.003
- 20 <http://sedm.org/Forms/FormIndex.htm>
- 21 5.5. *Correcting Erroneous IRS Form 1098’s*, Form #04.004
- 22 <http://sedm.org/Forms/FormIndex.htm>
- 23 5.6. *Correcting Erroneous IRS Form 1099’s*, Form #04.005
- 24 <http://sedm.org/Forms/FormIndex.htm>
- 25 6. Vociferously oppose any attempts to “presume” that they are engaged in franchises by any government employee. All
- 26 such presumptions which might prejudice constitutionally guaranteed rights are an unlawful violation of due process of
- 27 law. See:
- Presumption: Chief Weapon for Unlawfully Enlarging Federal Jurisdiction*, Form #05.017  
<http://sedm.org/Forms/FormIndex.htm>
- 28 For instance, if someone cites any provision of the I.R.C. against you, which is private law that only pertains to those
- 29 engaged in the “trade or business” franchise, then you should insist that they meet the burden of proving that you are a
- 30 “taxpayer” who is subject BEFORE they may cite or enforce any of its provisions against you. See:
- Who are “Taxpayers” and Who Needs a “Taxpayer Identification Number”?*, Form #05.013  
<http://sedm.org/Forms/FormIndex.htm>

31 If you would like to learn more about how to avoid franchises and licensed activities, please visit the following section of our

32 website:

SEDm Liberty University, Section 4: Avoiding Government Franchises and Licenses  
<http://sedm.org/LibertyU/LibertyU.htm>

33 The following subsections address specific tools available on our website that you can use to avoid various government

34 franchises.

### 30.1 Franchises Generally

The IRS has no form that [nonresident aliens](#) domiciled in states of the Union who are not engaged in the "[trade or business](#)" franchise can use to describe their lawful citizenship and tax status to the government, businesses, and financial institutions. These persons are described in 26 C.F.R. §1.871-1(b)(1)(i) but they have no form to use to document their immunity or sovereignty.

1. [IRS Form 8233](#) is inadequate because it is for "[personal services](#)" rendered within the federal zone. The I.R.C. and regulations presume that "[personal services](#)" means services connected with a "[trade or business](#)".
2. There is no form available to exempt from withholding for a person not in receipt of taxable "privileges" because not engaged in "[personal services](#)" ("trade or business" services), not working within the federal zone ("[United States](#)"), not engaged in a "[trade or business](#)", not a "[beneficial owner](#)", [not participating in Socialist INSecurity](#), and not in receipt of treaty benefits. In effect, they are refusing to acknowledge that a person can be a nontaxpayer without accepting a "privilege" because they want to compel everyone into a privileged state to destroy their rights and sovereignty.
3. The closest we have been able to come in searching for such a needed form is the [AMENDED IRS Form W-8BEN](#), but it still leaves much to be desired because it doesn't specifically indicate that withholding is impermissible, even though [IRS Publication 519](#), the I.R.C., and the Treasury regulations authorize such an exemption from withholding and tax liability. See 26 C.F.R. §1.872-2(f), 26 C.F.R. §31.3401(a)(6)-1(b), [26 U.S.C. §861\(a\)\(3\)\(C\)\(i\)](#), [26 U.S.C. §3401\(a\)\(6\)](#), [26 U.S.C. §1402\(b\)](#), and [26 U.S.C. §7701\(a\)\(31\)](#).
4. The [original IRS Form W-8](#), discontinued in 2002, served the required purpose. The IRS modified the form by replacing it with [the W-8BEN](#) so that people with the correct status above would have no remedy to defend their status using what the law allows. They did this to dupe even more people unwittingly into becoming "[taxpayers](#)".

People have been asking us for a substitute form that does the job to make it easier to defend and explain their sovereignty on certain key occasions, and now they have authoritative tools to use to defend their status! This item solves these problems and provides a very potent and compact form can be used for several important occasions in order to explain, defend, and justify your status as a constitutional citizen, not a statutory "[U.S. citizen](#)" as defined [8 U.S.C. §1401](#), a "national", a "[nonresident alien](#)", and a "nontaxpayer". It is specifically designed to attach to any one of the following important applications to clarify your citizenship, domicile, and tax status:

1. Financial account applications along with an [AMENDED IRS Form W-8BEN](#) in order to open an account without an SLAVE SURVEILLANCE NUMBER or any kind of 1099 reporting or tax withholding. **NOTE:** DO NOT use the standard IRS Form W-8BEN, because it makes you into a "beneficial owner" and therefore a "taxpayer".
2. Job application
3. Voter registration
4. Jury summons response
5. Government application or form

Below is a link to this very important form. The form is electronically fillable, so that you can fill in the fields from Adobe Acrobat and save your copy locally for reuse in the future to save you LOTS of time responding to tax collection notices.

[Affidavit of Citizenship, Domicile, and Tax Status, Form #02.001](#)  
<http://sedm.org/Forms/02-Affidavits/AffCitDomTax.pdf>

#### Resources for further study:

1. [Legal Notice of Change in Domicile/Citizenship Records and Divorce from the United States, Form #10.001](#) - Forms page  
<http://sedm.org/Forms/FormIndex.htm>
2. [Why Domicile and Becoming a "Taxpayer" Require Your Consent, Form #05.002](#)-SEDM Forms page  
<http://sedm.org/Forms/FormIndex.htm>
3. [Why You are a "National", "State National", and Constitutional but not Statutory Citizen, Form #05.006](#)-SEDM  
<http://sedm.org/Forms/FormIndex.htm>



## **30.2 Using the Uniform Commercial Code (U.C.C.) to Defeat Administrative Attempts to Compel Participation in Government Franchises**

### **30.2.1 Introduction to the U.C.C.**

The Uniform Commercial Code (U.C.C.) governs all commercial interactions at the federal and state levels. This code is PRIVATE law published by Unidroit. Entire reference libraries exist on the subject of the U.C.C. The most famous one is published by the American Bar Association (A.B.A.):

*ABC's of the UCC*, American Bar Association  
<https://shop.americanbar.org/ebus/store.aspx?term=abcs+of+the+ucc>

Every commercial transaction is an exercise of your right to contract and it has all the elements of a valid contract:

1. An offer. The person making the offer is called the “merchant”. U.C.C. §2-206(1).
2. An acceptance. The person making the acceptance is attempting to contract with the merchant for a specific product or service. Acceptance can be signaled expressly in writing or impliedly through performance of the obligation demanded. U.C.C. §2-206(2) and (3) and U.C.C. §2-207.
3. Mutual consideration or obligation. Without mutual consideration or obligation, a valid contract cannot be created.
4. Absence of duress. Any contract entered into in the presence of duress is voidable but not necessarily void.

Every time you interact with the government, you are engaging in a commercial transaction where you exchange PRIVATE rights for government “benefits” or “privileges”. Filling out any kind of government “application” is an example of an attempt on your part to:

1. Consensually contract with the government.
2. Exchange PRIVATE rights for PUBLIC privileges.
3. Possibly ALSO consent to become a public officer within the government called “taxpayer” (under the tax code), “driver” (under the vehicle code), “spouse” (under the family code).
4. “Purposefully avail” yourself of commerce within the legislative jurisdiction of said government and thereby waive sovereign immunity under the Foreign Sovereign Immunities Act (F.S.I.A.), 28 U.S.C. Chapter 97. In particular, see 28 U.S.C. §1605(a).

A knowledge of the Uniform Commercial Code (U.C.C.) is essential in order to defeat attempts to compel you to participate in government franchises such as Social Security, Medicare, unemployment insurance, driver licensing, etc. Such compulsion is very common and often invisible to the average American. Being able to recognize when the compulsion occurs and having tools at your disposal to fight the compulsion is crucial to preserving your rights and sovereignty.

### **30.2.2 Merchant or Buyer?**

Within the Uniform Commercial Code (U.C.C.), there are only two types of entities that you can be:

1. Merchant (U.C.C. §2-104(1)). Sometimes also called a Creditor.
2. Buyer (U.C.C. §2-103(1)(a)). Sometimes also called a Debtor.

Playing well the game of commerce means being a Merchant, not a Buyer, in relation to any and every government. Governments try to ensure that THEY are always the Merchant, but astute freedom minded people ensure that any and every government form they fill out switches the roles and makes the GOVERNMENT into the Buyer and debtor in relation to them. On this subject, the Bible FORBIDS believers from EVER becoming “Buyers” in relation to any and every government:

***“You shall make no covenant [contract or franchise] with them [foreigners, pagans], nor with their [pagan government] gods [laws or judges]. They shall not dwell in your land [and you shall not dwell in theirs by becoming a “resident” or domiciliary in the process of contracting with them], lest they make you sin against Me [God]. For if you serve their [government] gods [under contract or agreement or franchise], it will surely be a snare to you.”***  
*[Exodus 23:32-33, Bible, NKJV]*

"I [God] brought you up from Egypt [slavery] and brought you to the land of which I swore to your fathers; and I said, 'I will never break My covenant with you. And you shall make no covenant [contract or franchise or agreement of ANY kind] with the inhabitants of this [corrupt pagan] land; you shall tear down their [man/government worshipping socialist] altars.' But you have not obeyed Me. Why have you done this?

"Therefore I also said, 'I will not drive them out before you; but they will become as thorns [terrorists and persecutors] in your side and their gods will be a snare [slavery!] to you.'"

So it was, when the Angel of the LORD spoke these words to all the children of Israel, that the people lifted up their voices and wept.  
[Judges 2:1-4, Bible, NKJV]

The Bible also forbids believers from ever being borrowers or surety, and hence, from ever being a Buyer. It says you can LEND, meaning offer as a Merchant, but that you cannot borrow, meaning be a "Buyer" under the U.C.C., in relation to any and every government:

"For the Lord your God will bless you just as He promised you; you shall lend to many nations, but you shall not borrow; you shall reign over many nations, but they shall not reign over you."  
[Deut. 15:6, Bible, NKJV]

"The Lord will open to you His good treasure, the heavens, to give the rain to your land in its season, and to bless all the work of your hand. You shall lend to many nations, but you shall not borrow."  
[Deut. 28:12, Bible, NKJV]

"You shall not charge interest to your brother--interest on money or food or anything that is lent out at interest."  
[Deut. 23:19, Bible, NKJV]

"To a foreigner you may charge interest, but to your brother you shall not charge interest, that the Lord your God may bless you in all to which you set your hand in the land which you are entering to possess."  
[Deut. 23:20, Bible, NKJV]

Buyers take positions, defend what they know and make statements about it; they ignore, argue and/or contest. Extreme buyer-minded people presume victimhood and seek to limit their liability. Buyers operate unwittingly from and within the public venue. They are satisfied with mere equitable title - they can own and operate, but not totally control their property. Buyer possibilities are limited and confining, as debtors are slaves.

Merchants are present to whatever opportunity arises; they ask questions to bring remedy if called for; they accept, either fully or conditionally. Accomplished Merchants take full responsibility for their life, their finances and their world. Merchants understand and make use of their unlimited ability to contract privately with anyone they want at any time. They maintain legal title and control of their property. Merchant possibilities are infinite. Merchants are sovereign and free.

Governments always take the Merchant role by ensuring that every "tax" paid to them is legally defined as and treated as a "gift" that creates no obligation on their part:

31 U.S.C. § 321 - General authority of the Secretary

(d)

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

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

Hence, you should never describe ANYTHING you pay to them as a "tax" or a "gift", but rather a temporary GRANT that comes with strings, just like the way they do with all their socialist franchises. Likewise, you should emulate their behavior

as a Merchant and ensure that EVERYTHING they pay you is characterized and/or legally defined as a GIFT rather than a GRANT with conditions. This is consistent with the following scripture:

*"The rich rules over the poor,  
And **the borrower is servant to the lender.**"  
[Prov. 22:7, Bible, NKJV]*

Remember:

1. If everything you give any government is a GRANT with conditions rather than a GIFT, then they always work for you and you can NEVER work for them.
2. They can only govern you civilly with your consent. If you don't consent, everything they do to you will be unjust and a tort per the Declaration of Independence.
3. Everyone starts out EQUAL. An entire government cannot have any more rights than a single human being. That's what a government of delegated authority means. NEVER EVER consent to:
  - 3.1. Become CIVILLY unequal.
  - 3.2. Be civilly governed under civil statutory law.
  - 3.3. Waive your sovereign immunity. Instead insist that you have the SAME sovereign immunity as any and every government because we are ALL equal. If they assert their own sovereign immunity they have to recognize YOURS under the concept of equal protection and equal treatment.
4. Any attempt to penalize you or take away your property requires that all of the affected property had to be donated to a public use and a public purpose VOLUNTARILY and EXPRESSLY before it can become the subject of such a penalty. The right of property means that you have a right to deny any and every other person, including GOVERNMENTS, the right to use, benefit, or profit from your property. If they can take away something you didn't hurt someone with, they have the burden of proving that it belonged to them and that you gave it to them BEFORE they can take it. All property is presumed to be EXCLUSIVELY PRIVATE until the government meets the burden of proof that you consented to donate it to a public use, public purpose, and/or public office.

Below is a sample from our Tax Form Attachment, Form #04.201, showing how we implement the approach documented in this section:

*This form and all attachments shall NOT be construed as a consent or acceptance of any proposed government "benefit", any proposed relationship, or any civil status under any government law per U.C.C. §2-206. It instead shall constitute a COUNTER-OFFER and a SUBSTITUTE relationship that nullifies and renders unenforceable the original government OFFER and ANY commercial, contractual, or civil relationship OTHER than the one described herein between the Submitter and the Recipient. See U.C.C. §2-209. The definitions found in section 4 shall serve as a SUBSTITUTE for any and all STATUTORY definitions in the original government offer that might otherwise apply. Parties stipulate that the ONLY "Merchant" (per U.C.C. §2-104(1)) in their relationship is the Submitter of this form and that the government or its agents and assigns is the "Buyer" per U.C.C. §2-103(1)(a).*

*Pursuant to U.C.C. §1-202, this submission gives REASONABLE NOTICE and conveys FULL KNOWLEDGE to the Recipient of all the terms and conditions exclusively governing their commercial relationship and shall be the ONLY and exclusive method and remedy by which their relationship shall be legally governed. Ownership by the Submitter of him/her self and his/her PRIVATE property implies the right to exclude ALL others from using or benefitting from the use of his/her exclusively owned property. All property held in the name of the Submitter is, always has been, and always will be stipulated by all parties to this agreement and stipulation as: 1. Presumed EXCLUSIVELY PRIVATE until PROVEN WITH EVIDENCE to be EXPRESSLY and KNOWINGLY and VOLUNTARILY (absent duress) donated to a PUBLIC use IN WRITING; 2. ABSOLUTE, UNQUALIFIED, and PRIVATE; 3. Not consensually shared in any way with any government or pretended DE FACTO government. Any other commercial use of any submission to any government or any property of the Submitter shall be stipulated by all parties concerned and by any and every court as eminent domain, THEFT, an unconstitutional taking in violation of the Fifth Amendment, and a violation of due process of law.*

*[Tax Form Attachment, Form #04.201]*

### **30.2.3 Why Definitions are Important**

Governments can only tax or regulate that which they create:

**"The power to tax involves the power to destroy; the power to destroy may defeat and render useless the power to create; and there is a plain repugnance in conferring on one government [THE FEDERAL**

GOVERNMENT] a power to control the constitutional measures of another [WE THE PEOPLE], which other, with respect to those very measures, is declared to be supreme over that which exerts the control."  
[Van Brocklin v. State of Tennessee, [117 U.S. 151](#) (1886)]

*"What is a Constitution? It is the form of government, delineated by the mighty hand of the people, in which certain first principles of fundamental laws are established. The Constitution is certain and fixed; it contains the permanent will of the people, and is the supreme law of the land; it is paramount to the power of the Legislature, and can be revoked or altered only by the authority that made it. The life-giving principle and the death-doing stroke must proceed from the same hand."*  
[*VanHorne's Lessee v. Dorrance*, 2 U.S. 304 (1795)]

*"The great principle is this: because the constitution will not permit a state to destroy, it will not permit a law [including a tax law] involving the power to destroy. "*  
[*Providence Bank v. Billings*, [29 U.S. 514](#) (1830)]

DEFINITIONS found in franchise statutes are the precise place where government CREATES things. If you want to attack a tax or regulation, you have to attack and undermine its DEFINITIONS.

Governments didn't create human beings. God did. Therefore, if they want to tax or regulate PRIVATE human beings, they must do it INDIRECTLY by creating an PUBLIC office or franchise, fooling you into volunteering for it (usually ILLEGALLY), and then regulating you INDIRECTLY by regulating the PUBLIC office.

1. The PUBLIC OFFICE was created by the government and therefore is PROPERTY of the government.
2. The PUBLIC OFFICE is legally in partnership with the CONSENTING human being volunteer filling the office. It is the ONLY lawful "person" under most franchises.
3. Most people are enticed to volunteer for the PUBLIC OFFICE by having a carrot dangled in front of their face called "benefits". See:

*The Government "Benefits" Scam*, Form #05.040  
<http://sedm.org/Forms/FormIndex.htm>

4. The human being volunteer becomes SURETY for and a representative of the PUBLIC office and a debtor, but is not the PUBLIC OFFICE itself. Instead, the human being is called a PUBLIC OFFICER and is identified in Federal Rule of Civil Procedure 17(d). The all caps name in association with the de facto license, the Social Security Number, is the name of the OFFICE, not the human filling the office.

[Rule 17. Plaintiff and Defendant; Capacity; Public Officers](#)

**(d) Public Officer's Title and Name.**

*A public officer who sues or is sued in an official capacity may be designated by official title rather than by name, but the court may order that the officer's name be added.*

5. Once you take the bait and apply for the PUBLIC OFFICE by filling out a government "benefit" form such as an SS-5, W-4, etc., they GRANT you the office, which is THEIR property and continues to be THEIR property AFTER you receive it. The RECIPIENT of said property is ALWAYS the servant, "PUBIC SERVANT", and DEBTOR relative to the lender, which is "U.S. Inc.":

*"How, then, are purely equitable obligations created? For the most part, either by the acts of third persons or by equity alone. But how can one person impose an obligation upon another? By giving property to the latter on the terms of his assuming an obligation in respect to it. At law there are only two means by which the object of the donor could be at all accomplished, consistently with the entire ownership of the property passing to the donee, namely: first, by imposing a real obligation upon the property; secondly, by subjecting the title of the donee to a condition subsequent. The first of these the law does not permit; the second is entirely inadequate. Equity, however, can secure most of the objects of the doner, and yet avoid the mischiefs of real obligations by imposing upon the donee (and upon all persons to whom the property shall afterwards come without value or with notice) a personal obligation with respect to the property; and accordingly this is what equity does. It is in this way that all trusts are created, and all equitable charges made (i.e., equitable hypothecations or liens created) by testators in their wills. In this way, also, most trusts are created by acts inter vivos, except in those cases in which the trustee incurs a legal as well as an equitable obligation. In short, as property is the subject of every equitable obligation, so the owner of property is the only person whose act or acts can be the means of creating an obligation in respect to that property. Moreover, the owner of property can create an obligation in respect to it in only two ways: first, by incurring the obligation himself, in which case he commonly also incurs a legal obligation; secondly, by imposing the obligation upon some third person; and this he does in the way just explained."*

[*Readings on the History and System of the Common Law*, Second Edition, Roscoe Pound, 1925, p. 543]

1           *"The rich rules over the poor, and the borrower is slave to the lender."*  
2           *[Proverbs 22:7, Bible, NKJV]*

3       The above is confirmed by the statutory definition of "person" within the Internal Revenue Code Subtitle A "trade or  
4       business" franchise agreement. Without this partnership, there is no statutory "person" to regulate or tax:

5           [TITLE 26](#) > [Subtitle F](#) > [CHAPTER 75](#) > [Subchapter D](#) > [Sec. 7343](#).  
6           [Sec. 7343](#). - Definition of term "person"

7           *The term "**person**" as used in this chapter [[Chapter 75](#)] includes an officer or employee of a corporation [[U.S.](#)*  
8           *[Inc.](#)], or a member or employee of a partnership, who as such officer, employee, or member is under a duty to*  
9           *perform the act in respect of which the violation occurs*

10      The PUBLIC office that they reach you through is also called the "straw man":

11           *"**Straw man**. A "front"; a third party who is put up in name only to take part in a transaction. Nominal party to*  
12           *a transaction; one who acts as an agent for another for the purpose of taking title to real property and executing*  
13           *whatever documents and instruments the principal may direct respecting the property. Person who purchases*  
14           *property, or to accomplish some purpose otherwise not allowed."*  
15           *[Black's Law Dictionary, Sixth Edition, p. 1421]*

16      Once you volunteer for the office or acquiesce to OTHER PEOPLE volunteering you for the office with FALSE information  
17      returns such as IRS Forms W-2, 1042-S, 1098, and 1099, etc., then and only then do you become "domestic" and thereby  
18      subject to the otherwise "foreign" franchise agreement:

19           26 U.S.C. §7701 - Definitions

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

22           **(4) Domestic**

23           *The term "domestic" when applied to a corporation or partnership means **created or organized in the United***  
24           ***States [GOVERNMENT, U.S. Inc., NOT the geographical "United States"] or under the law of the United***  
25           ***States or of any State unless, in the case of a partnership, the Secretary provides otherwise by regulations.***

26      If you never volunteer or you were nonconsensually volunteered by others, then you remain both "foreign" and "not subject"  
27      but not statutorily "exempt" from the provisions of the franchise agreement:

28           26 U.S.C. §7701 - Definitions

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

31           *(31) Foreign estate or trust*

32           **(A) Foreign estate**

33           *The term "**foreign estate**" means an estate the income of which, from sources without the United States [[U.S.](#)*  
34           *[Inc. the government](#)] which is not effectively connected with the conduct of a trade or business [[public office,](#)*  
35           *[per 26 U.S.C. §7701\(a\)\(26\)](#)] within the United States[U.S. Inc. the government corporation, not the*  
36           *[geographical "United States"\]](#), is not includible in gross income under subtitle A.*

37      Jesus warned of this above mechanism of enslaving you as follows:

38           *"Most assuredly, I say to you, he who does not enter the sheepfold by the door, but climbs up some other way,*  
39           *the same is a thief and a robber. <sup>2</sup> But he who enters by the door is the shepherd of the sheep."*  
40           *[John 10:1-2, Bible, NKJV]*

41      Consonant with the right of governments to CREATE franchises and the PUBLIC offices that animate them, is the right to  
42      DEFINE every aspect of the thing they created:



1 *But when Congress creates a statutory right [a “privilege” in this case, such as a “trade or business”], it clearly*  
2 *has the discretion, in defining that right, to create presumptions, or assign burdens of proof, or prescribe*  
3 *remedies; it may also provide that persons seeking to vindicate that right must do so before particularized*  
4 *tribunals created to perform the specialized adjudicative tasks related to that right [such as “Tax Court”,*  
5 *“Family Court”, “Traffic Court”] etc.].FN35 Such provisions do, in a sense, affect the exercise of judicial power,*  
6 *but they are also incidental to Congress' power to define the right that it has created. No comparable justification*  
7 *exists, however, when the right being adjudicated is not of congressional creation. In such a situation, substantial*  
8 *inroads into functions that have traditionally been performed by the Judiciary cannot be characterized merely as*  
9 *incidental extensions of Congress' power to define rights that it has created. Rather, such inroads suggest*  
10 *unwarranted encroachments upon the judicial power of the United States, which our Constitution reserves for*  
11 *Art. III courts.*  
12 *[Northern Pipeline Const. Co. v. Marathon Pipe Line Co., 458 U.S. at 83-84, 102 S.Ct. 2858 (1983)]*

13 The right to define that comes with creating franchises is a direct consequence of the right of Congress to “make all needful  
14 rules respecting the property and territory” that it owns as confirmed by the Constitution. Definitions are in fact an integral  
15 part of those rules:

16 *United States Constitution*  
17 *Article 4, Section 3, Clause 2*

18 *The Congress shall have Power to dispose of and **make all needful Rules and Regulations respecting the***  
19 ***Territory or other Property** belonging to the United States; and nothing in this Constitution shall be so construed*  
20 *as to Prejudice any Claims of the United States, or of any particular State.*

21 Under exactly the same concept and the concept of equal protection and equal treatment, you can use grants of YOUR  
22 absolutely owned private property to the government as an excuse to create jurisdiction and control over THEM by the same  
23 mechanisms. That is the purpose of most of the forms on our website.

#### 24 **30.2.4 UCC provisions useful in defeating franchises**

25 The key constraints that the U.C.C. places upon commercial transactions which are useful in defeating compelled participation  
26 in franchises are the following:

- 27 1. There are two parties to every transaction:
  - 28 1.1. Merchant (U.C.C. §2-104(1)). Sometimes also called a Creditor.
  - 29 1.2. Buyer (U.C.C. §2-103(1)(a)). Sometimes also called a Debtor.
- 30 2. The Merchant making the offer has the duty of giving NOTICE to the Buyer of the terms of the sale. U.C.C. §1.202.
- 31 3. The Merchant has the power and duty to define the precise MODE by which the Buyer signals acceptance of his/her/its  
32 offer. U.C.C. §1.303.
- 33 4. The Buyer may signal non-acceptance by reserving all their rights pursuant to U.C.C. §1-308.
- 34 5. The language of the offer and the acceptance MUST be the same. Otherwise a meeting of minds has not occurred. See  
35 U.C.C. §2-206(1).

36 *Uniform Commercial Code*  
37 *§ 2-206. Offer and Acceptance in Formation of Contract.*

38 *(1) **Unless otherwise unambiguously indicated by the language** or circumstances.*

- 39 6. A counteroffer by the original Buyer invalidates or modifies the original offer and turns the applicant from a Buyer to a  
40 Merchant. U.C.C. §2-209.

41 *Uniform Commercial Code*  
42 *§ 2-209. Modification, Rescission and Waiver.*

43 *(1) An **agreement** modifying a **contract** within this Article needs no consideration to be binding.*

44 *(2) An **agreement** in a signed record which excludes modification or rescission except by a signed record may*  
45 *not be otherwise modified or rescinded, but except as **between merchants** such a requirement in a form supplied*  
46 *by the **merchant** must be separately signed by the other party.*

47 *(3) The requirements of Section 2-201 must be satisfied if the **contract** as modified is within its provisions.*

(4) Although an attempt at modification or rescission does not satisfy the requirements of subsection (2) or (3), it may operate as a waiver.

(5) A party that has made a waiver affecting an executory portion of a contract may retract the waiver by reasonable notification received by the other party that strict performance will be required of any term waived, unless the retraction would be unjust in view of a material change of position in reliance on the waiver.

The following two videos insightfully illustrate how the above two principles can be used to defeat an offer of a franchise by the government and make YOU the Merchant and THEM the Buyer, rather than the other way around. In effect, you are using their own secret weapon against them and turning the tables. Under the concept of equal protection and equal treatment, they HAVE to let you do this and if they deny you the ability, indirectly they have to deny THEMSELVES the ability as well!:

1. This Form is Your Form, Mark DeAngelis  
<http://www.youtube.com/embed/b6-PRwhU7cg>
2. Mirror Image Rule, Mark DeAngelis  
<http://www.youtube.com/embed/j8pgbZV757w>

Those seeking to undermine compelled participation in government franchises should consider the following tactics:

1. Attaching a MANDATORY attachment to the application indicating the duress and saying the applicant does NOT consent to receive any “benefit”.
2. Defining all terms on the form to completely exclude any government jurisdiction over them.
3. Identifying the application NOT as an ACCEPTANCE of any kind, but a counter offer that makes the GOVERNMENT the recipient of the “benefit” of the temporary use of YOUR property and labor and thereby subject to YOUR anti-franchise franchise.

We use the above tactics throughout our ministry in the following forms:

1. Tax Form Attachment, Form #04.201 – turns the government’s offer of the “trade or business” franchise into a COUNTER-OFFER and you into the Merchant instead of them. Proposes an anti-franchise franchise that obligates the GOVERNMENT and not YOU. Signifies that a failure to deny constitutes acceptance of the offer.  
<http://sedm.org/Forms/FormIndex.htm>
2. Socialism: The New American Civil Religion, Form #05.016, Section 16-describes how to defeat word games intended to unknowingly recruit you into a franchise status.  
<http://sedm.org/Forms/FormIndex.htm>
3. Injury Defense Franchise and Agreement, Form #06.027- provides a SUBSTITUTE franchise you can cite and use in your counter-offer as a Merchant rather than a Buyer.  
<http://sedm.org/Forms/FormIndex.htm>

The only defense the de facto government has against the above tactics is sovereign immunity, but the agreement turns anyone receiving the “benefits” into YOUR public officer instead of an officer of the de facto government, so that defense can’t and doesn’t work.

### **30.2.5 Using definitions to destroy or replace the government’s offer**

Socialism is state worship and idolatry from a religious perspective. It places civil rulers and/or government above the average man and imputes supernatural powers to them that ordinary men do not have. THAT is the ONLY lawful technique by which they can “govern” you. From a legal perspective, state worship can only be maintained when equal protection and equal treatment can be replaced with inequality and hypocrisy. This inequality is manufactured using the following means within the legal field:

1. Using franchises to make the applicants subservient to the grantor of the franchises. In legal terms, the grantor is referred to as a “*parens patriae*”.
2. Confusing STATUTORY and CONSTITUTIONAL contexts for words. They will try to make you believe that BOTH contexts are the same, even though they are NOT. The difference between STATUTORY and CONSTITUTIONAL contexts is described in:

Why You are a “national”, “state national”, and Constitutional but not Statutory Citizen, Form #05.006, Sections 3 and 4

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

3. Confusing the LEGAL and ORDINARY meaning of words. This is done using “words of art”. They will use the words in the ORDINARY sense when speaking to the jury and on government forms, but when actually ENFORCING the implications of the forms, they will interpret them in their LEGAL sense. See:

Legal Deception, Propaganda, and Fraud, Form #05.014

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

4. Using government forms that promote policies inconsistent with what the law actually says. This is an abuse of government forms to in effect “invisibly contract” with the applicant.

5. Refusing to define words on government forms and publications, and telling you that you can’t trust the content of government forms. This allows the forms to be misused as propaganda devices and conveys what the supreme court calls “arbitrary power” to the government bureaucrat to MISINTERPRET the meaning of the words in their favor. Thus, a “society of law” is replaced with a “society of men”.

6. Not providing statutory definitions for key words, so that they can be subjectively defined by judges to prejudice your rights and advantage a corrupted government.

7. PRESUMING that the form or application being submitted is being done voluntarily and that the applicant CONSENTS to the jurisdiction of the government. Anything you consent to cannot form the basis for an injury in a court of law:

*“Voluntati non fit injuria.*

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

*Consensus tollit errorem.*

*Consent removes or obviates a mistake. Co. Litt. 126.*

*Melius est omnia mala pati quam malo consentire.*

*It is better to suffer every wrong or ill, than to consent to it. 3 Co. Inst. 23.*

*Nemo videtur fraudare eos qui sciunt, et consentiunt.*

*One cannot complain of having been deceived when he knew the fact and gave his consent. Dig. 50, 17, 145.”*

*[Bouvier’s Maxims of Law, 1856;*

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

The way to destroy any religion is to discredit or contradict the underlying belief with legal evidence. Therefore, the way to prevent all of the above abuses from a legal perspective is to use the following approach to all government forms or applications:

1. Ensuring that you DO NOT apply for any franchise, license, or privilege and terminating participation in any and all franchises. See:

Government Instituted Slavery Using Franchises, Form #05.030

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

2. The CONTEXT for each word is carefully defined to be EITHER STATUTORY or CONSTITUTIONAL.

3. The specific statutory definition for each term is referenced as NOT applying. This places the applicant OUTSIDE the jurisdiction of the government.

4. Proposals or statements on the form or publication which are in conflict with the written law are identified as FALSE and FRAUDULENT.

5. Emphasizing that since the terms on the form are NOT defined and the government says you can’t trust their forms, then you MUST define all terms to leave NO room for unconstitutional presumption that might damage your rights.

For proof that you can’t trust most government forms, and especially tax forms, see:

Reasonable Belief About Income Tax Liability, Form #05.007

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

6. Disassociating yourself from government jurisdiction by defining geographical “words of art” to place you outside the government’s jurisdiction.

7. Ensuring that the government application or form you are filling out is identified NOT as an “acceptance” of anything, but rather a COUNTER-OFFER under the Uniform Commercial Code (U.C.C.) in which the government is asking for something from you rather than the other way around.

8. Providing an affidavit of duress, stating that you were compelled to fill out the form and asking the source of the duress to be criminally prosecuted for criminal coercion, theft, and slavery.

- 1 9. Removing any and all discretion by any judge or government administrator to DEFINE or REDEFINE any of the key  
2 words on the form.  
3 10. Stating that you are the only one who can decide the definitions on the form, because you are the only witness signing  
4 the form and that if they try to modify your testimony, they are criminally tampering with a witness.

5 The reason the above tactics work is insightfully described in the following two entertaining videos on the Uniform  
6 Commercial Code (U.C.C.):

- 7 1. This Form is Your Form, Mark DeAngelis  
8 <http://www.youtube.com/embed/b6-PRwhU7cg>  
9 2. Mirror Image Rule, Mark DeAngelis  
10 <http://www.youtube.com/embed/j8pgbZV757w>

11 To give you an idea of how the above process works, you may want to examine the following form on our website which is  
12 attached to all government tax forms:

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

13 In the legal field, the MOST important power you can have is the power to DEFINE words. In practice, HE who defines the  
14 word FIRST wins ALL legal battles. That is why all contracts usually contain a definitions section. Notably ABSENT from  
15 all GOVERNMENT forms is such a definition section. This is deliberate, because:

- 16 1. The government is an insurance company that NEVER accepts responsibility for its own actions and abuses sovereign  
17 immunity to avoid all such responsibility.  
18 2. The government and courts will ALWAYS tell you that you can't trust the accuracy of the form. Therefore, even if  
19 they DID define it, they would make sure they included a disclaimer that said you couldn't trust their definition  
20 anyway. For an example of this, see:

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

- 21 3. The purpose of the form is to unlawfully and unconstitutionally convey to a bureaucrat or judge the power to define the  
22 words ANY WAY THEY WANT and thus, to corruptly turn a "society of law" into a "society of men".

23 All government forms usually contain a perjury statement at the end which gives the form the character of "testimony of a  
24 witness" and assigns the content of the form the status of legally admissible evidence in court. As such, it is a criminal  
25 offense to influence the person filling out the form or to change their testimony. That crime is called witness tampering.

26 18 U.S.C. §1512 - Tampering with a witness, victim, or an informant

27 a)

28 (1)Whoever kills or attempts to kill another person, with intent to—

29 (A)prevent the attendance or testimony of any person in an official proceeding;

30 (B)prevent the production of a record, document, or other object, in an official proceeding; or

31 (C)prevent the communication by any person to a law enforcement officer or judge of the United States of  
32 information relating to the commission or possible commission of a Federal offense or a violation of conditions  
33 of probation, parole, or release pending judicial proceedings;

34 shall be punished as provided in paragraph (3).

35 (2)Whoever uses physical force or the threat of physical force against any person, or attempts to do so, with  
36 intent to—

37 (A)influence, delay, or prevent the testimony of any person in an official proceeding;

38 (B)cause or induce any person to—

(i)withhold testimony, or withhold a record, document, or other object, from an official proceeding;

(ii)alter, destroy, mutilate, or conceal an object with intent to impair the integrity or availability of the object for use in an official proceeding;

(iii)evade legal process summoning that person to appear as a witness, or to produce a record, document, or other object, in an official proceeding; or

(iv)be absent from an official proceeding to which that person has been summoned by legal process; or

(C)hinder, delay, or prevent the communication to a law enforcement officer or judge of the United States of information relating to the commission or possible commission of a Federal offense or a violation of conditions of probation, supervised release, parole, or release pending judicial proceedings;

shall be punished as provided in paragraph (3).

If you want to win ANY and EVERY battle against the government in court, all you have to do is be the FIRST to define the words using the techniques in this section, and to turn their own form against them to make THEM the franchisee and YOU the grantor of the franchise. Since you are signing the form under penalty of perjury, they can't tell you what to put on it or they are criminally tampering with and threatening a protected witness. If they don't like the terms of YOUR offer, then all they can do is respond by saying YOU ARE NOT ELIGIBLE to participate in THEIR franchise or to receive the Mark of the Beast, the Social Security Number. You can even define a non-response in your offer as a statement by them that YOU ARE NOT ELIGIBLE. Then you can tell everyone who wants such a number that the government says you are NOT eligible, and therefore, that they cannot demand the Mark of the Beast. Hurt me!

Finally, they can't respond to the tactics suggested in this section by saying that you can't use them, because these are EXACTLY the same tactics the GOVERNMENT uses and if they deny you the ability to use them, then under the concept of equal protection and equal treatment, they HAVE to deny THEMSELVES the SAME ability.

You should view EVERY opportunity to fill out any government form as an act of contracting away your God given, unalienable rights and to thereby become INFERIOR and UNEQUAL in relation to the pagan government.

### **30.3 Social Security**

Many people have asked if we have any information that may be helpful to those who wish to legally terminate participation in Social Security. The document below should help with that very popular goal. Sending this document in according to the instructions included is also a MANDATORY requirement of our [Member Agreement, Form #01.001](#).

<p><i>Resignation of Compelled Social Security Trustee</i>, Form #06.002 <a href="http://sedm.org/Forms/10-Emancipation/SSTrustIndenture.pdf">http://sedm.org/Forms/10-Emancipation/SSTrustIndenture.pdf</a></p>
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#### **Resources for further study and use in litigation:**

1. *Why You Aren't Eligible for Social Security*, Form #06.001  
<http://sedm.org/Forms/FormIndex.htm>
2. *Legal Notice of Change in Domicile/Citizenship Records and Divorce from the United States*, Form #10.001 - [Forms page](#)  
<http://sedm.org/Forms/FormIndex.htm>
3. *Socialism: The New American Civil Religion*, Form #05.016- proves that in contemporary America, government has become a false god and is attempting to replace the true God  
<http://sedm.org/Forms/FormIndex.htm>
4. *About SSNs and TINs On Government Forms and Correspondence*, Form #07.004  
<http://sedm.org/Forms/FormIndex.htm>
5. *Sovereignty Forms and Instructions Online*, Form #10.004, Instruction 3.17: Quit Social Security and Rescind the Social Security Number -Family Guardian  
<http://famguardian.org/TaxFreedom/Instructions/3.17QuitSocialSecurity.htm>
6. *Social Security: Mark of the Beast*, Form #11.407 - Family Guardian  
<http://sedm.org/Forms/FormIndex.htm>



## 30.4 Income taxes

### 30.4.1 Tax Form Attachment

STANDARD IRS Forms are famous for creating the following [false presumption](#):

1. That you are a "[taxpayer](#)"
2. That because you provided a federal identifying number, you are a "franchisee" engaged in a "[trade or business](#)" and a "[public office](#)"
3. That you maintain a [domicile](#) in the "[United States](#)", which is defined in the I.R.C. as the federal zone and nowhere expressly includes any state of the Union. The IRS Form 1040, for instance, is only for use by those who maintain a "[domicile](#)" or "residence" within the federal zone, which people domiciled in states of the Union do not.
4. That you are an "[individual](#)", which is defined in [5 U.S.C. §552a](#)(a)(13) as "federal personnel" and a federal "[employee](#)".

All four of the above [false presumptions](#) have the desired consequences of causing you to surrender your sovereign immunity pursuant to [28 U.S.C. §1603](#)(b)(3) and [28 U.S.C. §1605](#)(a)(2) and making you into an indentured servant of the federal government who is surety for public debts and every pork barrel spending bill your public servants dream up. There are three methods for preventing or overcoming these deliberately [false presumptions](#):

1. Use AMENDED IRS Forms that remove the presumptions. See the following for a source of AMENDED IRS Forms.  

[Federal Forms and Publications, Family Guardian Fellowship](#) -Family Guardian Website  
<http://famguardian.org/TaxFreedom/Forms/IRS/IRSFormsPubs.htm>
2. Use STANDARD IRS Forms and then modify them to correctly reflect your status. The modifications required are listed in [Section 1 of this link](#). Sometimes, the IRS tries to penalize people who "alter" their forms.
3. Use STANDARD IRS Forms that you don't modify but above your signature write "Not valid without signed Tax Form Attachment attached" and then attach this form. This approach avoids any penalties the IRS might attempt to impose for "altering" their forms, and yet avoids you having to commit perjury under penalty of perjury on a government form.

This form provides a standardized and very effective way to accomplish the last option above. The last option above implemented with this form is the most convenient of the above three options and provides a very consistent and bullet-proof way to correctly describe your status as a Member using any government form. Using this form with EVERY STANDARD IRS Form you submit is a mandatory requirement of our [Member Agreement](#), Form #01.001. This form comes from our [Forms Page](#), and is Form #04.201.

[Tax Form Attachment](#), Form #04.201  
<http://sedm.org/Forms/FormIndex.htm>

#### Resources for further study:

1. [Federal Forms and Publications, Family Guardian Fellowship](#) -Family Guardian. Place where you can obtain AMENDED versions of IRS Forms that remove presumptions that misrepresent or threaten your sovereign status as a "nontaxpayer"  
<http://famguardian.org/TaxFreedom/Forms/IRS/IRSFormsPubs.htm>
2. [Non-Resident Non-Person Position, Form #05.020](#) - Sections 11 through 11.2 explain why using this form is VERY IMPORTANT  
<http://sedm.org/Forms/05-MemLaw/NonresidentNonPersonPosition.pdf>

### 30.4.2 Correcting Erroneous Information Returns

False information returns filed against people are the main method by which "nontaxpayers" are compelled unlawfully to become "taxpayers". Filing of these false returns is a quite common criminal violation of [26 U.S.C. §7206](#) and [7207](#) and a civil violation of [26 U.S.C. §7434](#) for those who file them. Our [Member Agreement](#), Form #01.001 requires Members to prevent these false returns from being filed in the first place and also calls for correcting all those that are filed so that they don't erroneously become connected to the "[trade or business](#)" franchise that is codified within [Internal Revenue Code, Subtitles A and C](#).

*Correcting Erroneous Information Returns*, Form #04.001  
<http://sedm.org/Forms/FormIndex.htm>

Resources for further study:

**NOTE:** The above document consolidates the first four links below into a single, convenient, terse PDF file that you can take on the road, which is also indexed and has tables of authorities so you can hand it to payroll clerks and company legal counsel.

1. [Correcting Erroneous IRS Form 1042's, Form #04.003](http://sedm.org/Forms/FormIndex.htm)  
<http://sedm.org/Forms/FormIndex.htm>
2. [Correcting Erroneous IRS Form 1098's, Form #04.004](http://sedm.org/Forms/FormIndex.htm)  
<http://sedm.org/Forms/FormIndex.htm>
3. [Correcting Erroneous IRS Form 1099's, Form #04.005](http://sedm.org/Forms/FormIndex.htm)  
<http://sedm.org/Forms/FormIndex.htm>
4. [Correcting Erroneous IRS Form W-2's, Form #04.006](http://sedm.org/Forms/FormIndex.htm)  
<http://sedm.org/Forms/FormIndex.htm>
5. [Federal Tax Withholding, Form #04.102](http://sedm.org/Forms/FormIndex.htm)  
<http://sedm.org/Forms/FormIndex.htm>
6. [Federal and State Tax Withholding Options for Private Employers, Form #04.101](http://sedm.org/Forms/FormIndex.htm) -Family Guardian. Shows how to prevent having these forms illegally filed against you by properly preparing and submitting valid and lawful withholding forms that correctly and truthfully represent your status as a "nonresident alien" not engaged in a "trade or business".  
<http://sedm.org/Forms/FormIndex.htm>

## **30.5 Litigation franchises**

### **30.5.1 Licenses to Practice Law**

This memorandum of law describes why licenses to practice law are a fraud and are not necessary in most cases.

*Unlicensed Practice of Law*, Form #05.029  
<http://sedm.org/Forms/FormIndex.htm>

Resources for further study:

1. [Law and Government Page, Family Guardian Fellowship](http://famguardian.org/Subjects/LawAndGovt/LawAndGovt.htm) -Family Guardian  
<http://famguardian.org/Subjects/LawAndGovt/LawAndGovt.htm>
2. [SEDM Litigation Tools Page](http://sedm.org/Litigation/LitIndex.htm)-SEDM  
<http://sedm.org/Litigation/LitIndex.htm>
3. [Why You Don't Want an Attorney, Family Guardian Fellowship](http://famguardian.org/Subjects/LawAndGovt/LegalEthics/Corruption/WhyYouDontWantAnAtty/WhyYouDontWantAnAttorney.htm) -Family Guardian  
<http://famguardian.org/Subjects/LawAndGovt/LegalEthics/Corruption/WhyYouDontWantAnAtty/WhyYouDontWantAnAttorney.htm>
4. [Petition for Admission to Practice, Family Guardian Fellowship](http://famguardian.org/Subjects/LawAndGovt/LegalEthics/PetForAdmToPractice-USDC.pdf) -Family Guardian  
<http://famguardian.org/Subjects/LawAndGovt/LegalEthics/PetForAdmToPractice-USDC.pdf>
5. [What is Law Practice?](http://famguardian.org/Subjects/LawAndGovt/LegalEthics/WhatIsLawPractice.pdf) -ABA eJournal  
<http://famguardian.org/Subjects/LawAndGovt/LegalEthics/WhatIsLawPractice.pdf>

### **30.5.2 Federal Pleading/Motion/Petition Attachment**

Attach this form to every motion, petition, or pleading you file in federal court so that you can prevent all the following important games and obstruction of justice by the U.S. Attorney and the de facto judge:

1. Prejudicial [presumptions](#) about the meaning of specific "words of art".
2. Prejudicial [presumptions](#) that you are a "taxpayer" subject to the I.R.C.
3. Prejudicial [presumptions](#) about the use of Taxpayer Identification Numbers by the U.S. attorney.
4. The default false presumption that you are a statutory "U.S. citizen" pursuant to [8 U.S.C. §1401](#).

- 1 5. The default false presumption that you have a domicile on federal territory.  
2 6. The de facto judge or magistrate assuming you consent to their jurisdiction under [28 U.S.C. §636](#), which is mandatory  
3 if heard by a magistrate. This form establishes that you have NO DELEGATED AUTHORITY to consent to their  
4 jurisdiction.  
5 7. The judge or U.S. Attorney from gaining an advantage by ignoring or omitting to address any objection or factual  
6 statement you make.

7 Below is the form:

<p><i>Federal Pleading/Motion/Petition Attachment</i>, Litigation Tool #01.002 <a href="http://sedm.org/Litigation/01-General/PleadingAttachment.pdf">http://sedm.org/Litigation/01-General/PleadingAttachment.pdf</a></p>
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8 Resources for further study:

- 9 1. [SEDM Litigation Tools Page](#)

## 10 **30.6 Marriage Licenses**

11 When you get a state-issued marriage license, you become a public officer and a contractual partner with the government.  
12 You gave up your rights voluntarily in doing this. Here is the proof.

13 *[4] In all domestic concerns each state of the Union is to be deemed an independent sovereignty. As such, it is*  
14 *its province and its duty to forbid interference by another state as well as by any foreign power with the status of*  
15 *its own citizens. Unless at least one of the spouses is a resident thereof in good faith, the courts of such sister*  
16 *state or of such foreign power cannot acquire jurisdiction to dissolve the marriage of those who have an*  
17 *established domicile in the state which resents such interference with matters which disturb its social serenity*  
18 *or affect the morals of its inhabitants. [5] Jurisdiction over divorce proceedings of residents of California by the*  
19 *courts of a sister state cannot be conferred by agreement of the litigants. [6] As protector of the morals of her*  
20 *people it is the duty of a court of this commonwealth to prevent the dissolution of a marriage by the decree of a*  
21 *court of another jurisdiction pursuant to the collusion of the spouses. If by surrendering its power it evades the*  
22 *performance of such duty, marriage will ultimately be considered as a formal device and its dissolution freed*  
23 *from legal inhibitions. [7] Not only is a divorce of California [81 Cal.App.2d. 880] residents by a court of another*  
24 *state void because of the plaintiff's lack of bona fide residence in the foreign state, but it is void also for lack of*  
25 *the court's jurisdiction over the State of California. [8] This state is a party to every marriage contract of its own*  
26 *residents as well as the guardian of their morals. Not only can the litigants by their collusion not confer*  
27 *jurisdiction upon Nevada courts over themselves but neither can they confer such jurisdiction over this state.*

28 *[9] It therefore follows that a judgment of divorce by a court of Nevada without first having pursuant to its own*  
29 *laws acquired...*  
30 *[Roberts v. Roberts, 81 Cal.App.2d. 871 [Civ. No. 15818. Second Dist., Div. Two. Oct. 17, 1947]*  
31

32 *JUSTICE MAAG delivered the opinion of the court: This action was brought in April of 1993 by Carolyn and*  
33 *John West (grandparents) to obtain visitation rights with their grandson, Jacob Dean West. Jacob was born*  
34 *January 27, 1992. He is the biological son of Ginger West and Gregory West, Carolyn and John's deceased son...*

35 *However, this constitutionally protected parental interest is not wholly without limit or beyond regulation. Prince*  
36 *v. Commonwealth of Massachusetts, 321 U.S. 158, 166, 88 L.Ed. 645, 64 S.Ct. 438, 442 (1944). "[T]he state has*  
37 *a wide range of power for limiting parental freedom and authority in things affecting the child's welfare." Prince,*  
38 *321 U.S. at 167, 88 L.Ed. 645, 64 S.Ct. at 442. In fact, the entire familial relationship involves the State. When*  
39 *two people decide to get married, they are required to first procure a license from the State. If they have children*  
40 *of this marriage, they are required by the State to submit their children to certain things, such as school*  
41 *attendance and vaccinations. Furthermore, if at some time in the future the couple decides the marriage is not*  
42 *working, they must petition the State for a divorce. Marriage is a three-party contract between the man, the*  
43 *woman, and the State. Linneman v. Linneman, 1 Ill. App. 2d 48, 50, 116 N.E.2d. 182, 183 (1953), citing Van*  
44 *Koten v. Van Koten, 323 Ill. 323, 326, 154 N.E. 146 (1926). The State represents the public interest in the*  
45 *institution of marriage. Linneman, 1 Ill.App.2d. at 50, 116 N.E.2d. at 183. This public interest is what allows*  
46 *the State to intervene in certain situations to protect the interests of members of the family. The State is like a*  
47 *silent partner in the family who is not active in the everyday running of the family but becomes active and*  
48 *exercises its power and authority only when necessary to protect some important interest of family life. Taking*  
49 *all of this into consideration, the question no longer is whether the State has an interest or place in disputes such*  
50 *as the one at bar, but it becomes a question of timing and necessity. Has the State intervened too early or perhaps*  
51 *intervened where no intervention was warranted? This question then directs our discussion to an analysis of the*  
52 *provision of the Act that allows the challenged State intervention (750 I.L.C.S. 5/607(b) (West 1996)).*  
53 *[West v. West, 689 N.E.2d. 1215 (1998)]*

This book is important for those who don't want the government or its pagan lawyers and laws running their family or their life.

*Sovereign Christian Marriage*, Form #06.009  
<http://sedm.org/Forms/FormIndex.htm>

Resources for further study:

1. [Family Constitution, Form #13.003](http://famguardian.org/Publications/FamilyConst/FamilyConst.htm) -Family Guardian. Shows how to start and run a sovereign family that is completely without the need for man-made government  
<http://famguardian.org/Publications/FamilyConst/FamilyConst.htm>
2. [Family Law, Dating, Marriage, and Divorce Page, Family Guardian Fellowship](http://famguardian.org/Subjects/FamilyLaw/FamilyLaw.htm) -Family Guardian  
<http://famguardian.org/Subjects/FamilyLaw/FamilyLaw.htm>
3. [Family Issues and Feminism Page, Family Guardian Fellowship](http://famguardian.org/Subjects/FamilyIssues/familyissues.htm) -Family Guardian  
<http://famguardian.org/Subjects/FamilyIssues/familyissues.htm>
4. [Sovereignty and Freedom Page](http://famguardian.org/Subjects/Freedom/Freedom.htm) -Family Guardian. Describes many different aspects of sovereignty, including the right to travel without a license  
<http://famguardian.org/Subjects/Freedom/Freedom.htm>

### **30.7 Drivers Licenses**

This book describes in detail how the driver's license franchise works and how to drive lawfully without a license.

*Defending Your Right to Travel*, Form #06.010  
<http://sedm.org/ItemInfo/Ebooks/DefYourRightToTravel.htm>

Resources for further study:

1. [Sovereignty and Freedom Page](http://famguardian.org/Subjects/Freedom/Freedom.htm) -Family Guardian. Describes many different aspects of sovereignty, including the right to travel without a license  
<http://famguardian.org/Subjects/Freedom/Freedom.htm>
2. [State Legal Resources, Family Guardian Fellowship](http://famguardian.org/TaxFreedom/LegalRef/StateLegalResources.htm) -Family Guardian. Summary of all 50 States  
<http://famguardian.org/TaxFreedom/LegalRef/StateLegalResources.htm>
3. [State Vehicle Codes](http://famguardian.org/Subjects/Freedom/Travel/StateVehCodeLaws.htm) -Family Guardian. Summary of all 50 States  
<http://famguardian.org/Subjects/Freedom/Travel/StateVehCodeLaws.htm>

### **30.8 Citizenship/Domicile Protection franchise**

#### **30.8.1 Legal Notice of Change in Domicile/Citizenship Records and Divorce From the United States**

This document corrects false or misleading government records about your citizenship and domicile status and politically and legally divorces the federal/national government in order to restore your sovereignty. It makes you into a "stateless person" and a "foreign sovereign" in respect to the federal/national government. The document below should help with that very popular goal. This document is in ZIP format. Go to <http://sedm.org/DecompressionUtility.htm> for instructions on how to use ZIP files. Sending this document in according to the instructions included is also a MANDATORY requirement of our [Member Agreement, Form #01.001](#).

*Legal Notice of Change in Domicile/Domicile Records and Divorce from the United States*, Form #10.001  
<http://sedm.org/Forms/FormIndex.htm>

Resources for further study:

1. [Resignation of Compelled Social Security Trustee, Form #06.002](http://sedm.org/Forms/FormIndex.htm) - [Forms page](#)  
<http://sedm.org/Forms/FormIndex.htm>
2. [USA Passport Application Attachment, Form #06.007](#) - [Forms page](#). Prevents you from surrendering any part of your sovereignty when you ask for a passport. Completely consistent with the legal notice above.

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

3. [Voter Registration Attachment, Form #06.003](#) - [Forms page](#). Attach this to your state voter registration in order to preserve your status as a sovereign and a non-resident non-person.  
<http://sedm.org/Forms/FormIndex.htm>

### 30.8.2 Lawfully Avoiding the Military Draft

Legal domicile is a voluntary franchise by which We The People procure "protection" from a specific government. The military draft is a liability associated with "domicile" on federal territory. It DOES NOT apply within states of the Union. This free memorandum of law provides legal authorities that describe how to lawfully avoid but not unlawfully "evade" the military draft in the United States.

*Lawfully Avoiding the Military Draft*, Form #09.003  
<http://sedm.org/Forms/05-MemLaw/MilDraft.pdf>

#### Resources for further study:

1. [Military and War Page, Family Guardian Fellowship](#) -Family Guardian. Various subjects having to do with the military  
<http://famguardian.org/Subjects/Military/Military.htm>
2. [Why You Aren't Subject to the Draft or Selective Service Program, Family Guardian Fellowship](#) -Family Guardian  
<http://famguardian.org/Subjects/Military/Draft/NotSubjectToDraft.htm>

### 30.8.3 Registering to Vote

The terms used on state voter registration forms relating to citizenship are deliberately vague and ambiguous and do not provide an option for THREE types of American citizenship that a person can have. This is exhaustively explained in the following memorandum of law:

*Why You are a "national", "state national", and Constitutional but not Statutory Citizen*, Form #05.006  
<http://sedm.org/Forms/05-MemLaw/WhyANational.pdf>

Most state voter registration forms only give one choice, and that choice creates a presumption that one is a statutory rather than constitutional "U.S. citizen" as defined in 8 U.S.C. §1401. This presumption is FALSE in the case of all persons who are domiciled in a state of the Union. The only way to prevent this false presumption is to either modify the form before you submit it or to attach this form. Using this form is EXTREMELY important.

*Voter Registration Attachment*, Form #06.003  
<http://sedm.org/Forms/10-Emancipation/VoterRegAttachment.pdf>

#### Resources for further study:

1. [Political Rights v. Citizenship Status, Family Guardian Fellowship](#) -Family Guardian  
<http://famguardian.org/Subjects/LawAndGovt/Citizenship/PoliticalRightsvCitizenshipByState.htm>
2. [Sovereignty Forms and Instructions Online, Form #10.004, Instruction 3.13: Correct Government Records Documenting Your Citizenship Status](#) -Family Guardian  
<http://famguardian.org/TaxFreedom/Instructions/3.13ChangeUSCitizenshipStatus.htm>
3. [Legal Notice of Change in Domicile/Citizenship Records and Divorce from the United States, Form #06.005](#) - [Forms page](#)  
<http://sedm.org/Forms/FormIndex.htm>
4. [Why Domicile and Becoming a "Taxpayer" Require Your Consent, Form #05.002](#)-SEDM [Forms page](#)  
<http://sedm.org/Forms/FormIndex.htm>
5. [Why You are a "national", "state national", and Constitutional but not Statutory Citizen, Form #05.006](#)-SEDM  
<http://sedm.org/Forms/FormIndex.htm>



### 30.8.4 Applying for a Passport

The terms used on the USA Passport Application, Dept. of State form DS-11, relating to citizenship are deliberately vague and ambiguous and do not provide an option for THREE types of American citizenship that a person can have. This is exhaustively explained in the following memorandum of law:

*Why You are a "national", "state national", and Constitutional but not Statutory Citizen*, Form #05.006  
<http://sedm.org/Forms/FormIndex.htm>

The DS-11 Passport Application form only gives one choice, and that choice creates a [presumption](#) that one is a [statutory](#) rather than [constitutional](#) "U.S. citizen" as defined in [8 U.S.C. §1401](#). This presumption is FALSE in the case of all persons who are [domiciled](#) in a state of the Union. The only way to prevent this [false presumption](#) is to either modify the form before you submit it or to attach this form. Using this form is EXTREMELY important.

*USA Passport Application Attachment*, Form #06.007  
<http://sedm.org/Forms/10-Emancipation/PassportAttachment.pdf>

#### Resources for further study:

1. *Getting a USA Passport as a "state national"*, Form #09.007  
<http://sedm.org/Forms/FormIndex.htm>
2. *Legal Notice of Change in Domicile/Citizenship Records and Divorce from the United States*, Form #10.001 - [Forms page](#)  
<http://sedm.org/Forms/FormIndex.htm>
3. *Why Domicile and Becoming a "Taxpayer" Require Your Consent*, Form #05.002-SEDM [Forms page](#)  
<http://sedm.org/Forms/FormIndex.htm>
4. *Why You are a "national", "state national", and Constitutional but not Statutory Citizen*, Form #05.006-SEDM  
<http://sedm.org/Forms/FormIndex.htm>

### 30.9 Criminal Tax Prosecutions of Franchisees called "taxpayers: The Government "Benefits" Scam

Those who refuse to accept [government franchises](#) and services and lawfully refuse to pay for these services are sometimes illegally prosecuted by zealous but *criminal* government attorneys for "willful failure to file" under [26 U.S.C. §7203](#) and "tax evasion" under [26 U.S.C. §7201](#). The government's offense in these cases is like a broken record:

*"Mr./Ms. \_\_\_\_\_ accepts the 'benefits' of living in this country but refuses to pay his/her 'fair share'. He/she is a LEECH and you ought to hang him!"*

Well, this memorandum proves beyond a shadow of a doubt that all such rhetoric is not only FALSE, FRAUDULENT, and RIDICULOUS, but constitutes a criminal conspiracy against your constitutionally guaranteed rights. You have a constitutionally protected right to NOT contract with or do business with the government protected by [Article 1, Section 10](#) of the Constitution. The government is just like any other corporation or business and the only service it provides is "protection". Those who are "customers" of this protection and [social insurance](#) service must voluntarily choose a [domicile](#) within the jurisdiction of the government and are then called "[U.S. citizens](#)", "[U.S. residents](#)", or "[U.S. persons](#)". When the "protection service" provided by government is ineffective, wasteful, inefficient, and/or actually harmful to us or our family, we *always* have the right to "fire the bastards" and cease to be "customers". The [Declaration of Independence](#), in fact, makes it our DUTY to pursue "better safeguards for our future security". Those who do this are called "nonresidents", "[nonresident aliens](#)", and "transient foreigners". Use this pamphlet as a powerful defense in court against such bogus charges.

*The Government "Benefits" Scam*, Form #05.040  
<http://sedm.org/Forms/FormIndex.htm>

### 30.10 Destruction of your Privacy by Other Franchisees

The most important thing you can do to defend your sovereignty is to defend your privacy. The only thing the government can lawfully keep records on are its own agents, employees, officers, benefit recipients, and contractors without violating your Fourth Amendment right of privacy. In order to restore your privacy, you must systematically disconnect yourself from all of these franchises and continually emphasize nonparticipation whenever you provide information to third parties about yourself. This form protects your privacy from abuses and violations of law by government, private industry, and regulators by:

1. Preventing the illegal enforcement of [government franchises](#) against non-parties and restoring your character as a private person instead of a "public officer".
2. Preventing compelled or illegal use or disclosure of public property such as Social Security Cards and Social Security Numbers. See the following for details:

About SSNs and TINs On Government Forms and Correspondence, Form #05.012  
<http://sedm.org/Forms/FormIndex.htm>

3. Preventing disclosure of personal information to government or regulatory agencies by disconnecting you from public benefits and franchises, thereby causing you to withdraw consent to maintain or disclose records or information about you pursuant to [5 U.S.C. §552a](#)(b).
4. Creating an anti-franchise franchise of your own whereby information about you is YOUR property and not that of the recipient and makes recipients of your personal information personally liable for any and all disclosures to third parties that are not expressly authorized IN WRITING.
5. Preventing the filing of Currency Transaction Reports (CTR) and Suspicious Activity Reports (SAR) against persons not engaged in the "[trade or business](#)" franchise.
6. Educating regulators and compliance people in the government and private industry about the limitations upon their authority to collect and maintain records about a person who does not participate in franchises. Public servants who regulate and supervise financial institutions, public entities, and federal franchises typically misrepresent the requirements of the law and illegally enforce these franchises against nonparticipants by compelling disclosure to them of information that is NOT public and does not relate to activities of "public officers" or agents of the government.

Attach this form to all financial, account, government, and medical forms to ensure your privacy is protected and that you do not become the unlawful subject of any financial transaction report. If you don't use this form, you could become the target of unlawful government enforcement and/or be prosecuted for "structuring" ([31 U.S.C. §5324](#)) or money laundering ([18 U.S.C. §1956](#)) if someone in the government wants to make trouble for those who refuse to participate in federal franchises.

Privacy Agreement, Form #06.014  
<http://sedm.org/Forms/FormIndex.htm>

### 30.11 Taxpayer Identification Number (TIN) Franchise

There are many occasions in which Christians are called to either request, to use, or to disclose government issued identifying numbers such as Social Security Numbers or Taxpayer Identification Numbers (TINs). The Bible calls such numbers the "mark of the beast" and calls all governments who issue them "the beast".

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

The focus of this form is to provide a compact, convenient form that can be presented by persons doing business with private employers and financial institutions that will prove that they may not lawfully have or use government issued identifying numbers and would be violating the criminal laws to do so. This places the recipient of the form in the awkward position of either willfully engaging in a conspiracy to commit a crime or removing their demand for such a number.

Why It is Illegal for Me to Request or Use a "Taxpayer Identification Number", Form #04.205  
<http://sedm.org/Forms/FormIndex.htm>

#### Resources for further study:

1. [About SSNs and TINs On Government Forms and Correspondence, Form #05.012](http://sedm.org/Forms/FormIndex.htm)  
<http://sedm.org/Forms/FormIndex.htm>
2. [About SSNs and TINs On Government Forms and Correspondence, Form #07.004](http://sedm.org/Forms/FormIndex.htm)  
<http://sedm.org/Forms/FormIndex.htm>
3. [Why You Aren't Eligible for Social Security, Form #06.001](http://sedm.org/Forms/FormIndex.htm). Proves that you aren't eligible for Social Security  
<http://sedm.org/Forms/FormIndex.htm>
4. *Social Security Policy Manual*, Form #06.013- bookstore item  
<http://sedm.org/Forms/FormIndex.htm>
5. [Sovereignty Forms and Instructions Online, Form #10.004, Cites by Topic: "Social Security Number \(SSN\)"](#) (OFFSITE LINK): Sovereignty Forms and Instructions Online, Form #10.004, Cites by Topic
6. [Sovereignty Forms and Instructions Online, Form #10.004, Cites by Topic: "Taxpayer Identification Number \(TIN\)"](#) (OFFSITE LINK): Sovereignty Forms and Instructions Online, Form #10.004, Cites by Topic
7. *Social Security: Mark of the Beast*, Form #11.407 (OFFSITE LINK) -Family Guardian  
<http://sedm.org/Forms/FormIndex.htm>
8. *Who are "Taxpayers" and Who Needs a "Taxpayer Identification Number"?*2, Form #05.013. Proves that all "taxpayers" are aliens engaged in a "trade or business" and a "public office" within the United States Government and that these are the only persons who qualify for a government issued identifying number  
<http://sedm.org/Forms/FormIndex.htm>

## **31 Rebutted False Arguments of Those Who Disagree With This Memorandum**

### **31.1 "Privileges and Immunities" in the Fourteenth Amendment means STATUTORY PUBLIC FRANCHISES, not CONSTITUTIONAL PRIVATE RIGHTS**<sup>334</sup>

Many misinformed freedom lovers misinterpret the phrase "privileges and immunities" found in the Fourteenth Amendment as an excuse to say that:

1. Those who claim to be "citizens" under the amendment are availing themselves of a franchise privilege and thereby become subject to federal law.
2. Because they are availing themselves of a franchise privilege, then they have implicitly surrendered the protections of the Constitution for their natural rights.

We strongly DISAGREE.

The following U.S. Supreme Court case identifies the extent and nature of this so-called "privilege", and SPECIFICALLY WHO it is a privilege FOR. It ISN'T a privilege for constitutional citizens, but for FOREIGN nationals and CONSTITUTIONAL aliens, according to the U.S. Supreme Court. The "privilege" is associated ONLY with the process of "naturalization" and NOT with rights imputed AFTER naturalization to the person as a CONSTITUTIONAL citizen.

*"The opportunity to become a citizen of the United States is said to be merely a privilege, and not a right. It is true that the Constitution does not confer upon aliens the right to naturalization. But it authorizes Congress to establish a uniform rule therefor. Article I, § 8, cl. 4. The opportunity having been conferred by the Naturalization Act, there is a statutory right in the alien to submit his petition and evidence to a court, to have that tribunal pass upon them, and, if the requisite facts are established, to receive the certificate. See United States v. Shanahan (D. C.) 232 F. 169, 171. There is, of course, no 'right to naturalization unless all statutory requirements are complied with.' United States v. Ginsberg, 37 S.Ct. 422, 243 U.S. 472, 475 (61 L.Ed. 853); Luria v. United States, 34 S.Ct. 10, 231 U.S. 9, 22 58 L.Ed. 101. The applicant for citizenship, like other suitors who institute proceedings in a court of justice to secure the determination of an asserted right, must allege in his petition the fulfillment of all conditions upon the existence of which the alleged right is made dependent, and he must establish these allegations by competent evidence to the satisfaction of the court. In re Bodek (C. C.) 63 F. 813, 814, 815; In re \_\_\_\_\_, 7 Hill (N. Y.) 137. In passing upon the application the court exercises judicial judgment. It does not confer or withhold a favor."*

[Tutun v. United States, 270 U.S. 568 (1926)]

SOURCE:

[http://scholar.google.com/scholar\\_case?case=8292236307895948943&q=270+U.S.%3E+568&hl=en&as\\_sdt=4.60](http://scholar.google.com/scholar_case?case=8292236307895948943&q=270+U.S.%3E+568&hl=en&as_sdt=4.60)

<sup>334</sup> Source: *Why You are a "national", "state national", and Constitutional but not Statutory Citizen*, Form #05.006, Section 19.3.1; <http://sedm.org/Forms/FormIndex.htm>.

AFTER becoming a constitutional citizen through the CONSTITUTIONAL naturalization process, the rights attached to the status of constitutional "citizen" are no longer PRIVILEGES, but RIGHTS. They are rights because the citizenship itself CANNOT be unilaterally terminated without the CONSENT of the citizen. Privileges are revocable, while RIGHTS are not. Hence, misinformed freedom advocates who don't understand constitutional law misunderstand what the word "privileges" means in the Fourteenth Amendment.

*"In the United States the people are sovereign, and the government cannot sever its relationship to the people by taking away their [CONSTITUTIONAL] citizenship."  
[Afroyim v. Rusk, 387 U.S. 253 (1967)]*

The U.S. Supreme Court furthermore defined "privileges and immunities" in the Fourteenth Amendment as excluding any public benefit or franchise from the meaning of "privileges and immunities" for those who are "citizens of the United States\*\*\*\*", meaning that the phrase has nothing to do with congressionally granted statutory franchises:

*Thomas, J., dissenting*

*Justice Thomas, with whom the Chief Justice joins, dissenting.*

*I join The Chief Justice's dissent. I write separately to address the majority's conclusion that California has violated "the right of the newly arrived citizen to the same privileges and immunities enjoyed by other citizens of the same State." Ante, at 12. In my view, the majority attributes a meaning to the Privileges or Immunities Clause that likely was unintended when the Fourteenth Amendment was enacted and ratified.*

*The Privileges or Immunities Clause of the Fourteenth Amendment provides that "[n]o State shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States." U.S. Const., Amdt. 14, §1. Unlike the Equal Protection and Due Process Clauses, which have assumed near-talismanic status in modern constitutional law, the Court all but read the Privileges or Immunities Clause out of the Constitution in the Slaughter-House Cases, 16 Wall. 36 (1873). There, the Court held that the State of Louisiana had not abridged the Privileges or Immunities Clause by granting a partial monopoly of the slaughtering business to one company. Id., at 59 63, 66. The Court reasoned that the Privileges or Immunities Clause was not intended "as a protection to the citizen of a State against the legislative power of his own State." Id., at 74. Rather the "privileges or immunities of citizens" guaranteed by the Fourteenth Amendment were limited to those "belonging to a citizen of the United States as such." Id., at 75. The Court declined to specify the privileges or immunities that fell into this latter category, but it made clear that few did. See id., at 76 (stating that "nearly every civil right for the establishment and protection of which organized government is instituted," including "those rights which are fundamental," are not protected by the Clause).*

*Unlike the majority, I would look to history to ascertain the original meaning of the Clause.<sup>1</sup> At least in American law, the phrase (or its close approximation) appears to stem from the 1606 Charter of Virginia, which provided that "all and every the Persons being our Subjects, which shall dwell and inhabit within every or any of the said several Colonies shall HAVE and enjoy all Liberties, Franchises, and Immunities as if they had been abiding and born, within this our Realme of England."*

*7 Federal and State Constitutions, Colonial Charters and Other Organic Laws 3788 (F. Thorpe ed. 1909). Other colonial charters contained similar guarantees.<sup>2</sup> Years later, as tensions between England and the American Colonies increased, the colonists adopted resolutions reasserting their entitlement to the privileges or immunities of English citizenship.<sup>3</sup>*

*The colonists' repeated assertions that they maintained the rights, privileges and immunities of persons "born within the realm of England" and "natural born" persons suggests that, at the time of the founding, the terms "privileges" and "immunities" (and their counterparts) were understood to refer to those fundamental rights and liberties specifically enjoyed by English citizens, and more broadly, by all persons. Presumably members of the Second Continental Congress so understood these terms when they employed them in the Articles of Confederation, which guaranteed that "the free inhabitants of each of these States, paupers, vagabonds and fugitives from justice excepted, shall be entitled to all privileges and immunities of free citizens in the several States." Art. IV. The Constitution, which superseded the Articles of Confederation, similarly guarantees that "[t]he Citizens of each State shall be entitled to all Privileges and Immunities of Citizens in the several States." Art. IV, §2, cl. 1.*

*Justice Bushrod Washington's landmark opinion in Corfield v. Coryell, 6 Fed.Cas. 546 (No. 3, 230) (CCED Pa. 1825), reflects this historical understanding. In Corfield, a citizen of Pennsylvania challenged a New Jersey law that prohibited any person who was not an "actual inhabitant and resident" of New Jersey from harvesting oysters from New Jersey waters. Id., at 550. Justice Washington, sitting as Circuit Justice, rejected the argument that the New Jersey law violated Article IV's Privileges and Immunities Clause. He reasoned, "we cannot accede to the proposition that, under this provision of the constitution, the citizens of the several states are permitted to participate in all the rights which belong exclusively to the citizens of any other particular state, merely upon the ground that they are enjoyed by those citizens." Id., at 552. Instead, Washington concluded:*

We feel no hesitation in confining these expressions to those privileges and immunities which are, in their nature, fundamental; which belong, of right, to the citizens of all free governments; and which have, at all times, been enjoyed by the citizens of the several states which compose this Union, from the time of their becoming free, independent, and sovereign. What these fundamental principles are, it would perhaps be more tedious than difficult to enumerate. They may, however, be all comprehended under the following general heads: Protection by the government; the enjoyment of life and liberty, with the right to acquire and possess property of every kind, and to pursue and obtain happiness and safety; subject nevertheless to such restraints as the government may justly prescribe for the general good of the whole. The right of a citizen of one state to pass through, or to reside in any other state, for purposes of trade, agriculture, professional pursuits, or otherwise; to claim the benefit of the writ of habeas corpus; to institute and maintain actions of any kind in the courts of the state; and an exemption from higher taxes or impositions than are paid by the other citizens of the state; the elective franchise, as regulated and established by the laws or constitution of the state in which it is to be exercised. These, and many others which might be mentioned, are, strictly speaking, privileges and immunities." Id. at 551 552.

Washington rejected the proposition that the Privileges and Immunities Clause guaranteed equal access to all public benefits (such as the right to harvest oysters in public waters) that a State chooses to make available. Instead, he endorsed the colonial-era conception of the terms "privileges" and "immunities," concluding that Article IV encompassed only fundamental rights that belong to all citizens of the United States.4 Id., at 552.

Justice Washington's opinion in *Corfield* indisputably influenced the Members of Congress who enacted the Fourteenth Amendment. When Congress gathered to debate the Fourteenth Amendment, members frequently, if not as a matter of course, appealed to *Corfield*, arguing that the Amendment was necessary to guarantee the fundamental rights that Justice Washington identified in his opinion. See Harrison, *Reconstructing the Privileges or Immunities Clause*, 101 Yale L. J. 1385, 1418 (1992) (referring to a Member's "obligatory quotation from *Corfield*"). For just one example, in a speech introducing the Amendment to the Senate, Senator Howard explained the Privileges or Immunities Clause by quoting at length from *Corfield*.<sup>5</sup> Cong. Globe, 39th Cong., 1st Sess., 2765 (1866). Furthermore, it appears that no Member of Congress refuted the notion that Washington's analysis in *Corfield* undergirded the meaning of the Privileges or Immunities Clause.<sup>6</sup>

That Members of the 39th Congress appear to have endorsed the wisdom of Justice Washington's opinion does not, standing alone, provide dispositive insight into their understanding of the Fourteenth Amendment's Privileges or Immunities Clause. Nevertheless, their repeated references to the *Corfield* decision, combined with what appears to be the historical understanding of the Clause's operative terms, supports the inference that, at the time the Fourteenth Amendment was adopted, people understood that "privileges or immunities of citizens" were fundamental rights, rather than every public benefit established by positive law. Accordingly, the majority's conclusion that a State violates the Privileges or Immunities Clause when it "discriminates" against citizens who have been domiciled in the State for less than a year in the distribution of welfare benefit appears contrary to the original understanding and is dubious at best.

As The Chief Justice points out, ante at 1, it comes as quite a surprise that the majority relies on the Privileges or Immunities Clause at all in this case. That is because, as I have explained supra, at 1 2, *The Slaughter-House Cases* sapped the Clause of any meaning. Although the majority appears to breathe new life into the Clause today, it fails to address its historical underpinnings or its place in our constitutional jurisprudence. Because I believe that the demise of the Privileges or Immunities Clause has contributed in no small part to the current disarray of our Fourteenth Amendment jurisprudence, I would be open to reevaluating its meaning in an appropriate case. Before invoking the Clause, however, we should endeavor to understand what the framers of the Fourteenth Amendment thought that it meant. We should also consider whether the Clause should displace, rather than augment, portions of our equal protection and substantive due process jurisprudence. The majority's failure to consider these important questions raises the specter that the Privileges or Immunities Clause will become yet another convenient tool for inventing new rights, limited solely by the "predilections of those who happen at the time to be Members of this Court." *Moore v. East Cleveland*, 431 U.S. 494, 502 (1977).

I respectfully dissent.

Notes

1. Legal scholars agree on little beyond the conclusion that the Clause does not mean what the Court said it meant in 1873. See, e.g., Harrison, *Reconstructing the Privileges or Immunities Clause*, 101 Yale L. J. 1385, 1418 (1992) (Clause is an antidiscrimination provision); D. Currie, *The Constitution in the Supreme Court* 341 351 (1985) (same); 2 W. Crosskey, *Politics and the Constitution in the History of the United States* 1089 1095 (1953) (Clause incorporates first eight Amendments of the Bill of Rights); M. Curtis, *No State Shall Abridge* 100 (1986) (Clause protects the rights included in the Bill of Rights as well as other fundamental rights); B. Siegan, *Supreme Court's Constitution* 46 71 (1987) (Clause guarantees Lockean conception of natural rights); Ackerman, *Constitutional Politics/Constitutional Law*, 99 Yale L. J. 453, 521 536 (1989) (same); J. Ely, *Democracy and Distrust* 28 (1980) (Clause "was a delegation to future constitutional decision-makers to protect certain rights that the document neither lists or in any specific way gives directions for finding"); R. Berger, *Government by Judiciary* 30 (2d ed. 1997) (Clause forbids race discrimination with respect to rights listed in the Civil Rights Act of 1866); R. Bork, *The Tempting of America* 166 (1990) (Clause is inscrutable and should be treated as if it had been obliterated by an ink blot).



2. See 1620 Charter of New England, in 3 Thorpe, at 1839 (guaranteeing "[l]iberties, and franchises, and Immunities of free Denizens and naturall Subjects"); 1622 Charter of Connecticut, reprinted in 1 id., at 553 (guaranteeing "[l]iberties and Immunities of free and natural Subjects"); 1629 Charter of the Massachusetts Bay Colony, in 3 id., at 1857 (guaranteeing the "liberties and Immunities of free and naturall subjects"); 1632 Charter of Maine, in 3 id., at 1635 (guaranteeing "[l]iberties[,] Franchises and Immunities of or belonging to any of the naturall borne subjects"); 1632 Charter of Maryland, in 3 id., at 1682 (guaranteeing "Privileges, Franchises and Liberties"); 1663 Charter of Carolina, in 5 id., at 2747 (holding "liberties, franchises, and privileges" inviolate); 1663 Charter of the Rhode Island and Providence Plantations, in 6 id., at 3220 (guaranteeing "liberties and immunities of free and naturall subjects"); 1732 Charter of Georgia, in 2 id., at 773 (guaranteeing "liberties, franchises and immunities of free denizens and natural born subjects").

3. See, e.g., *The Massachusetts Resolves*, in *Prologue to Revolution: Sources and Documents on the Stamp Act Crisis* 56 (E. Morgan ed. 1959) ("Resolved, That there are certain essential Rights of the British Constitution of Government, which are founded in the Law of God and Nature, and are the common Rights of Mankind Therefore, Resolved that no Man can justly take the Property of another without his Consent . . . this inherent Right, together with all other essential Rights, Liberties, Privileges and Immunities of the People of Great Britain have been fully confirmed to them by Magna Charta"); *The Virginia Resolves*, id., at 47 48 ("[T]he Colonists aforesaid are declared entitled to all Liberties, Privileges, and Immunities of Denizens and natural Subjects, to all Intents and Purposes, as if they had been abiding and born within the Realm of England"); 1774 Statement of Violation of Rights, 1 *Journals of the Continental Congress* 68 (1904) ("[O]ur ancestors, who first settled these colonies, were at the time of their emigration from the mother country, entitled to all the rights, liberties, and immunities of free and natural-born subjects, within the realm of England Resolved [t]hat by such emigration they by no means forfeited, surrendered or lost any of those rights").

4. During the first half of the 19th century, a number of legal scholars and state courts endorsed Washington's conclusion that the Clause protected only fundamental rights. See, e.g., *Campbell v. Morris*, 3 Harr. & M. 535, 554 (Md. 1797) (Chase, J.) (Clause protects property and personal rights); *Douglass v. Stephens*, 1 Del.Ch. 465, 470 (1821) (Clause protects the "absolute rights" that "all men by nature have"); 2 J. Kent, *Commentaries on American Law* 71 72 (1836) (Clause "confined to those [rights] which were, in their nature, fundamental"). See generally Antieau, *Paul's Perverted Privileges or the True Meaning of the Privileges and Immunities Clause of Article Four*, 9 Wm. & Mary L.Rev. 1, 18 21 (1967) (collecting sources).

5. He also observed that, while, Supreme Court had not "undertaken to define either the nature or extent of the privileges and immunities," Washington's opinion gave "some intimation of what probably will be the opinion of the judiciary." *Cong. Globe*, 39th Cong., 1st Sess., 2765 (1866).

6. During debates on the Civil Rights Act of 1866, Members of Congress also repeatedly invoked Corfield to support the legislation. See generally, Siegan, *Supreme Court's Constitution*, at 46 56. The Act's sponsor, Senator Trumble, quoting from Corfield, explained that the legislation protected the "fundamental rights belonging to every man as a free man, and which under the Constitution as it now exists we have a right to protect every man in." *Cong. Globe*, supra, at 476. The Civil Rights Act is widely regarded as the precursor to the Fourteenth Amendment. See, e.g., J. tenBroek, *Equal Under Law* 201 (rev. ed. 1965) ("The one point upon which historians of the Fourteenth Amendment agree, and, indeed, which the evidence places beyond cavil, is that the Fourteenth Amendment was designed to place the constitutionality of the Freedmen's Bureau and civil rights bills, particularly the latter, beyond doubt"). [*Saenz v. Roe*, 526 U.S. 473, 119 S.Ct. 1430, 143 L.Ed.2d. 635 (1999)]

Below is another example that emphasizes this point. They in effect state that the Bill of Rights is not a "privilege" incident to constitutional or Fourteenth Amendment citizenship. The Bill of Rights protects EVERYONE, not merely those who are privileged "citizens":

**U.S. Code, Annotated, Fourteenth Amendment, Westlaw, 2002**

**"All privileges granted to citizen by Amnds 1 to 10 against infringement by federal government HAVE NOT been absorbed by this amendment as privileges incident to citizenship of the United States and by this clause protected against infringement by the states."** *Watkins v. Oaklawn Jockey Club*, D.C.Ark.1949, 86 F.Supp. 1006, affirmed 183 F.2d. 440.

"Rights claimed under Amends. 1 to 8, adopted as restrictions of the powers of the national government, ARE NOT protected by this clause." *Maxwell v. Dow*, Utah 1900, 20 S.Ct. 448, 176 U.S. 601, 44 L.Ed. 597."

"Although it has been vigorously asserted that the rights specified in the Amends. 1 to 8 are among the privileges and immunities protected by this clause, and although this view has been defended by many distinguished jurists, including several justices of the federal Supreme Court, that [this] court holds otherwise and asserts that it is the character of the right claimed, whether specified as above or not, that is controlling." *State v. Felch*, 1918, 105 A. 23, 92 Vt. 477  
[U.S. Code, Annotated, Fourteenth Amendment, Westlaw, 2002]

The other important thing to take away from this analysis is that Congress has statutes that DO, in fact, revoke SOME KIND of citizenship, but THAT citizenship is NOT constitutional citizenship. It is STATUTORY citizenship.

8 U.S.C. §1481 - Loss of nationality by native-born or naturalized citizen; voluntary action; burden of proof; presumptions

(a) A person **who is a national of the United States** whether by birth or naturalization, **shall lose his nationality by voluntarily performing any of the following acts with the intention of relinquishing United States nationality—**

(1) obtaining naturalization in a foreign state upon his own application or upon an application filed by a duly authorized agent, after having attained the age of eighteen years; or

(2) taking an oath or making an affirmation or other formal declaration of allegiance to a foreign state or a political subdivision thereof, after having attained the age of eighteen years; or

(3) entering, or serving in, the armed forces of a foreign state if  
(A) such armed forces are engaged in hostilities against the United States, or  
(B) such persons serve as a commissioned or non-commissioned officer; or

(4)  
(A) accepting, serving in, or performing the duties of any office, post, or employment under the government of a foreign state or a political subdivision thereof, after attaining the age of eighteen years if he has or acquires the nationality of such foreign state; or  
(B) accepting, serving in, or performing the duties of any office, post, or employment under the government of a foreign state or a political subdivision thereof, after attaining the age of eighteen years for which office, post, or employment an oath, affirmation, or declaration of allegiance is required; or

(5) making a formal renunciation of nationality before a diplomatic or consular officer of the United States in a foreign state, in such form as may be prescribed by the Secretary of State; or

(6) making in the United States a formal written renunciation of nationality in such form as may be prescribed by, and before such officer as may be designated by, the Attorney General, whenever the United States shall be in a state of war and the Attorney General shall approve such renunciation as not contrary to the interests of national defense; or

(7) committing any act of treason against, or attempting by force to overthrow, or bearing arms against, the United States, violating or conspiring to violate any of the provisions of section 2383 of title 18, or willfully performing any act in violation of section 2385 of title 18, or violating section 2384 of title 18 by engaging in a conspiracy to overthrow, put down, or to destroy by force the Government of the United States, or to levy war against them, if and when he is convicted thereof by a court martial or by a court of competent jurisdiction.

(b) Whenever the loss of United States nationality is put in issue in any action or proceeding commenced on or after September 26, 1961 under, or by virtue of, the provisions of this chapter or any other Act, the burden shall be upon the person or party claiming that such loss occurred, to establish such claim by a preponderance of the evidence. Any person who commits or performs, or who has committed or performed, any act of expatriation under the provisions of this chapter or any other Act shall be presumed to have done so voluntarily, but such presumption may be rebutted upon a showing, by a preponderance of the evidence, that the act or acts committed or performed were not done voluntarily.

[SOURCE: <http://www.law.cornell.edu/uscode/text/8/1481>]

Note ALSO WHO the above provisions are targeted AT:

"(a) A person who is a national of the United States "

Note that:

1. The "national of the United States[\*\*]" they are talking about is the human being found in:
  - 1.1. 8 U.S.C. §1401 and 8 U.S.C. §1101(a)(22)(A).
  - 1.2. 8 U.S.C. §1408 (American Samoa or Swain's Island) and 8 U.S.C. §1101(a)(22)(B).
2. People in states of the Union are CONSTITUTIONAL "nationals of the United States\*\*\* OF AMERICA" as described in Perkins v. Elg, 307 U.S. 325 (1939). This is also verified in 22 U.S.C. §212 and 22 C.F.R. §51.2, which says that a passport cannot be issued without the applicant being a "national of the United States\*\*\*".

3. The U.S. Supreme Court held that the government cannot unilaterally terminate their CONSTITUTIONAL citizenship. Afroyim v. Rusk, 387 U.S. 253 (1967). Hence, the “national of the United States\*” they are referring to above does not include state citizens or state nationals.

Note that the above statutory provisions for LOSING nationality:

1. Existed BEFORE the Afroyim case indicated above.
2. Were not CHANGED by the Afroyim holding, and therefore did not pertain to constitutional citizens.
3. Have as a PREREQUISITE the following requirement: “with the intention of relinquishing United States nationality—”. No one but YOU can determine your intention, and THEY have the burden of proving that the acts specified above WERE ACCOMPANIED by the EXPRESSLY MANIFEST INTENTION indicated and that YOU specified that intention.

The type of citizenship that is LOST by 8 U.S.C. §1481 can only mean STATUTORY citizenship, not constitutional citizenship. Here is why, from a case dealing with such loss:

**“The Court today holds that the Citizenship Clause of the Fourteenth Amendment has no application to Bellei [an 8 U.S.C. §1401 STATUTORY citizen].** The Court first notes that Afroyim was essentially a case construing the Citizenship Clause of the Fourteenth Amendment. Since the Citizenship Clause declares that: ‘All persons born or naturalized in the United States \* \* \* are citizens of the United States \* \* \*,’ the Court reasons that the protections against involuntary expatriation declared in Afroyim do not protect all American citizens, but only those ‘born or naturalized in the United States.’ Afroyim, the argument runs, was naturalized in this country so he was protected by the Citizenship Clause, but Bellei, since he acquired his American citizenship at birth in Italy as a foreignborn child of an American citizen, was neither born nor naturalized in the United States and, hence, falls outside the scope of the Fourteenth Amendment guarantees declared in Afroyim. One could hardly call this a generous reading of the great purposes the Fourteenth Amendment was adopted to bring about. **While conceding that Bellei is an American citizen,** the majority states: ‘He simply is not a Fourteenth-Amendment-first-sentence citizen.’ Therefore, the majority reasons, the congressional revocation of his citizenship is not barred by the Constitution. **I cannot accept the Court’s conclusion that the Fourteenth Amendment protects the citizenship of some Americans and not others.** [ . . . ]

**The Court today puts aside the Fourteenth Amendment as a standard by which to measure congressional action with respect to citizenship, and substitutes in its place the majority’s own vague notions of ‘fairness.’ The majority takes a new step with the recurring theme that the test of constitutionality is the Court’s own view of what is ‘fair, reasonable, and right.’ Despite the concession that Bellei was admittedly an American citizen, and despite the holding in Afroyim that the Fourteenth Amendment has put citizenship, once conferred, beyond the power of Congress to revoke, the majority today upholds the revocation of Bellei’s citizenship on the ground that the congressional action was not ‘irrational or arbitrary or unfair.’ The majority applies the ‘shock-the-conscience’ test to uphold, rather than strike, a federal statute. It is a dangerous concept of constitutional law that allows the majority to conclude that, because it cannot say the statute is ‘irrational or arbitrary or unfair,’ the statute must be constitutional.**

[ . . . ]

Since the Court this Term has already downgraded citizens receiving public welfare, Wyman v. James, 400 U.S. 309, 91 S.Ct. 381, 27 L.Ed.2d. 408 (1971), and citizens having the misfortune to be illegitimate, Labine v. Vincent, 401 U.S. 532, 91 S.Ct. 1917, 28 L.Ed.2d. 288, I suppose today’s decision downgrading citizens born outside the United States should have been expected. Once again, as in James and Labine, the Court’s opinion makes evident that its holding is contrary to earlier decisions. **Concededly, petitioner was a citizen at birth, not by constitutional right, but only through operation of a federal statute.** [Rogers v. Bellei, 401 U.S. 815 (1971)]

An immigration attorney also confirmed on the Democracy Now program that Congress can’t take away CONSTITUTIONAL citizenship without your consent, which MUST imply that 8 U.S.C. §1481 does not describe expatriation of CONSTITUTIONAL citizenship:

**Constitutional Attorney Shayana Kadidal on Democracy Now proves Federal Government cannot take away CONSTITUTIONAL citizenship and that “nationals of the United States” described in 8 U.S.C. §1481 DOES NOT include constitutional citizens,** Exhibit #01.015  
<http://sedm.org/Exhibits/ExhibitIndex.htm>

Here is yet another example of why CONSTITUTIONAL citizenship is not a revocable privilege you can lose, but a protected PRIVATE right that you must consent to lose:

**FOURTEENTH AMENDMENT**  
**PRIVILEGES OR IMMUNITIES**

Unique among constitutional provisions, the clause prohibiting state abridgement of the “privileges or immunities” of United States citizens was rendered a “practical nullity” by a single decision of the Supreme Court issued within five years of its ratification. In the Slaughter-House Cases,<sup>335</sup> the Court evaluated a Louisiana statute which conferred a monopoly upon a single corporation to engage in the business of slaughtering cattle. In determining whether this statute abridged the “privileges” of other butchers, the Court frustrated the aims of the most aggressive sponsors of the Privileges or Immunities Clause. According to the Court, these sponsors had sought to centralize “in the hands of the Federal Government large powers hitherto exercised by the States” by converting the rights of the citizens of each State at the time of the adoption of the Fourteenth Amendment into protected privileges and immunities of United States citizenship. This interpretation would have allowed business to develop unimpeded by state interference by limiting state laws “abridging” these privileges.

According to the Court, however, such an interpretation would have “transfer[red] the security and protection of all the civil rights . . . to the Federal Government, . . . to bring within the power of Congress the entire domain of civil rights heretofore belonging exclusively to the States,” and would “constitute this court a perpetual censor upon all legislation of the States, on the civil rights of their own citizens, with authority to nullify such as it did not approve as consistent with those rights, as they existed at the time of the adoption of this amendment . . . . [The effect of] so great a departure from the structure and spirit of our institutions . . . is to fetter and degrade the State governments by subjecting them to the control of Congress, in the exercise of powers heretofore universally conceded to them of the most ordinary and fundamental character . . . . We are convinced that no such results were intended by the Congress . . . , nor by the legislatures . . . which ratified” the other War Amendments was “the freedom of the slave race.”

Based on these conclusions, the Court held that none of the rights alleged by the competing New Orleans butchers to have been violated were derived from the butcher’s national citizenship; insofar as the Louisiana law interfered with their pursuit of the business of butchering animals, the privilege was one which “belonged to the citizens of the States as such.” Despite the broad language of this clause, the Court held that the privileges and immunities of state citizenship had been “left to the state governments for security and protection” and had not been placed by the clause “under the special care of the Federal Government.” The only privileges which the Fourteenth Amendment protected against state encroachment were declared to be those “which owe their existence to the Federal Government, its National character, its Constitution, or its laws.”<sup>336</sup> These privileges, however, had been available to United States citizens and protected from state interference by operation of federal supremacy even prior to the adoption of the Fourteenth Amendment. The Slaughter-House Cases, therefore, reduced the privileges or immunities clause to a superfluous reiteration of a prohibition already operative against the states. [The Constitution of the United States of America, Analysis and Interpretation, Fourteenth Amendment, U.S. Government Printing Office, pp. 1674-1675; SOURCE: <http://famguardian.org/PublishedAuthors/Govt/CRS/USConstAmotated.pdf>]

Hence, the PRIVATE rights associated with the status of CONSTITUTIONAL "citizen" are irrevocable and therefore NOT "privileges" or franchises or PUBLIC rights, but rather PRIVATE INALIENABLE RIGHTS.

Those interested in obtaining additional authorities on the subject of the meaning of “privileges and immunities” within the Fourteenth Amendment are directed to the following resource:

<p><u>Sovereignty Forms and Instructions Online</u>, Form #10.004, Cites by Topic: “privileges and immunities” <a href="http://famguardian.org/TaxFreedom/CitesByTopic/privilegesandimmunities.htm">http://famguardian.org/TaxFreedom/CitesByTopic/privilegesandimmunities.htm</a></p>
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<sup>335</sup> 83 U.S. (16 Wall.) 36, 71, 77–79 (1873).

<sup>336</sup> 83 U.S. at 78–79.

## 31.2 "Exempt" on a government form is the only method for avoiding the liability for tax<sup>337</sup>

**False Argument:** Selecting the "exempt" option on a government form is the ONLY method for avoiding the tax liability described on the form.

**Corrected Alternative Argument:** IRS publishes forms for ONLY "taxpayers". Their mission statement at Internal Revenue Manual (I.R.M.), Section 1.1.1.1 (02-26-1999) says they can ONLY help "taxpayers". Therefore, none of their forms recognize the existence of "nontaxpayers", who are persons "not subject" rather than "exempt" from the Internal Revenue Code, Subtitle A private law franchise agreement. Anyone wishing to use a "taxpayer" only form must modify it to add the "nontaxpayer" or "not subject" option and replace all references to "taxpayer" with "nontaxpayer" before they sign the form.

### **Further information:**

1. Who are "Taxpayers" and Who Needs a "Taxpayer Identification Number"?, Form #05.013  
<http://sedm.org/Forms/FormIndex.htm>
2. Non-Resident Non-Person Position, Form #05.020  
<http://sedm.org/Forms/FormIndex.htm>
3. "Taxpayer" v. "Nontaxpayer": Which One are You?, Family Guardian Fellowship  
<http://famguardian.org/Subjects/Taxes/Remedies/TaxpayerVNontaxpayer.htm>

Another devious technique frequently used on government forms to trick "nonresident aliens" into making an unwitting election to become "resident aliens" is:

1. Omit the "not subject" option.
2. Present the "exempt" option as the only method for avoiding the liability described.
3. Do one of the following:
  - 3.1. Statutorily define the term "exempt" to exclude persons who are "not subject".
  - 3.2. PRESUME that the word "exempt" excludes persons who are "not subject" and hope you don't challenge the presumption.

This form of abuse exploits the common false presumption among most Americans, which is the following:

1. That the ONLY options available are STATUTORY. The CONSTITUTION does not provide a way to make one's earnings CONSTITUTIONALLY exempt but not STATUTORILY exempt.
2. Government form presents ALL of the lawful options available to avoid the liability described. In fact, government is famous for limiting options in order to advantage or benefit them. In fact, they only present the STATUTORY options, but deliberately omit CONSTITUTIONAL options and argue that there are not CONSTITUTIONAL options.

In effect, they are constraining your options to compel you to select the lesser of evils and remove the ability to avoid all evil. This devious technique is also called an "adhesion contract". In summary, they are violating the First Amendment by instituting compelled association in which you are coerced to engage in commercial activity with them and become subject to their pagan laws.

On the subject of "exempt", the U.S. Supreme Court has held the following:

*In imposing a tax, says Mr. Chief Justice Marshall, **the legislature acts upon its constituents.** "All subjects," he adds, "over which the power of a State extends are objects of taxation, but those over which it does not extend are, upon the soundest principles, exempt from taxation. This proposition <sup>\*334</sup> may almost be pronounced self-evident." McCulloch v. Maryland, 4 Wheat. 316, 428.  
[United States v. Erie R. Co., 106 U.S. 327 (1882)]*

From the above, we can see that:

1. The civil laws enacted by the legislature act ONLY upon "constituents" and "subjects". They DO NOT act upon "all people", but only on "constituents" and "subjects".

<sup>337</sup> Source: *Flawed Tax Arguments to Avoid*, Form #08.004, Section 8.13; <http://sedm.org/Forms/FormIndex.htm>.



2. You have to VOLUNTEER to become a “constituent” or “subject”. See:

[Why Domicile and Becoming a “Taxpayer” Require Your Consent](http://sedm.org/Forms/FormIndex.htm), Form #05.002  
<http://sedm.org/Forms/FormIndex.htm>

3. “Constituents” and “subjects” include STATUTORY “citizens” pursuant to 8 U.S.C. §1401, 26 U.S.C. §3121(e) and 26 C.F.R. §1.1-1(c) and exclude state domiciled CONSTITUTIONAL citizens, who are “non-residents under statutory law. If you are not a STATUTORY citizen, which the court calls a “SUBJECT” or “constituent”, then you can’t be taxed. The court refers to those who can’t be taxed as “aliens”, and they can only mean STATUTORY aliens, not CONSTITUTIONAL aliens.
4. Federal tax liability is a CIVIL liability, and therefore, those who are not STATUTORY citizens domiciled on federal territory cannot have such a CIVIL liability.
5. Like most other legal “words of art”, there are TWO contexts in which the word “exempt” can be used:
  - 5.1. Statutory law. This includes people who are “subjects” or “constituents”, but who otherwise are granted a privilege or exemption by virtue of their circumstances. An example would be the “exempt individual” found in 26 U.S.C. §7701(b)(5).
  - 5.2. Common law. This implies people who never consented to be and therefore are NOT “subjects” or “constituents”. Those who are NOT “subjects”, are “not subject”.

### 31.2.1 Earnings “not taxable by the Federal Government under the Constitution”

The present treasury regulations RECOGNIZE that earnings can be “**not taxable by the Federal Government under the Constitution**” WITHOUT being “exempt” under the Internal Revenue Code. Earlier versions of the Internal Revenue Code and Treasury Regulations refer to this type of exemption as “fundamental law. Earnings “Not taxable by the Federal Government under the Constitution” are recognized in 26 C.F.R. §1.312-6:

*Title 21  
Part 1-Income Taxes  
§ 1.312-6 Earnings and profits.*

*(b) **Among the items entering into the computation of corporate earnings and profits for a particular period are all income exempted by statute, income not taxable by the Federal Government under the Constitution, as well as all items includible in gross income under section 61 or corresponding provisions of prior revenue acts.** Gains and losses within the purview of section 1002 or corresponding provisions of prior revenue acts are brought into the earnings and profits at the time and to the extent such gains and losses are recognized under that section. Interest on State bonds and certain other obligations, although not taxable when received by a corporation, is taxable to the same extent as other dividends when distributed to shareholders in the form of dividends.*

This omission is designed to make you believe that the ONLY way to avoid a tax liability is to find a STATUTORY “exemption” or to be a statutory “exempt individual” as defined in 26 U.S.C. §7701(b)(5). This is clearly a ruse designed to DECEIVE and ENSLAVE YOU.

The early U.S. Supreme Court recognized CONSTITUTIONAL but not statutory exemptions when it held:

***“All subjects,” he adds, “over which the power of a State extends are objects of taxation, but those over which it does not extend are, upon the soundest principles, exempt from taxation. This proposition \*334 may almost be pronounced self-evident.” McCulloch v. Maryland, 4 Wheat. 316, 428.***

***There are limitations upon the powers of all governments, without any express designation of them in their organic law; limitations which inhere in their very nature and structure, and this is one of them, — that no rightful authority can be exercised by them over alien subjects, or citizens resident abroad or over their property there situated. This doctrine may be said to be axiomatic. . .”***  
*[United States v. Erie R. Co., 106 U.S. 327 (1882)]*

The Internal Revenue Code very deliberately does NOT define what is “**not taxable by the Federal Government under the Constitution**”. If they did, they probably would lose MOST of their income tax revenues! The U.S. Supreme Court calls the Constitution “fundamental law” in Marbury v. Madison.

***“Certainly all those who have framed written constitutions contemplate them as forming the fundamental and paramount law of the nation, and, consequently, the theory of every such government must be, that an act of the legislature, repugnant to the constitution, is void.”***  
*[Marbury v. Madison, 5 U.S. 137 (1803)]*

1 The Founding Fathers in the Federalist Papers also recognized the U.S.A. Constitution as fundamental law:

2 "No legislative act [including a statutory presumption] contrary to the Constitution can be valid. To deny this  
3 would be to affirm that the deputy (agent) is greater than his principal; that the servant is above the master;  
4 that the representatives of the people are superior to the people; that men, acting by virtue of powers may do  
5 not only what their powers do not authorize, but what they forbid...[text omitted] It is not otherwise to be  
6 supposed that the Constitution could intend to enable the representatives of the people to substitute their will  
7 to that of their constituents. It is far more rational to suppose, that the courts were designed to be an intermediate  
8 body between the people and the legislature, in order, among other things, to keep the latter within the limits  
9 assigned to their authority. The interpretation of the laws is the proper and peculiar province of the courts. A  
10 Constitution is, in fact, and must be regarded by judges, as fundamental law. If there should happen to be an  
11 irreconcilable variance between the two, the Constitution is to be preferred to the statute."  
12 [Alexander Hamilton, Federalist Paper # 78]

13 Earlier versions of the Internal Revenue Code and Treasury Regulations recognized in the statutes themselves exemptions  
14 under "fundamental law":

15 Treasury Regulations of (1939)

16 "Sec. 29.21-1. Meaning of net income. The tax imposed by chapter 1 is upon income. Neither income  
17 exempted by statute or fundamental law... enter into the computation of net income as defined by section 21."

18  
19 Internal Revenue Code (1939)

20 "Sec 22(b). No other items are exempt from gross income except

21 (1) those items of income which are, under the Constitution, not taxable by the Federal Government;  
22 (2) those items of income which are exempt from tax on income under the provisions of any Act of Congress still  
23 in effect; and (3) the income exempted under the provisions of section 116."

24 Not surprisingly, the IRS also does NOT provide a line or box on any tax form we have seen to deduct "income exempt by  
25 fundamental law". They do this in order to create the false PRESUMPTION that everything you earn is taxable. The U.S.  
26 Supreme Court, however, recognized that not EVERYTHING you earn is "income" or falls into the category of "gross  
27 income".

28 "We must reject in this case, as we have rejected in cases arising under the Corporation Excise Tax Act of  
29 1909 (Doyle, Collector, v. Mitchell Brothers Co., 247 U.S. 179, 38 Sup.Ct. 467, 62 L.Ed.--), the broad  
30 contention submitted on behalf of the government that all receipts—everything that comes in—are income  
31 within the proper definition of the term 'gross income,' and that the entire proceeds of a conversion of capital  
32 assets, in whatever form and under whatever circumstances accomplished, should be treated as gross income.  
33 Certainly the term "income" has no broader meaning in the 1913 act than in that of 1909 (see Stratton's  
34 Independence v. Howbert, 231 U.S. 399, 416, 417 S., 34 Sup.Ct. 136), and for the present purpose we assume  
35 there is no difference in its meaning as used in the two acts."  
36 [Southern Pacific Co. v. Lowe, 247 U.S. 330, 335, 38 S.Ct. 540 (1918)]

37 What the U.S. Supreme Court is recognizing indirectly above is that the income tax is an excise tax on the "trade or business"  
38 (public office) activity, and that only earnings connected to that activity constitute "income" or "gross income". Such  
39 earnings, in turn, are the only earnings reportable on an information return under 26 U.S.C. §6041(a). The statutory definition  
40 of "income" itself in the I.R.C. also recognizes that not everything one makes is "income":

41 [TITLE 26 > Subtitle A > CHAPTER 1 > Subchapter J > PART I > Subpart A > § 643](#)  
42 [§ 643. Definitions applicable to subparts A, B, C, and D](#)

43 (b) Income

44 For purposes of this subpart and subparts B, C, and D, the term "income", when not preceded by the words  
45 "taxable", "distributable net", "undistributed net", or "gross", means the amount of income of the estate or  
46 trust for the taxable year determined under the terms of the governing instrument and applicable local law.  
47 Items of gross income constituting extraordinary dividends or taxable stock dividends which the fiduciary, acting  
48 in good faith, determines to be allocable to corpus under the terms of the governing instrument and applicable  
49 local law shall not be considered income.

The “trust” they are talking about above is the PUBLIC trust, meaning the national government. PRIVATE trusts are not engaged in the “trade or business” excise taxable activity because the ability to regulate or tax PRIVATE activity or PRIVATE rights is repugnant to the constitution. The “estate” they are talking about is that of a deceased public officer and not private human being.

### 31.2.2 Avoiding deception on government tax forms

There are two ways that one can use to describe oneself on government forms:

1. “Exempt”. This is a person who is otherwise subject to the provision of law administering the form because they are an “individual” or “person” and yet who is expressly made exempt by a particular provision of the statutes forming the franchise agreement. This option appears on most government forms.
2. “Not subject”. This would be equivalent to a nonresident “nontaxpayer” who is not a “person” or franchisee within the meaning of the statute in question. You almost never see this option on government forms.

There is a world of difference between these two statuses and we MUST understand the difference before we can know whether or how to fill out a specific government form describing our status. In this section we will show you how to choose the correct status above and all the affects that this status has on how we fill out government forms.

We will begin our explanation with an illustration. If you are domiciled in California, you would describe yourself as “subject” to the laws in California. However, in relation to the laws of every other civil jurisdiction outside of California, you would describe yourself as:

1. “Not subject” to the civil laws of that place unless you are physically visiting that place.
2. Not ANYTHING described in the civil law that the government has jurisdiction over or may impose a “duty” upon, such as a “person”, “individual”, “taxpayer”, etc.
3. Not a “foreign person” because not a “person” under the civil law.
4. “foreign”.
5. A “nonresident”.
6. A “transient foreigner”.

A human being who is domiciled in California, for instance, would not be subject to the civil laws of China unless he was either visiting China or engaged in commerce within the legislative jurisdiction of China with people who were domiciled there and therefore protected by the civil laws there. He would not describe himself as being “exempt” from the laws of China, because one cannot be “exempt” without FIRST also being “subject” by having a domicile or residence within that foreign jurisdiction. Another way of stating this is that he would not be a “person” under the civil laws of China and would be “foreign” unless and until he either physically moved there or changed his domicile or residence to that place and thereby became a “protected person” subject to the civil jurisdiction of the Chinese government.

All income taxation within the United States of America takes the form of an excise tax upon an “activity” implemented by the civil law. In the case of the Internal Revenue Code, Subtitle A, that activity is called a “trade or business”. This fact exhaustively proven in the following amazing article:

*The “Trade or Business” Scam*, Form #05.001  
<http://sedm.org/Forms/FormIndex.htm>

A “trade or business” is then defined in 26 U.S.C. §7701(a)(26) as follows:

*TITLE 26 > Subtitle F > CHAPTER 79 > § 7701*  
*§ 7701. Definitions*

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

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

Those who therefore lawfully engage in a public office in the U.S. government BEFORE they sign or submit any tax form are then described as a “franchisee” called a “taxpayer” under the terms of the excise tax or franchise agreement codified in

Internal Revenue Code, Subtitle A. Those who are not “public officers” also cannot lawfully “elect” themselves into “public office” by signing or submitting a tax form either, because this would constitute impersonating an officer or employee of the government in violation of 18 U.S.C. §912. This is confirmed by 26 U.S.C. §7701(a)(31) , which describes all those who are nonresident within the “United States” (federal territory not within any state of the Union) and not engaged in the “trade or business”/“public office” activity as being a “foreign estate”, which simply means “not subject”, to the Internal Revenue Code, Subtitle A franchise or excise tax:

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

(31) Foreign estate or trust

(A) Foreign estate

*The term “foreign estate” means an estate the income of which, from sources without the United States which is **not effectively connected with the conduct of a trade or business within the United States**, is not includible in gross income under subtitle A.*

The entity or “person” described above would NOT be “exempt”, but rather simply “not subject”. The reason is that the term “exempt” has a specific legal definition that does not include the situation above. Notice that the term “exempt” is used along with the word “individual”, meaning that you must be a “person” and an “individual” BEFORE you can call yourself “exempt”:

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

(b)(5) **Exempt individual defined**

*For purposes of this subsection -*

(A) *In general*

*An individual is an exempt individual for any day if, for such day, such individual is -*

(i) *a foreign government-related individual,*

(ii) *a teacher or trainee,*

(iii) *a student, or*

(iv) *a professional athlete who is temporarily in the United States to compete in a charitable sports event described in section 274(l)(1)(B).*

(B) *Foreign government-related individual*

*The term “foreign government-related individual” means any individual temporarily present in the United States by reason of -*

(i) *diplomatic status, or a visa which the Secretary (after consultation with the Secretary of State) determines represents full-time diplomatic or consular status for purposes of this subsection,*

(ii) *being a full-time employee of an international organization, or*

(iii) *being a member of the immediate family of an individual described in clause (i) or (ii).*

(C) *Teacher or trainee*

*The term “teacher or trainee” means any individual -*

(i) *who is temporarily present in the United States under subparagraph (J) or (Q) of section 101(15) of the Immigration and Nationality Act (other than as a student), and*

(ii) who substantially complies with the requirements for being so present.

(D) Student

The term "student" means any individual -

(i) who is temporarily present in the United States -

(I) under subparagraph (F) or (M) of section 101(15) of the Immigration and Nationality Act, or

(II) as a student under subparagraph (J) or (Q) of such section 101(15), and (ii) who substantially complies with the requirements for being so present.

(E) Special rules for teachers, trainees, and students

(i) Limitation on teachers and trainees

An individual shall not be treated as an exempt individual by reason of clause (ii) of subparagraph (A) for the current year if, for any 2 calendar years during the preceding 6 calendar years, such person was an exempt person under clause (ii) or (iii) of subparagraph (A). In the case of an individual all of whose compensation is described in section 872(b)(3), the preceding sentence shall be applied by substituting "4 calendar years" for "2 calendar years".

(ii) Limitation on students

For any calendar year after the 5th calendar year for which an individual was an exempt individual under clause (ii) or (iii) of subparagraph (A), such individual shall not be treated as an exempt individual by reason of clause (iii) of subparagraph (A), unless such individual establishes to the satisfaction of the Secretary that such individual does not intend to permanently reside in the United States and that such individual meets the requirements of subparagraph (D)(ii).

The Internal Revenue Code itself does not and cannot regulate the conduct of those who are not "taxpayers".

"Revenue Laws relate to taxpayers [officers, employees, and elected officials of the Federal Government] and not to non-taxpayers [American Nationals not subject to the exclusive jurisdiction of the Federal Government]. The latter are without their scope. No procedures are prescribed for non-taxpayers and no attempt is made to annul any of their Rights or Remedies in due course of law."  
[Economy Plumbing & Heating v. U.S., 470 F.2d. 585 (1972)]

Consequently, all tax forms you (a human being) fill out PRESUPPOSE that the applicant filling it out is a franchisee called a "taxpayer" who occupies a public office within the U.S. government and who is therefore a statutory "person", "individual", "employee", and public officer under 5 U.S.C. §2105(a). Since the Internal Revenue Code is civil law, it also must presuppose that all "persons" or "individuals" described within it are domiciled on federal territory that is no part of a state of the Union. This is confirmed by the definition of "United States" found in 26 U.S.C. §7701(a)(9) and (a)(10) and 4 U.S.C. §110(d), which is defined as federal territory and not part of any state of the Union. If you do not lawfully occupy such a public office, it would therefore constitute fraud and impersonating a public officer in violation of 18 U.S.C. §912 to even fill such a form out. If a company hands a "nontaxpayer" a tax form to fill out, the only proper response is ALL of the following, and any other response will result in the commission of a crime:

1. To not complete or sign any provision of the form.
2. To line out the entire form.
3. To write above the line "Not Applicable".
4. To NOT select the "exempt" option within the form or select any status at all on the form. If you aren't subject to the Internal Revenue Code because you don't have a domicile on federal territory and don't engage in taxable activities, then you can't be described as a "person", "individual", "taxpayer", or anything else who might be subject to the I.R.C.

"The foregoing considerations would lead, in case of doubt, to a construction of any statute as intended to be confined in its operation and effect to the territorial limits over which the lawmaker has general and legitimate power. 'All legislation is prima facie territorial.' Ex parte Blain, L. R. 12 Ch. Div. 522, 528; State v. Carter, 27 N.J.L. 499; People v. Merrill, 2 Park.Crim.Rep. 590, 596. Words having universal scope, such as 'every contract in restraint of trade,' 'every person who shall monopolize,' etc., will be taken, as a matter of course, to mean only everyone subject to such legislation, not all that the legislator subsequently may be able to catch. In the case of the present statute, the improbability of the United States attempting to make acts done in Panama



or Costa Rica criminal is obvious, yet the law begins by making criminal the acts for which it gives a right to sue. We think it entirely plain that what the defendant did in Panama or Costa Rica is not within the scope of the statute so far as the present suit is concerned. Other objections of a serious nature are urged, but need not be discussed."

[[American Banana Co. v. U.S. Fruit, 213 U.S. 347](#) at 357-358]

5. To either not return the form to the person who asked for it or to return it with the modifications above.
6. If you return the form to the person who asked for it, to clarify on the form why you are not "exempt", but rather "not subject".
7. To attach the following form to the tax form:

Tax Form Attachment, Form #04.201

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

Another alternative to all the above would be to simply add a "Not subject by fundamental law" option or to select "Exempt" and then redefine the word to add the "not subject by fundamental law" option to the definition. Then you could attach the Tax Form Attachment mentioned above, which also redefines words on the government form to immunize yourself from government jurisdiction.

If we had an honorable government that loved the people under its care and protection more than it loved deceiving you out of and stealing your money, then they would indicate at the top of the form in big bold letters EXACTLY what laws are being enforced and who the intended audience is so that those who are not required to fill it out would not do so. However, if they did that, hardly anyone would ever pay taxes again. Of this SCAM, the Bible and a famous bible commentary says the following:

"Getting treasures by a lying tongue [or by deliberate omission intended to deceive] is the fleeting fantasy of those who seek **death**."

[[Prov. 21:6](#), Bible, NKJV]

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

[Matthew Henry's Commentary on the Whole Bible; Henry, M., 1996, c1991, under Prov. 11:1]

In the case of income tax forms, for instance, the warning described above would say the following:

1. This form is only intended for those who satisfy all the following conditions:

- 1.1. "taxpayer" as defined in 26 U.S.C. §7701(a)(14):

"Revenue Laws relate to taxpayers [officers, employees, and elected officials of the Federal Government] and not to non-taxpayers [American Citizens/American Nationals not subject to the exclusive jurisdiction of the Federal Government]. The latter are without their scope. No procedures are prescribed for non-taxpayers and no attempt is made to annul any of their Rights or Remedies in due course of law."

[[Economy Plumbing & Heating v. U.S.](#), 470 F.2d. 585 (1972)]

- 1.2. Lawfully engaged in a "public office" in the U.S. government, which is called a "trade or business" in the Internal Revenue Code, Subtitle A at 26 U.S.C. §7701(a)(26).
- 1.3. Exercising the public office ONLY within the District of Columbia as required by 4 U.S.C. §72, which is within the only remaining internal revenue district, as confirmed by Treasury Order 150-02.

1. If you do not satisfy all the requirements indicated above, then you DO NOT need to fill out this form, nor can you claim the status of "exempt".

2. This form is ONLY for use by “taxpayers”. If you are a “nontaxpayer”, then we don’t have a form you can use to document your status. This is because our mission statement only allows us to help “taxpayers”. It is self-defeating to help “nontaxpayers” because it only undermines our revenue and importance. We are a business and we only focus our energies on things that make money for us, such as deceiving “nontaxpayers” into thinking they are “taxpayers”. That is why we don’t put a “nontaxpayer” or “not subject” option on our forms: Because we want to self-servingly and prejudicially presume that EVERYONE is engaged in our franchise and subject to our plunder and control.

*Internal Revenue Manual (IRM) [1.1.1.1 \(02-26-1999\)](#)  
IRS Mission and Basic Organization*

*The IRS Mission: **Provide America’s taxpayers top quality service** by helping them understand and meet their tax responsibilities and by applying the tax law with integrity and fairness to all.*

We hope that you have learned from this section that:

1. He who makes the rules or the forms always wins the game. The power to create includes the power to define.
2. All government forms are snares or traps designed to trap the innocent and ignorant into servitude to the whims of corrupted politicians and lawyers.

*“The Lord is well pleased for His righteousness’ sake; **He will exalt the law and make it honorable. But this is a people robbed and plundered!** [by the IRS] **All of them are snared in [legal] holes [by the sophistry of greedy IRS lawyers], and they are hidden in prison houses; they are for prey, and no one delivers; for plunder, and no one says, “Restore!”**”*

***Who among you will give ear to this? Who will listen and hear for the time to come? Who gave Jacob for plunder, and Israel to the robbers? [IRS] Was it not the Lord, He against whom we have sinned? For they would not walk in His ways, nor were they obedient to His law, therefore He has poured on him the fury of His anger and the strength of battle; it has set him on fire all around, yet he did not know; and it burned him, yet he did not take it to heart.**”  
[Isaiah 42:21-25, Bible, NKJV]*

3. The snare is the presumptions which they deliberately do not disclose on the forms and which are buried in the “words of art” contained in their void for vagueness codes. See:

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

4. The main reason for reading and learning the law is to reveal all the presumptions and deceptive “words of art” that are hidden on government forms so that you can avoid them.

*“My [God’s] people are destroyed [and enslaved] for lack of knowledge [of God’s Laws and the lack of education that produces it].”  
[Hosea 4:6, Bible, NKJV]*

*“And thou shalt teach them ordinances and laws [of both God and man], and shalt shew them the way wherein they must walk, and the work [of obedience to God] that they must do.”  
[Exodus 18:20, Bible, NKJV]*

*“This **Book of the Law** shall not depart from your mouth, but you shall meditate in it day and night, that you may observe to do according to all that is written in it. For then you will make your way prosperous, and then you will have good success. Have I not commanded you? Be strong and of good courage; do not be afraid, nor be dismayed, for the LORD your God is with you wherever you go.”  
[Joshua 1:8-9, Bible, NKJV]*

5. Government forms deliberately do not disclose the presumptions that are being made about the proper audience for the form in order to maximize the possibility that they can exploit your legal ignorance to induce you to make a “tithe” to their state-sponsored civil religion and church of socialism. That religion is exhaustively described below:

***Socialism: The New American Civil Religion**, Form #05.016  
<http://sedm.org/Forms/FormIndex.htm>*

6. All government forms are designed to encourage you to waive sovereign immunity and engage in commerce with the government. Government does not make forms for those who refuse to do business with them such as “nontaxpayers”, “nonresidents”, or “transient foreigners”. If you want a form that accurately describes your status as a “nontaxpayer” and which preserves your sovereignty and sovereign immunity, you will have to design your own. Government is never

going to make it easy to reduce their own revenues, importance, power, or control over you. Everyone in the government is there because they want the largest possible audience of “customers” for their services. Another way of saying this is that they are going to do everything within their power to rig things so that it is impossible to avoid contracting with or doing business with them. This approach has the effect of compelling you to contract with them in violation of Article 1, Section 10 of the Constitution, which is supposed to protect your right to NOT contract with the government.

7. The Thirteenth Amendment prohibits involuntary servitude. Consequently, the government cannot lawfully impose any duty, including the duty to fill out or submit a government form. Therefore, you should view every opportunity that presents itself to fill out a government form as an act of contracting away your rights.
8. In the case of government tax forms, the purpose of all government tax forms is to ask the following presumptuous and prejudicial question:

*“What kind of ‘taxpayer’ are you?”*

. . .rather than the question:

*“Are you a ‘taxpayer’?”*

The above approach results in what the legal profession refers to as a “leading question”, which is a question contaminated by a prejudicial presumption and therefore inadmissible as evidence. Federal Rule of Evidence 611(c) expressly forbids such leading questions to be used as evidence, which is also why no IRS form can really qualify as evidence that can be used against anyone: It doesn’t offer a “nontaxpayer” or a “foreigner” option. An example of such a question is the following:

*“Have you always beat your wife?”*

The presumption hidden within the above leading question is that you are a “wife beater”. Replace the word “wife beater” with “taxpayer” and you know the main method by which the IRS stays in business.

9. If none of the above traps, or “springes” as the U.S. Supreme Court calls them, work against you, the last line of defense the IRS uses is to FORCE you to admit you are a “taxpayer” by:
  - 9.1. Telling you that you MUST have a “Taxpayer Identification Number”.
  - 9.2. Telling you that BECAUSE you have such a number, you MUST be a “taxpayer”.
  - 9.3. Refusing to talk to you on the phone until you disclose a “Taxpayer Identification Number” to them. We tell them that it is a NONTAXPAYER Identification Number (NIN), and make them promise to treat us as a NONTAXPAYER before it will be disclosed. We also send them an update to the original TIN application making it a NONTAXPAYER number and establishing an anti-franchise franchise that makes THEM liable if they use the number for any commercial purpose that benefits them. See, for instance:

<p><u><i>Employer Identification Number (EIN) Application Permanent Amendment Notice</i></u>, Form #06.022 <a href="http://sedm.org/Forms/FormIndex.htm">http://sedm.org/Forms/FormIndex.htm</a></p>
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### 31.3 Word “includes” in a statutory definition allows the government to presume whatever they want is “included”<sup>338</sup>

False Argument: The use of the word “includes” within a statutory definition allows the government to presume whatever they want is included in the meaning, or to presume that the common understanding of the term is also implied within the definition.

Corrected Alternative Argument: The purpose of law is to delegate and limit authority to the government. Everything that is included within the definition of a term must be expressly specified SOMEWHERE within the statutes or it is presumed to be purposefully excluded. This applies to all the definitions in the Internal Revenue Code, and especially those in 26 U.S.C. §7701.

Further information:

1. Legal Deception, Propaganda, and Fraud, Form #05.014  
<http://sedm.org/Forms/FormIndex.htm>
2. Sovereignty Forms and Instructions Online, Form #10.004, Cites by Topic: “includes”:  
<http://famguardian.org/TaxFreedom/CitesByTopic/includes.htm>

A frequent flawed argument used by the state or federal tax agencies in order to unlawfully expand their power and violate due process of law is to expand the meaning of a statutory definition to include whatever they want to include in order to win an argument about their jurisdiction to collect a tax. In other words, they use “verbicide” to entrap, enslave, and injure you to their own benefit.

*“Judicial verbicide is calculated to convert the Constitution into a worthless scrap of paper and to replace our government of laws with a judicial oligarchy.”*  
*[Senator Sam Ervin, during Watergate hearing]*

*“When words lose their meaning, people will lose their liberty.”*  
*[Confucius, 500 B.C.]*

This method to abuse and destroy the rights of Americans who the government was created instead to protect is implemented using the following technique. The audience of people who it is most effective against are those who either are ignorant of the law in general or who don’t know enough about their rights to even recognize when those rights have been violated:

1. You cite a definition from the Internal Revenue Code as proof that you are not the entity or activity described and therefore are not subject to tax.
2. They respond by citing the definition of “includes” found in 26 U.S.C. §7701(c) as authority.

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

*(c) Includes and including*

*The terms “includes” and “including” when used in a definition contained in this title **shall not be deemed to exclude other things otherwise within the meaning of the term defined.***

3. The government then abuses the above definition to imply that it allows them to add any of the following to the definition:
  - 3.1. The ordinary or common meaning of the term in addition to the statutory definition. . .OR
  - 3.2. Whatever they want to “presume” is included.

For instance, if you cite the definition of “trade or business” in 26 U.S.C. §7701(a)(26) and state that it is limited to a public office in the government and that you are not engaged in a “public office”:

[26 U.S.C. §7701\(a\)\(26\)](#)

<sup>338</sup> Source: *Flawed Tax Arguments to Avoid*, Form #08.004, Section 8.14; <http://sedm.org/Forms/FormIndex.htm>.

"The term 'trade or business' includes the performance of the functions of a public office."

...then the government and maybe even a corrupt "taxpayer" judge with a conflict of interest (in violation of 28 U.S.C. §§144 and 455, as well as 18 U.S.C. §208) might then rebut with the following deception and abuse:

*The term "trade or business" uses the word "includes". 26 U.S.C. §7701(c) implies that the definition includes the common or ordinary meaning of the term, meaning that it includes anything a person might do. It is not limited to public offices in the government. For instance, someone who works for a private company is not an "employee" of the government but can still be engaged in a trade or business.*

Essentially what the speaker above is doing is the equivalent of eminent domain based on presumption. By presuming that a person is engaged in a "trade or business", they are converting private property to a public use, public purpose, and a public office without compensation in violation of the Fourth Amendment takings clause. In effect, the speaker is using presumption to STEAL private property from the owner and convert it to a public use in criminal violation of 18 U.S.C. §912 (impersonating a public officer) and 18 U.S.C. §654 (conversion).

Below is an example of such unlawful abuse by a federal court as well:

*"Similarly, Latham's instruction which indicated that under 26 U.S.C. §3401(c) the category of 'employee' does not include privately employed wage earners is a preposterous reading of the statute. It is obvious that within the context of both statutes the word 'includes' is a term of enlargement not of limitation, and the reference to certain entities or categories is not intended to exclude all others."*  
[United States v. Latham, 754 F.2d. 747, 750 (7th Cir. 1985)]

You can read a rebuttal to the above in section 12.2.1 of the following:

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

Definitions of words within the I.R.C. which employ the words "includes" or "including" and which are therefore susceptible to this type of abuse, conspiracy against rights, and violation of due process include:

1. "employee": 26 U.S.C. §3401(c)
2. "gross income": 26 U.S.C. §872
3. "person": 26 U.S.C. §7701(a)(1), 26 U.S.C. §7343, 26 U.S.C. §6671(b)
4. "State": 26 U.S.C. §7701(a)(10)
5. "trade or business": 26 U.S.C. §7701(a)(26)
6. "United States": 26 U.S.C. §7701(a)(9)

This malicious and self-serving approach by the government is based upon a violation of the rules of statutory construction on the subject, which consist of the following. You can use the rules in your own defense when confronted by the FALSE government argument about the meaning of words:

1. The word "includes" can imply one of only two legal meanings:
  - 1.1. "Is limited to" . . .OR
  - 1.2. "In addition to". In this sense, it is used as a method of enlargement.

*"**Include**. (Lat. Includere, to shut in. keep within.) To confine within, hold as an inclosure. Take in, attain, shut up, contain, inclose, comprise, comprehend, embrace, involve. Term may, according to context, express an enlargement and have the meaning of and or in addition to, or merely specify a particular thing already included within general words theretofore used. "Including" within statute is interpreted as a word of enlargement or of illustrative application as well as a word of limitation. Premier Products Co. v. Cameron, 240 Or. 123, 400 P.2d. 227, 228."*  
[Black's Law Dictionary, Sixth Edition, p. 763]

2. When the term "includes" is used as implying enlargement or "in addition to", it only fulfills that sense when the definitions to which it pertains are scattered across multiple definitions or statutes within an overall body of law. In each instance, such "scattered definitions" must be considered AS A WHOLE to describe all things which are included. The U.S. Supreme Court confirmed this when it said:



1 *"That is to say, the statute, read 'as a whole,' post at 998 [530 U.S. 943] (THOMAS, J., dissenting), leads the*  
2 *reader to a definition.* That definition does not include the Attorney General's restriction -- "the child up to the  
3 head." Its words, "substantial portion," indicate the contrary."  
4 [*Stenberg v. Carhart, 530 U.S. 914 (2000)*]

5 An example of the "enlargement" or "in addition to" context of the use of the word "includes" might be as follows, where  
6 the numbers on the left are a fictitious statute number :

7 2.1. "110 The term "state" includes a territory or possession of the United States."

8 2.2. "121 In addition to the definition found in section 110 earlier, the term "state" includes a state of the Union."

9 3. What is not expressed in a definition somewhere shall conclusively be presumed to be purposefully excluded.

10 *"Expressio unius est exclusio alterius. A maxim of statutory interpretation meaning that the expression of one*  
11 *thing is the exclusion of another.* *Burgin v. Forbes, 293 Ky. 456, 169 S.W.2d. 321, 325; Newblock v. Bowles,*  
12 *170 Okl. 487, 40 P.2d. 1097, 1100. Mention of one thing implies exclusion of another. When certain persons or*  
13 *things are specified in a law, contract, or will, an intention to exclude all others from its operation may be*  
14 *inferred.* Under this maxim, if statute specifies one exception to a general rule or assumes to specify the effects  
15 of a certain provision, other exceptions or effects are excluded."  
16 [*Black's Law Dictionary, Sixth Edition, p. 581*]

17 4. The definition of a word excludes unstated meanings of the term.

18 *"It is axiomatic that the statutory definition of the term excludes unstated meanings of that term. Colautti v.*  
19 *Franklin, 439 U.S. 379, 392, and n. 10 (1979). Congress' use of the term "propaganda" in this statute, as indeed*  
20 *in other legislation, has no pejorative connotation.[19] As judges, it is our duty to [481 U.S. 485] construe*  
21 *legislation as it is written, not as it might be read by a layman, or as it might be understood by someone who*  
22 *has not even read it."*  
23 [*Meese v. Keene, 481 U.S. 465, 484 (1987)*]

24 *"When a statute includes an explicit definition, we must follow that definition, even if it varies from that term's*  
25 *ordinary meaning.* *Meese v. Keene, 481 U.S. 465, 484-485 (1987) ("It is axiomatic that the statutory definition*  
26 *of the term excludes unstated meanings of that term"); Colautti v. Franklin, 439 U.S. at 392-393, n. 10 ("As a*  
27 *rule, `a definition which declares what a term "means" . . . excludes any meaning that is not stated"); Western*  
28 *Union Telegraph Co. v. Lenroot, 323 U.S. 490, 502 (1945) ; Fox v. Standard Oil Co. of N.J., 294 U.S. 87, 95-96*  
29 *(1935) (Cardozo, J.); see also 2A N. Singer, Sutherland on Statutes and Statutory Construction, §47.07, p. 152,*  
30 *and n. 10 (5th ed. 1992) (collecting cases). That is to say, the statute, read "as a whole," post at 998 [530 U.S.*  
31 *943] (THOMAS, J., dissenting), leads the reader to a definition. That definition does not include the Attorney*  
32 *General's restriction -- "the child up to the head." Its words, "substantial portion," indicate the contrary."*  
33 [*Stenberg v. Carhart, 530 U.S. 914 (2000)*]

34 5. All doubts about the meaning of a term must be resolved in favor of the citizen and against the government.

35 *"In the interpretation of statutes levying taxes, it is the established rule not to extend their provisions by*  
36 *implication beyond the clear import of the language used, or to enlarge their operations so as to embrace matters*  
37 *not specifically pointed out. In case of doubt they are construed most strongly against the government and in*  
38 *favor of the citizen."*  
39 [*Gould v. Gould, 245 U.S. 151, at 153 (1917)*]

40 6. All presumptions about the meaning of a word are a violation of Constitutional rights and or due process of law.

41 *"Statutes creating permanent irrebuttable presumptions have long been disfavored under the Due Process*  
42 *Clauses of the Fifth and Fourteenth Amendments.* In *Heiner v. Dorman, 285 U.S. 312, 52 S.Ct. 358, 76 L.Ed.*  
43 *772 (1932),* the Court was faced with a constitutional challenge to a federal statute that created a conclusive  
44 presumption that gifts made within two years prior to the donor's death were made in contemplation of death,  
45 thus requiring payment by his estate of a higher tax. *In holding that this irrefutable assumption was so arbitrary*  
46 *and unreasonable as to deprive the taxpayer of his property without due process of law, the Court stated that*  
47 *it had 'held more than once that a statute creating a presumption which operates to deny a fair opportunity to*  
48 *rebut it violates the due process clause of the Fourteenth Amendment.'* *Id., at 329, 52 S.Ct., at 362. See, e.g.,*  
49 *Schlesinger v. Wisconsin, 270 U.S. 230, 46 S.Ct. 260, 70 L.Ed. 557 (1926); Hoeper v. Tax Comm'n, 284 U.S.*  
50 *206, 52 S.Ct. 120, 76 L.Ed. 248 (1931). See also Tot v. United States, 319 U.S. 463, 468-469, 63 S.Ct. 1241,*  
51 *1245-1246, 87 L.Ed. 1519 (1943); Leary v. United States, 395 U.S. 6, 29-53, 89 S.Ct. 1532, 1544-1557, 23*  
52 *L.Ed.2d. 57 (1969). Cf. Turner v. United States, 396 U.S. 398, 418-419, 90 S.Ct. 642, 653-654, 24 L.Ed.2d. 610*  
53 *(1970)."*  
54 [*Vlandis v. Kline, 412 U.S. 441 (1973)*]

1 “The Schlesinger Case has since been applied many times by the lower federal courts, by the Board of Tax  
2 Appeals, and by state courts;<sup>FN2</sup> and none of them seem to have been \*\*361 at any loss to understand the basis  
3 of the decision, namely, that a statute which imposes a tax upon an assumption of fact which the taxpayer is  
4 forbidden to controvert is so arbitrary and unreasonable that it cannot stand under the Fourteenth  
5 Amendment.”

6 [...]

7 ‘It is apparent,’ this court said in the Bailey Case ( 219 U.S. 239 , 31 S.Ct. 145, 151) ‘that a constitutional  
8 prohibition cannot be transgressed indirectly by the creation of a statutory presumption any more than it can be  
9 violated by direct enactment. The power to create presumptions is not a means of escape from constitutional  
10 restrictions.’  
11 [*Heiner v. Donnan*, 285 U.S. 312 (1932)]

12 Presumption may not be used in determining the meaning of a statute. Doing otherwise is a violation of due process, a  
13 violation of rights, and a religious sin under Numbers 15:30 (Bible). A person reading a statute cannot be required by  
14 statute or by “judge made law” to read anything into a Title of the U.S. Code that is not expressly spelled out. See:

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

15 The above rules of statutory construction were created in order to fulfill the intent of the founding fathers to avoid placing  
16 arbitrary discretion in the hands of anyone in the government, and especially the courts:

17 “It has been frequently remarked, with great propriety, that a voluminous code of laws is one of the  
18 inconveniences necessarily connected with the advantages of a free government. To avoid an arbitrary discretion  
19 in the courts, it is indispensable that they should be bound down by strict rules [of statutory construction and  
20 interpretation] and precedents, which serve to define and point out their duty in every particular case that  
21 comes before them; and it will readily be conceived from the variety of controversies which grow out of the folly  
22 and wickedness of mankind, that the records of those precedents must unavoidably swell to a very considerable  
23 bulk, and must demand long and laborious study to acquire a competent knowledge of them.”  
24 [*Federalist Paper No. 78*, Alexander Hamilton]

25 If you would like to learn more about how to argue against this unscrupulous, injurious, presumptuous, and illegal tactic by  
26 the government, see the following resources, a detailed analysis of the rules of statutory construction is contained in the  
27 following publication on our website:

Legal Deception, Propaganda, and Fraud, Form #05.014  
<http://sedm.org/Forms/FormIndex.htm>

28 If you want tools and techniques for combating the abuse of verbicide described in this section, then see:

- 29 1. The following form, which you can attach to any tax form and which defines all the terms on the form unambiguously  
30 so that you don’t become the victim of the injurious presumptions of others about your status:

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

- 31 2. The following form, which you can attach to your court pleadings which provides rules of presumption and definitions  
32 used during litigation in order to prevent presumption and abuse by the judge or other parties to the litigation:

Rules of Presumption and Statutory Interpretation, Litigation Tool #01.006  
<http://sedm.org/Litigation/LitIndex.htm>

### 31.4 Government “Benefits” constitute consideration under an implied franchise or quasi-contract between the government and the recipient<sup>339</sup>

False Argument: The receipt of government “benefits” of any kind creates an implied franchise or quasi-contract between the government and those receiving the benefit that is enforceable as a legal liability or duty under federal law.

Corrected Alternative Argument: Government “benefits” under the Social Security Act, 42 U.S.C. Chapter 7 identify themselves as “grants” and therefore GIFTS to states of the Union. Gifts are legally defined such that they CANNOT create an obligation on the part of the recipient.

Further information:

1. The Government “Benefits” Scam, Form #05.040  
<http://sedm.org/Forms/FormIndex.htm>
2. Government Instituted Slavery Using Franchises, Form #05.030  
<http://sedm.org/Forms/FormIndex.htm>

Those who refuse to accept [government franchises](#) and services and lawfully refuse to pay for these services are sometimes illegally prosecuted by zealous but *criminal* government attorneys for "willful failure to file" under [26 U.S.C. §7203](#) and "tax evasion" under [26 U.S.C. §7201](#). The government's offense in these cases is like a broken record:

*"Mr./Ms. \_\_\_\_\_ accepts the 'benefits' of living in this country but refuses to pay his/her 'fair share'. He/she is a LEECH and you ought to hang him!"*

For an example of the above such rhetoric from an actual criminal tax case, see:

Tax Protester Gets Federal Prison Time  
<http://famguardian.org/Subjects/Taxes/News/TPConv-030523.pdf>

We will prove in this section that all such arguments amount to FRAUD and their basis is to make the government UNEQUAL and SUPERIOR in relation to the citizen, thus destroying equal protection that is the foundation of the Constitution, and substituting a civil religion of socialist idolatry in its place as described below:

Socialism: The New American Civil Religion, Form #05.016  
<http://sedm.org/Forms/FormIndex.htm>

42 U.S.C. Chapter 7 identifies all federal “benefits” as “grants”. Here are a few examples:

1. SUBCHAPTER I—GRANTS TO STATES FOR OLD-AGE ASSISTANCE (§§ 301—306)
2. SUBCHAPTER III—GRANTS TO STATES FOR UNEMPLOYMENT COMPENSATION ADMINISTRATION (§§ 501—504)
3. SUBCHAPTER IV—GRANTS TO STATES FOR AID AND SERVICES TO NEEDY FAMILIES WITH CHILDREN AND FOR CHILD-WELFARE SERVICES (§§ 601—681\_to\_687)
4. SUBCHAPTER X—GRANTS TO STATES FOR AID TO BLIND (§§ 1201—1206)
5. SUBCHAPTER XIV—GRANTS TO STATES FOR AID TO PERMANENTLY AND TOTALLY DISABLED (§§ 1351—1355)
6. SUBCHAPTER XIX—GRANTS TO STATES FOR MEDICAL ASSISTANCE PROGRAMS (§§ 1396—1396w1)
7. SUBCHAPTER XX—BLOCK GRANTS TO STATES FOR SOCIAL SERVICES (§§ 1397—1397f)

The legal definition of “grant” is as follows:

*Grant. To bestow; to confer upon some one other than the person or entity which makes the grant. Porto Rico Ry., Light & Power Co. v. Colom, C.C.A.Puerto Rico, 106 F.2d. 345, 354. **To bestow or confer, with or without compensation, a gift or bestowal by one having control or authority over it, as of land or money.** Palmer v. U.S. Civil Service Commission, D.C.Ill., 191 F.Supp. 495, 537.*

<sup>339</sup> Source: *Flawed Tax Arguments to Avoid*, Form #08.004, Section 8.15; <http://sedm.org/Forms/FormIndex.htm>.

A conveyance; i.e. transfer of title by deed or other instrument. *Dearing v. Brush Creek Coal Co.*, 182 Tenn. 302, 186 S.W.2d. 329, 331. Transfer of property real or personal by deed or writing. *Commissioner of Internal Revenue v. Plestcheeff*, C.C.A.9, 100 F.2d. 62, 64, 65. A generic term applicable to all transfers of real property, including transfers by operation of law as well as voluntary transfers. *White v. Rosenthal*, 140 Cal. App. 184,35 P.2d. 154, 155. A technical term made use of in deeds of conveyance of lands to import a transfer.

A deed for an incorporeal interest such as a reversion. As distinguished from a mere license, a grant passes some estate or interest, corporeal or incorporeal, in the lands which it embraces.

To give or permit as a right or privilege; e.g. grant of route authority to a public carrier.

By the word "grant," in a treaty, is meant not only a formal grant, but any concession, warrant, order, or permission to survey, possess, or settle, whether written or parol, express, or presumed from possession. Such a grant may be made by law, as well as by a patent pursuant to a law. *Bryan v. Kennett*, 113 U.S. 179, 5 S.Ct. 407, 28 L.Ed. 908.

In England, an act evidenced by letters patent under the great seal, granting something from the king to a subject. [Black's Law Dictionary, Sixth Edition, pp. 699-799]

The statutory "States" identified above are not constitutional or sovereign States of the Union, but federal territories.

#### 1. Original 1935 Social Security Act Definition:

"The term State (except when used in section 531) includes Alaska, Hawaii, and the District of Columbia." [Social Security Act of 1935, Section 1101(a)(1).]

#### 2. Current Definition:

"(1) The term 'State', except where otherwise provided, includes the District of Columbia and the Commonwealth of Puerto Rico, and when used in titles IV, V, VII, XI, XIX, and XXI includes the Virgin Islands and Guam. Such term when used in titles III, IX, and XII also includes the Virgin Islands. Such term when used in title V and in part B of this title also includes American Samoa, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands. Such term when used in titles XIX and XXI also includes the Northern Mariana Islands and American Samoa. In the case of Puerto Rico, the Virgin Islands, and Guam, titles I, X, and XIV, and title XVI (as in effect without regard to the amendment made by section 301 of the Social Security Amendments of 1972<sup>[3]</sup>) shall continue to apply, and the term 'State' when used in such titles (but not in title XVI as in effect pursuant to such amendment after December 31, 1973) includes Puerto Rico, the Virgin Islands, and Guam. Such term when used in title XX also includes the Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands. Such term when used in title IV also includes American Samoa."

[42 U.S.C. §1301(a)(1)]

Hence, under the rules of statutory construction alone, neither the states of the Union nor the people domiciled therein and protected by the United States Constitution are LAWFULLY ALLOWED to participate in any federal franchise or "benefit" program.

"*Expressio unius est exclusio alterius*. A maxim of statutory interpretation meaning that the expression of one thing is the exclusion of another. *Burgin v. Forbes*, 293 Ky. 456, 169 S.W.2d. 321, 325; *Newblock v. Bowles*, 170 Okl. 487, 40 P.2d. 1097, 1100. Mention of one thing implies exclusion of another. When certain persons or things are specified in a law, contract, or will, an intention to exclude all others from its operation may be inferred. Under this maxim, if statute specifies one exception to a general rule or assumes to specify the effects of a certain provision, other exceptions or effects are excluded."

[Black's Law Dictionary, Sixth Edition, p. 581]

In fact, it is a criminal violation of the separation of powers doctrine to:

#### 1. Create or enforce any federal franchise or privilege within a constitutional state of the Union:

"Thus, Congress having power to regulate commerce with foreign nations, and among the several States, and with the Indian tribes, may, without doubt, provide for **granting** coasting **licenses**, licenses to pilots, licenses to trade with the Indians, and any other **licenses** necessary or proper for the exercise of that great and extensive power; and the same observation is applicable to every other power of Congress, to the exercise of which the granting of licenses may be incident. All such licenses confer authority, and give rights to the licensee.

But very different considerations apply to the **internal commerce** or **domestic trade** of the States. Over this commerce and trade Congress has **no power of regulation nor any direct control**. This power belongs **exclusively**

1 to the States. No interference by Congress with the business of citizens transacted within a State is warranted  
2 by the Constitution, except such as is strictly incidental to the exercise of powers clearly granted to the  
3 legislature. The power to authorize a business within a State is plainly repugnant to the exclusive power of the  
4 State over the same subject. It is true that the power of Congress to tax is a very extensive power. It is given in  
5 the Constitution, with only one exception and only two qualifications. Congress cannot tax exports, and it must  
6 impose direct taxes by the rule of apportionment, and indirect taxes by the rule of uniformity. Thus limited, and  
7 thus only, it reaches every subject, and may be exercised at discretion. But, it reaches only existing subjects.  
8 Congress cannot authorize [e.g. LICENSE, using a de facto license such as a Social Security Number or  
9 Taxpayer identification Number] a trade or business within a State in order to tax it."  
10 [License Tax Cases, 72 U.S. 462, 18 L.Ed. 497, 5 Wall. 462, 2 A.F.T.R. 2224 (1866)]

11 Note the use of the phrase "trade or business" by the U.S. Supreme Court, which has NEVER overruled the above  
12 ruling. And WHAT is the current income tax on? It is an excise tax on none other than a "trade or business", which is  
13 defined in 26 U.S.C. §7701(a)(26) as "the functions of a public office"...in the U.S. government and not state  
14 government. What could be plainer? Even if Social Security Numbers or Taxpayer Identification Numbers are not  
15 CALLED licenses, they presently behave as such, and the U.S. Supreme Court has also held that we must judge things  
16 by how they WORK, and not the way they are DESCRIBED.

- 17 2. Use federal franchises or their illegal enforcement to break down the separation of powers between the states of the  
18 Union and the federal government. See:

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

- 19 3. Include states of the Union within the definition of "State" within any federal law.  
20 4. Bribe states of the Union to surrender their sovereignty and thereby become UNEQUAL as parties to a federal  
21 franchise. This destroys equal protection that is the foundation of the United States Constitution.  
22 5. Allow a state of the Union to either become or to be for all intents and purposes, a federal territory subject to federal  
23 law or any law that only applies within exclusive federal jurisdiction. This would destroy all the rights of those  
24 domiciled therein, because the purpose of this separation, according to the U.S. Supreme Court, is to protect PRIVATE  
25 rights, meaning rights of those OTHER than the government.  
26 6. Bribe any official of a state with "benefits" in order to influence him to turn people under his or her care into public  
27 officers of the national government by condoning the filing of false information returns or the enforcement of federal  
28 law of a foreign state or foreign corporation against people under their care and protection. See: 18 U.S.C. §§201, 210,  
29 and 211.  
30 7. Allow any judge to rule on an income tax matter who is financially interested. This includes those state judges who  
31 collect federal "benefits" or whose pay and/or benefits derive from federal income taxes either directly or indirectly.  
32 This is a criminal bribery and this bribery was first implemented at the federal level unlawfully starting in 1939.  
33 8. Make any officer of a state government into a public officer in the federal government. All government franchises  
34 require those who participate to be public officers in the national government. Nearly all states of the Union have  
35 either a constitutional prohibition or a statutory prohibition against simultaneously serving in BOTH a state public  
36 office and a federal public office at the SAME TIME. Hence, it is ILLEGAL for public officers of a de jure  
37 constitutional state to participate in federal franchises or benefits of any kind. A survey of all 50 states for laws on this  
38 subject are contained in:

*SEDM Jurisdictions Database*, Litigation Tool #09.003  
<http://sedm.org/Litigation/LitIndex.htm>

39 It is not only a violation of the separation of powers doctrine, but a criminal offense to allow anyone in a constitutional state  
40 of the Union to participate in any federal "benefit" program or to use government identifying numbers as a "de facto license"  
41 to either establish or administer any federal franchise within a constitutional but not statutory state of the Union. See:

- 42 1. *Why It is Illegal for Me to Request or Use a "Taxpayer Identification Number"*, Form #04.205  
43 <http://sedm.org/Forms/FormIndex.htm>  
44 2. *Why You Aren't Eligible for Social Security*, Form #06.001  
45 <http://sedm.org/Forms/FormIndex.htm>  
46 3. *Resignation of Compelled Social Security Trustee*, Form #06.002. This form was sent to you certified mail and you  
47 didn't rebut it and therefore agree you are in violation of the law to allow me to participate in Social Security  
48 <http://sedm.org/Forms/FormIndex.htm>  
49 4. *About SSNs and TINs On Government Forms and Correspondence*, Form #05.012  
50 <http://sedm.org/Forms/FormIndex.htm>



To make matters MUCH worse, federal prosecutors use as their MAIN argument in tax prosecutions for “willful failure to file” or “tax evasion” the fact that the defendant collected these same “benefits” and yet did not pay their “fair share” for the cost of said benefits. To take this hypocritical and unconscionable approach is to:

1. Hypocritically treat a GIFT instead as a contract with strings attached AFTER receipt, which is FRAUD.
2. Make a business out destroying, regulating, and taxing rights that are incapable of being alienated and which it is a violation of fiduciary duty to alienate. An “unalienable right” is, in fact, that which by definition cannot be sold, bargained away, or transferred through ANY commercial process, including a franchise. This makes the public trust into a sham trust:

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

*“Unalienable. Inalienable; **incapable of being aliened, that is, sold and transferred [by ANY means].**”*  
[Black’s Law Dictionary, Fourth Edition, p. 1693]

3. Unconstitutionally deprive the recipient of “reasonable notice” of the conditions of the implied but not written contract. See:

Requirement for Reasonable Notice, Form #05.022  
<http://sedm.org/Forms/FormIndex.htm>

4. Illegally enforce federal law outside of federal territory.
5. Prejudicially add things to the definition of “State” through judicial or administrative fiat that do not in fact expressly appear in the act administering the benefit, and hence to engage in law-making power within the judicial branch in violation of the separation of powers and the rules of statutory construction:

*“**Expressio unius est exclusio alterius.** A maxim of statutory interpretation meaning that **the expression of one thing is the exclusion of another.** Burgin v. Forbes, 293 Ky. 456, 169 S.W.2d. 321, 325; Newblock v. Bowles, 170 Okl. 487, 40 P.2d. 1097, 1100. Mention of one thing implies exclusion of another. **When certain persons or things are specified in a law, contract, or will, an intention to exclude all others from its operation may be inferred.** Under this maxim, if statute specifies one exception to a general rule or assumes to specify the effects of a certain provision, other exceptions or effects are excluded.”*  
[Black’s Law Dictionary, Sixth Edition, p. 581]

6. Turn a society of law into a society of men and the policy of men, thus undermining any hope for the security of private rights.
7. Destroy the foundations of comity and federalism, which requires that even with consent of either states of the Union or the people in them, NO federal enforcement is allowed:

*“**comity. Courtesy; complaisance; respect; a willingness to grant a privilege, not as a matter of right, but out of deference and good will.** Recognition that one sovereignty allows within its territory to the legislative, executive, or judicial act of another sovereignty, having due regard to rights of its own citizens. Nowell v. Nowell, Tex.Civ.App., 408 S.W.2d. 550, 553. **In general, principle of “comity” is that courts of one state or jurisdiction will give effect to laws and judicial decisions of another state or jurisdiction, not as a matter of obligation, but out of deference and mutual respect.** Brown v. Babbitt Ford, Inc., 117 Ariz. 192, 571 P.2d. 689, 695. See also Full faith and credit clause.”*  
[Black’s Law Dictionary, Sixth Edition, p. 267]

8. Make the person paying the so-called “gift” into an Indian Giver, a HYPOCRITE, and a THIEF who abuses law to steal from people.

In addition, the whole notion of a “contract” or franchises that are also contracts, is MUTUAL and RECIPROCAL OBLIGATION.

***Contract.** An agreement between two or more [sovereign] persons which creates an obligation to do or not to do a particular thing. As defined in Restatement, Second, Contracts §3: “A contract is a promise or a set of promises for the breach of which the law gives a remedy, or the performance of which the law in some way recognizes as a duty.” **A legal relationships consisting of the rights and duties of the contracting parties; a promise or set of promises constituting an agreement between the parties that gives each a legal duty to the other and also the right to seek a remedy for the breach of those duties.** Its essentials are competent parties,*

subject matter, a legal consideration, mutuality of agreement, and mutuality of consideration. *Lamoureux v. Burrillville Racing Ass'n*, 91 R.I. 94, 161 A.2d. 213, 215.

Under U.C.C., term refers to total legal obligation which results from parties' agreement as affected by the Code. Section 1-201(11). As to sales, "contract" and "agreement" are limited to those relating to present or future sales of goods, and "contract for sale" includes both a present sale of goods and a contract to sell goods at a future time. U.C.C. §2-106(a).

The writing which contains the agreement of parties with the terms and conditions, and which serves as a proof of the obligation  
[Black's Law Dictionary, Sixth Edition, p. 322]

Contracts are not enforceable unless BOTH parties have some kind of express duty to each other that each regards as valuable consideration. We, for one, define EVERYTHING the present government does not as a "benefit", but an INJURY, and WE have to define it as a benefit before it can, in fact, legally constitute "consideration".

In fact, the U.S. Supreme Court admits that the national government has NO LEGAL OBLIGATION to pay you anything under any federal benefit program.

"We must conclude that a person covered by the Act has not such a right in benefit payments... This is not to say, however, that Congress may exercise its power to modify the statutory scheme free of all constitutional restraint."  
[Flemming v. Nestor, [363 U.S. 603](#) (1960)]

Hence:

1. To call it a "benefit" at all is deliberately deceptive at best and FRAUD at worst.
2. The government cannot, as a matter of equity, justly acquire ANY reciprocal right to any of your earnings to pay for the so-called "benefit".

If the government is not obligated to ANYTHING by giving you the gift, then you similarly cannot be obligated to PAY anyone anything for the gift in return and any statute administering such a program can NOT therefore acquire the "force of law" against you as a matter of equity. This same concept also applies to the federal income tax itself within I.R.C. Subtitles A through C. 31 U.S.C. §321(d) identifies ALL income taxes paid to the U.S. government as a "gift".

31 U.S.C. §321(d)

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

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

Now let's look at the surprising definition of the word "gift" in Black's Law Dictionary, Sixth Edition, p. 688:

Gift: A voluntary transfer of property to another made gratuitously and without consideration. *Bradley v. Bradley*, Tex.Civ.App., 540 S.W.2d. 504, 511. Essential requisites of "gift" are capacity of donor, intention of donor to make gift, completed delivery to or for donee, and acceptance of gift by donee.

In tax law, a payment is a gift if it is made without conditions, from detached and disinterested generosity, out of affection, respect, charity or like impulses, and **not from the constraining force of any moral or legal duty** or from the incentive of anticipated benefits of an economic nature.

And finally, let's look up the word "voluntary" from Black's Law Dictionary, Sixth Edition, p. 1575:

"Unconstrained by interference; unimpelled by another's influence; spontaneous; acting of oneself. *Coker v. State*, 199 Ga. 20, 33 S.E.2d 171, 174. Done by design or intention. Proceeding from the free and unrestrained

*will of the person. Produced in or by an act of choice. Resulting from free choice, **without compulsion or solicitation.** The word, especially in statutes, often implies knowledge of essential facts. Without valuable consideration; gratuitous, as a voluntary conveyance. Also, having a merely nominal consideration; as, a voluntary deed."*

You might then ask yourself WHY the government continues to prosecute famous personalities for alleged tax fraud or misconduct when in fact, they are prosecuting people for refusing to pay "gifts" to the U.S. government. The answer is that they have NO LEGAL AUTHORITY to do so in the case of I.R.C. Subtitles A through C. The statutes invoked to prosecute, in fact, only pertain to OTHER taxes under the I.R.C. They know this, and the unsuspecting sheep who fall prey to their ruse are gagged by their very own attorneys from raising this issue in court to keep the Ponzi scheme and "confidence game" going. Some immoral judges even collude with government prosecutors to obstruct justice by making such cases or the evidence unpublished to cover up their own criminal conspiracy against your rights. Some victims of this corruption allege that there is more organized crime in the courts daily than all the rest of the country combined. They may be right. The "organizers" of this secretive criminal cabal and syndicate are the people who, instead of protecting you, only protect their own "protection racket" under the "color" but without the actual authority of positive law. Secretive in camera meetings between judges and government prosecutors and "selective enforcement" by the IRS against judges that both represent a conflict of interest and a criminal conspiracy against your rights, are the method of perpetuating a massive fraud upon the unsuspecting American public. For details, see:

1. Federal Jurisdiction, Form #05.018  
<http://sedm.org/Forms/FormIndex.htm>
2. Federal Enforcement Authority Within States of the Union, Form #05.032  
<http://sedm.org/Forms/FormIndex.htm>
3. Legal Requirement to File Federal Income Tax Returns, Form #05.009  
<http://sedm.org/Forms/FormIndex.htm>

If you would like to know more about how prosecutors and judges conspire against your rights to convert a "gift" into a quasi-contractual obligation to pay "protection money" to a "protection racket" and how to respond to it, please read:

The Government "Benefits" Scam, Form #05.040  
<http://sedm.org/Forms/FormIndex.htm>

### **31.5 Constitutional "people" and statutory "persons" are equivalent<sup>340</sup>**

False Argument: Constitutional "people" and statutory "persons" are equivalent.

Corrected Alternative Argument: Constitutional "persons" and "citizens" are humans ONLY. Statutory "persons" and "citizens" are fictions of law and consist of only offices, creations, and franchises of Congress. Statutory statuses may only be invoked in a franchise court under the terms granted by the franchise itself. Corporations and franchisees have ONLY the PUBLIC rights attributed to them by Congress. Otherwise, they have no legal existence at all. The acceptance or invocation of a franchise status by a HUMAN constitutes a waiver of sovereign immunity under the franchise and removes the protections of equity and the common law from the party.

Further information:

1. Why You are a "national", "state national", and Constitutional but not Statutory Citizen, Form #05.006, Section 3  
<http://sedm.org/Forms/FormIndex.htm>
2. Government Instituted Slavery Using Franchises, Form #05.030, Section 3.11  
<http://sedm.org/Forms/FormIndex.htm>
3. Corporatization and Privatization of the Government, Form #05.024, Section 3: Legal standing and status of corporations in federal court  
<http://sedm.org/Forms/FormIndex.htm>

<sup>340</sup> Source: *Flawed Tax Arguments to Avoid*, Form #08.004, Section 8.16; <http://sedm.org/Forms/FormIndex.htm>.

A popular argument or assumption made by judges and prosecutors is that a human being and a corporation are BOTH “persons” under the Internal Revenue Code or any other federal statute. They are NOT. In fact:

1. The ONLY “person” mentioned in the Constitution are HUMAN BEINGS and NOT corporations.
2. “person” is defined in 26 U.S.C. §6671(b) and 26 U.S.C. §7343 as an officer or employee of a corporation or partnership.
  - 2.1. The corporation has to be a federal and not state corporation.
  - 2.2. The only partnership described in that section is a partnership between a PRIVATE entity and the national but not state government. Otherwise, it is repugnant, according to the U.S. Supreme Court, to regulate or legislate against PRIVATE rights.
3. Only human beings can sue OTHER human beings in an Article III federal court.
4. If one of the parties in federal court is a corporation and the other is a human being, then the only type of court that can hear the dispute is an Article I or Article IV franchise court in the Executive rather than Legislative branch if the defendant is the corporation rather than individual people in the corporation.
5. Since the United States is a corporation, then it is NOT a “citizen” or “person” within the meaning of the Constitution.
6. The only “citizens” under statutory law are officers in the government and the status of “citizen” is a congressionally created privileged franchise status that has NOTHING to do with constitutional “persons” or “citizens”.

Let us now proceed to prove the above in the rest of this section.

Provisions of the United States Constitution dealing with the capacity to sue or be sued in federal court dictate that ONLY CONSTITUTIONAL “citizens” or “residents” may entertain suits in Article III federal court.

*U.S. Constitution, Article III, Section 2*

*The judicial Power shall extend to all Cases, in Law and Equity, arising under this Constitution, the Laws of the United States, and Treaties made, or which shall be made, under their Authority;--to all Cases affecting Ambassadors, other public ministers and Consuls;--to all Cases of admiralty and maritime Jurisdiction;--to Controversies to which the United States shall be a Party;--to Controversies between two or more States;-- between a State and Citizens of another State;--between Citizens of different States;--between Citizens of the same State claiming Lands under Grants of different States, and between a State, or the Citizens thereof, and foreign States, Citizens or Subjects.*

The U.S. Supreme Court has repeatedly held that the “citizen” or “resident” they are talking about in the above provision is CONSTITUTIONAL and not STATUTORY in nature.

*It is important that the style and character of this party litigant, as well as the source and manner of its existence, be borne in mind, as both are deemed material in considering the question of the jurisdiction of this court, and of the Circuit Court. It is important, too, to be remembered, that the question here raised stands wholly unaffected by any legislation, competent or incompetent, which may have been attempted in the organization of the courts of the United States; but depends exclusively upon the construction of the 2d section of the 3d article of the Constitution, which defines the judicial power of the United States; first, with respect to the subjects embraced within that power; and, secondly, with respect to those whose character may give them access, as parties, to the courts of the United States. In the second branch of this definition, we find the following enumeration, as descriptive of those whose position, as parties, will authorize their pleading or being impleaded in those courts; and this position is limited to "controversies to which the United States are a party; controversies 97\*97 between two or more States, — between citizens of different States, — between citizens of the same State, claiming lands under grants of different States, — and between the citizens of a State and foreign citizens or subjects."*

*Now, it has not been, and will not be, pretended, that this corporation can, in any sense, be identified with the United States, or is endowed with the privileges of the latter; or if it could be, it would clearly be exempted from all liability to be sued in the Federal courts. Nor is it pretended, that this corporation is a State of this Union; nor, being created by, and situated within, the State of New Jersey, can it be held to be the citizen or subject of a foreign State. It must be, then, under that part of the enumeration in the article quoted, which gives to the courts of the United States jurisdiction in controversies between citizens of different States, that either the Circuit Court or this court can take cognizance of the corporation as a party; and this is, in truth, the sole foundation on which that cognizance has been assumed, or is attempted to be maintained. The proposition, then, on which the authority of the Circuit Court and of this tribunal is based, is this: The Delaware and Raritan Canal Company is either a citizen of the United States, or it is a citizen of the State of New Jersey. This proposition, startling as its terms may appear, either to the legal or political apprehension, is undeniably the basis of the jurisdiction asserted in this case, and in all others of a similar character, and must be established, or that jurisdiction wholly fails. Let this proposition be examined a little more closely.*

The term citizen will be found rarely occurring in the writers upon English law; those writers almost universally adopting, as descriptive of those possessing rights or sustaining obligations, political or social, the term subject, as more suited to their peculiar local institutions. But, in the writers of other nations, and under systems of polity deemed less liberal than that of England, we find the term citizen familiarly reviving, and the character and the rights and duties that term implies, particularly defined. Thus, Vattel, in his 4th book, has a chapter, (cap. 6th,) the title of which is: "The concern a nation may have in the actions of her citizens." A few words from the text of that chapter will show the apprehension of this author in relation to this term. "Private persons," says he, "who are members of one nation, may offend and ill-treat the citizens of another; it remains for us to examine what share a state may have in the actions of her citizens, and what are the rights and obligations of sovereigns in that respect." And again: "Whoever uses a citizen ill, indirectly offends the state, which is bound to protect this citizen." **The meaning of the term citizen 98\*98 or subject, in the apprehension of English jurists, as indicating persons in their natural character, in contradistinction to artificial or fictitious persons created by law, is further elucidated by those jurists, in their treatises upon the origin and capacities and objects of those artificial persons designated by the name of corporations.** Thus, Mr. Justice Blackstone, in the 18th chapter of his 1st volume, holds this language: "We have hitherto considered persons in their natural capacities, and have treated of their rights and duties. **But, as all personal rights die with the person; and, as the necessary forms of investing a series of individuals, one after another, with the same identical rights, would be inconvenient, if not impracticable; it has been found necessary, when it is for the advantage of the public to have any particular rights kept on foot and continued, to constitute artificial persons, who maintain a perpetual succession, and enjoy a kind of legal immortality. These artificial persons are called corporations.**"

This same distinguished writer, in the first book of his Commentaries, p. 123, says, "The rights of persons are such as concern and are annexed to the persons of men, and when the person to whom they are due is regarded, are called simply rights; but when we consider the person from whom they are due, they are then denominated, duties." And again, cap. 10th of the same book, treating of the PEOPLE, he says, "The people are either aliens, that is, born out of the dominions or allegiance of the crown; or natives, that is, such as are born within it." Under our own systems of polity, the term, citizen, implying the same or similar relations to the government and to society which appertain to the term, subject, in England, is familiar to all. **Under either system, the term used is designed to apply to man in his individual character, and to his natural capacities; to a being, or agent, possessing social and political rights, and sustaining, social, political, and moral obligations. It is in this acceptance only, therefore, that the term, citizen, in the article of the Constitution, can be received and understood. When distributing the judicial power, that article extends it to controversies between citizens of different States. This must mean the natural physical beings composing those separate communities, and can, by no violence of interpretation, be made to signify artificial, incorporeal, theoretical, and invisible creations. A corporation, therefore, being not a natural person, but a mere creature of the mind, invisible and intangible, cannot be a citizen of a State, or of the United States, and cannot fall within the terms or the power of the above-mentioned article, and can therefore neither plead nor be impleaded in the courts of the United States.** Against this position it may be urged, that the 99\*99 converse thereof has been ruled by this court, and that this matter is no longer open for question. In answer to such an argument, I would reply, that this is a matter involving a construction of the Constitution, and that wherever the construction or the integrity of that sacred instrument is involved, I can hold myself trammelled by no precedent or number of precedents. That instrument is above all precedents; and its integrity every one is bound to vindicate against any number of precedents, if believed to trench upon its supremacy. Let us examine into what this court has propounded in reference to its jurisdiction in cases in which corporations have been parties; and endeavor to ascertain the influence that may be claimed for what they have heretofore ruled in support of such jurisdiction. The first instance in which this question was brought directly before this court, was that of the Bank of the [United States v. Deveaux](#), 5 Cranch, 61. An examination of this case will present a striking instance of the error into which the strongest minds may be led, whenever they shall depart from the plain, common acceptance of terms, or from well ascertained truths, for the attainment of conclusions, which the subtlest ingenuity is incompetent to sustain. **This criticism upon the decision in the case of the Bank v. Deveaux, may perhaps be shielded from the charge of presumptuousness, by a subsequent decision of this court, hereafter to be mentioned. In the former case, the Bank of the United States, a corporation created by Congress, was the party plaintiff, and upon the question of the capacity of such a party to sue in the courts of the United States, this court said, in reference to that question, "The jurisdiction of this court being limited, so far as respects the character of the parties in this particular case, to controversies between citizens of different States, both parties must be citizens, to come within the description. That invisible, intangible, and artificial being, that mere legal entity, a corporation aggregate, is certainly not a citizen, and consequently cannot sue or be sued in the courts of the United States, unless the rights of the members in this respect can be exercised in their corporate name. If the corporation be considered as a mere faculty, and not as a company of individuals, who, in transacting their business, may use a legal name, they must be excluded from the courts of the Union."** The court having shown the necessity for citizenship in both parties, in order to give jurisdiction; having shown farther, from the nature of corporations, their absolute incompatibility with citizenship, attempts some qualification of these indisputable and clearly stated positions, which, if intelligible at all, must be taken as wholly subversive of the positions so laid down. After stating the requisite of citizenship, and showing that a corporation 100\*100 cannot be a citizen, "and consequently that it cannot sue or be sued in the courts of the United States," the court goes on to add, "unless the rights of the members can be exercised in their corporate name." Now, it is submitted that it is in this mode only, viz. in their corporate name, that the rights of the members can be exercised; that it is this which constitutes the character, and being, and functions of a corporation. If it is meant beyond this, that each member, or the separate members, or a portion of them, can take to themselves the character and functions of the aggregate and merely legal being, then the corporation would be dissolved; its unity and perpetuity, the essential features of its nature, and the great objects of its existence, would be at an end. It would present the anomaly of a being existing and not existing at the same time. This strange and obscure qualification, attempted by the court, of the clear, legal principles previously announced by



1 them, forms the introduction to, and apology for, the proceeding, adopted by them, by which they undertook to  
2 adjudicate upon the rights of the corporation, through the supposed citizenship of the individuals interested in  
3 that corporation. They assert the power to look beyond the corporation, to presume or to ascertain the residence  
4 of the individuals composing it, and to model their decision upon that foundation. In other words, they affirm that  
5 in an action at law, the purely legal rights, asserted by one of the parties upon the record, may be maintained by  
6 showing or presuming that these rights are vested in some other person who is no party to the controversy before  
7 them.

8 Thus stood the decision of the Bank of the United States v. Deveaux, wholly irreconcilable with correct definition,  
9 and a puzzle to professional apprehension, until it was encountered by this court, in the decision of the Louisville  
10 and Cincinnati Railroad Company v. Letson, reported in 2 Howard, 497. In the latter decision, the court, unable  
11 to untie the judicial entanglement of the Bank and Deveaux, seem to have applied to it the sword of the conqueror;  
12 but, unfortunately, in the blow they have dealt at the ligature which perplexed them, they have severed a portion  
13 of the temple itself. They have not only contravened all the known definitions and adjudications with respect to  
14 the nature of corporations, but they have repudiated the doctrines of the civilians as to what is imported by the  
15 term subject or citizen, and repealed, at the same time, that restriction in the Constitution which limited the  
16 jurisdiction of the courts of the United States to controversies between "citizens of different States." They have  
17 asserted that, "a corporation created by, and transacting business in a State, is to be deemed an inhabitant of the  
18 State, capable of being treated 101\*101 as a citizen, for all the purposes of suing and being sued, and that an  
19 averment of the facts of its creation, and the place of transacting its business, is sufficient to give the circuit courts  
20 jurisdiction.

21 The first thing which strikes attention, in the position thus affirmed, is the want of precision and perspicuity in its  
22 terms. The court affirm that a corporation created by, and transacting business within a State, is to be deemed  
23 an inhabitant of that State. But the article of the Constitution does not make inhabitancy a requisite of the  
24 condition of suing or being sued; that requisite is citizenship. Moreover, although citizenship implies the right  
25 of residence, the latter by no means implies citizenship. Again, it is said that these corporations may be treated  
26 as citizens, for the purpose of suing or being sued. Even if the distinction here attempted were comprehensible, it  
27 would be a sufficient reply to it, that the Constitution does not provide that those who may be treated as citizens,  
28 may sue or be sued, but that the jurisdiction shall be limited to citizens only; citizens in right and in fact. The  
29 distinction attempted seems to be without meaning, for the Constitution or the laws nowhere define such a  
30 being as a quasi citizen, to be called into existence for particular purposes; a being without any of the attributes  
31 of citizenship, but the one for which he may be temporarily and arbitrarily created, and to be dismissed from  
32 existence the moment the particular purposes of his creation shall have been answered. In a political, or legal  
33 sense, none can be treated or dealt with by the government as citizens, but those who are citizens in reality. It  
34 would follow, then, by necessary induction, from the argument of the court, that as a corporation must be treated  
35 as a citizen, it must be so treated to all intents and purposes, because it is a citizen. Each citizen (if not under old  
36 governments) certainly does, under our system of polity, possess the same rights and faculties, and sustain the  
37 same obligations, political, social, and moral, which appertain to each of his fellow-citizens. As a citizen, then,  
38 of a State, or of the United States, a corporation would be eligible to the State or Federal legislatures; and if  
39 created by either the State or Federal governments, might, as a native-born citizen, aspire to the office of  
40 President of the United States — or to the command of armies, or fleets, in which last example, so far as the  
41 character of the commander would form a part of it, we should have the poetical romance of the spectre ship  
42 realized in our Republic. And should this incorporeal and invisible commander not acquit himself in color or in  
43 conduct, we might see him, provided his arrest were practicable, sent to answer his delinquencies before a court-  
44 martial, and subjected to the penalties 102\*102 of the articles of war. Sir Edward Coke has declared, that a  
45 corporation cannot commit treason, felony, or other crime; neither is it capable of suffering a traitor's or felon's  
46 punishment; for it is not liable to corporeal penalties — that it can perform no personal duties, for it cannot take  
47 an oath for the due execution of an office; neither can it be arrested or committed to prison, for its existence being  
48 ideal, no man can arrest it; neither can it be excommunicated, for it has no soul. But these doctrines of Lord Coke  
49 were founded upon an apprehension of the law now treated as antiquated and obsolete. His lordship did not  
50 anticipate an improvement by which a corporation could be transformed into a citizen, and by that transformation  
51 be given a physical existence, and endowed with soul and body too. The incongruities here attempted to be shown  
52 as necessarily deducible from the decisions of the cases of the Bank of the United States v. Deveaux, and of the  
53 Cincinnati and Louisville Railroad Company v. Letson, afford some illustration of the effects which must ever  
54 follow a departure from the settled principles of the law. These principles are always traceable to a wise and  
55 deeply founded experience; they are, therefore, ever consentaneous, and in harmony with themselves and with  
56 reason; and whenever abandoned as guides to the judicial course, the aberration must lead to bewildering  
57 uncertainty and confusion. Conducted by these principles, consecrated both by time and the  
58 obedience of sages, I am brought to the following conclusions: 1st. That by no sound or  
59 reasonable interpretation, can a corporation — a mere faculty in law, be transformed  
60 into a citizen, or treated as a citizen. 2d. That the second section of the third article of  
61 the Constitution, investing the courts of the United States with jurisdiction in  
62 controversies between citizens of different States, cannot be made to embrace  
63 controversies to which corporations and not citizens are parties; and that the  
64 assumption, by those courts, of jurisdiction in such cases, must involve a palpable  
65 infraction of the article and section just referred to. 3d. That in the cause before us, the  
66 party defendant in the Circuit Court having been a corporation aggregate, created by the

State of New Jersey, the Circuit Court could not properly take cognizance thereof; and, therefore, this cause should be remanded to the Circuit Court, with directions that it be dismissed for the want of jurisdiction.

[Rundle Et Al v. Delaware and Raritan Canal Company, 55 U.S. 80 (1852)]

In law, all corporations are considered to be statutory but not constitutional “citizens” or “residents” of the place they were incorporated and of that place ONLY:

*"A corporation is a citizen, resident, or inhabitant of the state or country by or under the laws of which it was created, and of that state or country only."*

[19 Corpus Juris Secundum (C.J.S.), Corporations, §886 (2003)]

"It is very true that a corporation can have no legal existence [STATUS such as STATUTORY “citizen” or “resident”] out of the boundaries of the sovereignty by which it is created. It exists only in contemplation of law, and by force of the law; and where the law ceases to operate, and is no longer obligatory, the corporation can have no existence. It must dwell in the place of its creation, and cannot migrate to another sovereignty."

[Bank of Augusta v. Earle, 38 U.S. (13 Pet.) 519, 10 L.Ed. 274 (1839)]

Statutory citizenship, however, does not derive from citizenship under the constitution of a state of the Union. The types of “citizens” spoken of in the United States Constitution are ONLY biological people and not artificial creations such as corporations. Here is what the Annotated Fourteenth Amendment published by the Congressional Research Service has to say about this subject:

*“Citizens of the United States within the meaning of this Amendment must be natural and not artificial persons; a corporate body is not a citizen of the United States.”<sup>14</sup>*

<sup>14</sup> Insurance Co. v. New Orleans, 13 Fed.Cas. 67 (C.C.D.La. 1870). Not being citizens of the United States, corporations accordingly have been declared unable "to claim the protection of that clause of the Fourteenth Amendment which secures the privileges and immunities of citizens of the United States against abridgment or impairment by the law of a State." Orient Ins. Co. v. Daggs, 172 U.S. 557, 561 (1869). This conclusion was in harmony with the earlier holding in Paul v. Virginia, 75 U.S. (8 Wall.) 168 (1869), to the effect that corporations were not within the scope of the privileges and immunities clause of state citizenship set out in Article IV, Sec. 2. See also Selover, Bates & Co. v. Walsh, 226 U.S. 112, 126 (1912); Berea College v. Kentucky, 211 U.S. 45 (1908); Liberty Warehouse Co. v. Tobacco Growers, 276 U.S. 71, 89 (1928); Grosjean v. American Press Co., 297 U.S. 233, 244 (1936).

[Annotated Fourteenth Amendment, Congressional Research Service.

SOURCE: [http://www.law.cornell.edu/anncon/html/amdt14a\\_user.html#amdt14a\\_hd1](http://www.law.cornell.edu/anncon/html/amdt14a_user.html#amdt14a_hd1)]

We also prove that statutory “citizen” and “resident” status is a franchise status that has nothing to do with the domicile of the parties in the following:

Why You are a “national”, “state national”, and Constitutional but not Statutory Citizen, Form #05.006, Section 3  
<http://sedm.org/Forms/FormIndex.htm>

Those who wish to retain their constitutional and natural rights and approach everyone in equity and without the legal disabilities of the franchise contract or agreement may NOT accept or invoke the “benefits”, statuses, privileges, or protections of any government civil franchise or civil statutory law. Civil statutory law, or jus civile, can only apply to CONSENTING statutory citizens. Nonresidents are not subject. The rest of this section explains why.

American Jurisprudence is implemented with two types of civil law:

1. Civil statutory law. The civil statutory law, or what the ancients called “jus civile” is a civil protection franchise applicable only to parties who consent to become statutory “citizens” or “residents”. It is a protection franchise in which the government is the “grantor” or “parens patriae” and has a superior and unequal relationship to the parties because it can penalize them but they cannot penalize the government.

2. Common law. Available to all physically present on the land, regardless of their civil “status”. All disputes are in equity and are intended to protect ONLY PRIVATE rights.

Consonant with the above, we prove in the following document that the civil statutory law only applies to public officers within the government, and that a statutory “citizen”, “resident”, “person”, or “individual” is really just a public officer within the government and not a man or woman.

Why Statutory Civil Law is Law for Government and Not Private Persons, Form #05.037  
<http://sedm.org/Forms/FormIndex.htm>

To be subject to the “jus civile”, one therefore has to volunteer for a public office in the government called “citizen” or “resident” by identifying oneself as such a government forms.

The common law was first implemented in Rome centuries ago. A classical book on the common law recognizes WHY the common law was invented, which was to right the INJUSTICE caused by the INEQUALITY present under the jus civile, or civil statutory law.

#### Chapter II: The Civil and the Common Law

29. In the original civil law, jus civile, was exclusively for Roman citizens; it was not applied in controversies between foreigners. But as the number of foreigners increased in Rome it became necessary to find some law for deciding disputes among them. For this the Roman courts hit upon a very singular expedient. Observing that all the surrounding peoples with whom they were acquainted had certain principles of law in common, they took those common principles as rules of decision for such cases, and to the body of law thus obtained they gave the name of Jus gentium. The point on which the jus gentium differed most noticeably from the Jus civile was its simplicity and disregard of forms. All archaic law is full of forms, ceremonies and what to a modern mind seem useless and absurd technicalities. This was true of the [civil] law of old Rome. In many cases a sale, for instance, could be made only by the observance of a certain elaborate set of forms known as mancipation; if any one of these was omitted the transaction was void. And doubtless the laws of the surrounding peoples had each its own peculiar requirements. But in all of them the consent of the parties to transfer the ownership for a price was required. The Roman courts therefore in constructing their system of Jus gentium fixed upon this common characteristic and disregarded the local forms, so that a sale became the simplest affair possible.

30. After the conquest of Greece, the Greek philosophy made its way to Rome, and stoicism in particular obtained a great vogue among the lawyers. With it came the conception of natural law (Jus naturale) or the law of nature (jus naturae); to live according to nature was the main tenet of the stoic morality. The idea was of some simple principle or principles from which, if they could be discovered, a complete, systematic and equitable set of rules of conduct could be deduced, and the unfortunate departure from which by mankind generally was the source of the confusion and injustice that prevailed in human affairs. To bring their own law into conformity with the law of nature became the aim of the Roman jurists, and the praetor's edict and the responses were the instruments which they used to accomplish this. Simplicity and universality they regarded as marks of natural law, and since these were exactly the qualities which belonged to the jus gentium, it was no more than natural that the two should to a considerable extent be identified. The result was that under the name of natural law principles largely the same as those which the Roman courts had for a long time been administering between foreigners permeated and transformed the whole Roman law.

The way in which this was at first done was by recognizing two kinds of rights, rights by the civil law and rights by natural law, and practically subordinating the former to the latter. Thus if Caius was the owner of a thing by the civil law and Titius by natural law, the courts would not indeed deny up and down the right of Caius. They admitted that he was owner; but they would not permit him to exercise his legal right to the prejudice of Titius, to whom on the other hand they accorded the practical benefits of ownership; and so by taking away the legal owner's remedies they practically nullified his right. Afterwards the two kinds of laws were more completely consolidated, the older civil law giving way to the law of nature when the two conflicted. This double system of rights in the Roman law is of importance to the student of the English law, because a very similar dualism arose and still exists in the latter, whose origin is no doubt traceable in part to the influence of Roman ideas.

[An Elementary Treatise on the Common Law for the Use of Students, Henry T. Terry, The Maruzen-Kabushiki-Kaisha, 1906, pp. 18-20]

Note the key reference above to “systematic and equitable set of rules” and a characterization of the jus civile as being a source of INJUSTICE. Equitable means EQUAL. To wit:

“The idea was of some simple principle or principles from which, if they could be discovered, a complete, systematic and equitable set of rules of conduct could be deduced, and the unfortunate departure from which by mankind generally was the source of the confusion and injustice that prevailed in human affairs.”

Roman law, characterized above as “the source of confusion and injustice that prevailed in human affairs”, recognized only TWO classes of civil persons: statutory “citizens” and “foreigners”. Only those who consented to become statutory “citizens” or “residents” could become the lawful subject of the jus civile or civil, which was the statutory civil law. Those who were **not** statutory “citizens” or “residents” under the Roman civil law, which today means those with a civil domicile within the territory of the author and grantor of the civil law, were regarded as:

1. “Foreigners”.
2. Not subject to the jus civile or statutory Roman Law.
3. Subject only to the common law, which was called jus gentium.

Note also that the above treatise characterizes TWO classes of rights: Civil rights and Natural rights. Today, these rights are called PUBLIC rights and PRIVATE rights respectively by the courts in order to distinguish them. Public rights, in turn, are granted only to statutory “citizens” or “residents” who consented to become citizens or residents under the civil statutory law. The civil statutory law, or jus civile, therefore functions in essence as a franchise contract or compact that creates and grants ONLY public rights. Those who do not join the social compact by consenting to become statutory “citizens” therefore are relegated to being protected by natural law and common law, which is much more just and equitable.

Note the emphasis in the above upon the concept that everything exchanged must be paid for:

*“And doubtless the laws of the surrounding peoples had each its own peculiar requirements. But in all of them the consent of the parties to transfer the ownership for a price was required.”*

The concept we emphasize in the above cite is that the PUBLIC rights attached to the status of “citizen” under the Roman jus civile or statutory law constituted property that could not be STOLEN from those who did not consent to become “citizens” or to accept the “benefits” or “privileges” of statutory citizenship. Such a THEFT by government of otherwise PRIVATE or NATURAL rights would amount to an unconstitutional eminent domain by the government by converting PRIVATE rights into PUBLIC rights without the consent of the owner and without compensation. It is THIS theft that the above book on the common law characterizes as “the source of the confusion and injustice that prevailed in human affairs.” The only thing they could be referring to when describing the “injustice that prevailed” was the system of law BEFORE the common law came along, which was the jus civile or civil statutory law. The common law was therefore the REMEDY for injustice and INEQUALITY produced by the civil statutory law.

Hence, the only way that justice is possible in the courtroom is when:

1. The common law ONLY is invoked.
2. No statutory civil law is cited or enforced by or against any of the parties. Indirectly, this means that none of the parties have any civil status under the civil statutory law, including but not limited to “person”, “citizen”, “resident”, “taxpayer”, etc.
3. All parties are EQUAL in every respect.
4. Whatever rights the judge or government claims all parties also have. This is a byproduct of the fact that our government is one of delegated powers, and The Sovereign People cannot delegate ANY authority to any government or government actor, including judges, that they themselves don’t ALSO possess personally and individually. This was covered in the previous section.
5. The government cannot penalize you unless you ALSO can penalize them.
6. The judge is a referee or coach, but does not have a superior position to anyone else in the room or supervise anyone else in the room through, for instance, attorney licensing or penalties.
7. Every party asserting a civil obligation on the part of another party has the burden of proving that the party against whom the right is enforced EXPRESSLY consented to give up the specific property at issue through informed, written, voluntary consent. Otherwise, all rights are presumed to be EXCLUSIVELY PRIVATE and therefore beyond the civil control of government.

Those who invoke any franchise or franchise status will INSTANTLY forfeit access to any and all of the above remedies, as acknowledged by the U.S. Supreme Court:

*The words “privileges” and “immunities,” like the greater part of the legal phraseology of this country, have been carried over from the law of Great Britain, and recur constantly either as such or in equivalent expressions from the time of Magna Charta. **For all practical purposes they are synonymous in meaning, and originally signified a peculiar right or private law conceded to particular persons or places whereby a certain individual or class***



1 *of individuals was exempted from the rigor of the common law. Privilege or immunity is conferred upon any*  
2 *person when he is invested with a legal claim to the exercise of special or peculiar rights, authorizing him to*  
3 *enjoy some particular advantage or exemption. See Magill v. Browne, Fed.Cas. No. 8952, 16 Fed.Cas. 408; 6*  
4 *Words and Phrases, 5583, 5584; A J. Lien, "Privileges and Immunities of Citizens of the United States," in*  
5 *Columbia University Studies in History, Economics, and Public Law, vol. 54, p. 31.*  
6 *[Paul v. Virginia, 8 Wall. 168, 19 L.Ed. 357]*

7 It therefore ought to be obvious that any and all in the government who "benefit" from the lucrative proceeds produced by  
8 their civil statutory law franchise has a vested financial interest to interfere with the invocation or enforcement of the common  
9 law by those who do not want to participate in the civil statutory law as "citizens" or "residents". That financial interest is,  
10 in fact, a CRIME under 18 U.S.C. §208 if they receive the proceeds of the franchise and are hearing a case involving a non-  
11 franchisee. Governments are established exclusively to protect PRIVATE rights and PRIVATE property. Any attempt to  
12 undermine such rights without the express written consent of the owner in each case is not only NOT a classical "government"  
13 function, but is an ANTI-government function that amounts to a MAFIA "protection racket". They will attempt to do this by  
14 any of the following UNCONSTITUTIONAL, CRIMINAL, INJURIOUS, and MALICIOUS means:

- 15 1. Refusing to recognize or protect PRIVATE property or PRIVATE rights, the essence of which is the RIGHT TO  
16 EXCLUDE anyone and everyone from using or benefitting from the use of the property.
- 17 2. PRESUMING that "a government OF THE PEOPLE, BY THE PEOPLE, and FOR THE PEOPLE" is a government in  
18 which everyone is a [public officer](#).
- 19 3. Refusing to recognize or allow constitutional remedies and instead substituting STATUTORY remedies available only  
20 to [public officers](#).
- 21 4. Interfering with introduction of evidence that the court or forum is ONLY allowed to hear disputes involving [public](#)  
22 [officers in the government](#).
- 23 5. PRESUMING or ASSUMING that the ownership of the property subject to dispute is QUALIFIED rather than  
24 ABSOLUTE and that the party the ownership is shared with is the government.
- 25 6. Allowing government "benefit" recipients to be decision makers in cases involving PRIVATE rights. This is a denial  
26 of a republican form of government, which is founded on impartial decision makers. See [Sinking Fund Cases, 99 U.S.](#)  
27 [700 \(1878\)](#).
- 28 7. Interfering with or sanctioning litigants who insist on discussing the laws that have been violated in the courtroom or  
29 prohibiting jurists from reading the laws in question or accessing the law library in the courthouse while serving as  
30 jurists. This transforms a society of law into a society of men and allows the judge to substitute HIS will in place of  
31 what the law expressly requires.
- 32 8. Illegally and unconstitutionally invoking the Declaratory Judgments Act (28 U.S.C. §2201) or the Anti-Injunction Act  
33 (26 U.S.C. §7421) as an excuse to NOT protect PRIVATE rights from government interference in the case of  
34 EXCLUSIVELY PRIVATE [people who are NOT statutory "taxpayers"](#). See [Flawed Tax Arguments to Avoid, Form](#)  
35 [#08.004, Sections 8.11 and 8.12](#).
- 36 9. Interfering with ways to change or correct your citizenship or statutory status in government records. That "status" is  
37 the "res" to which all franchise rights attach, usually ILLEGALLY.

## 38 **32 Simple reforms that will prevent most of the government abuses described in this document**

39 The following list of basic reforms of the administrative and legal systems would prevent most of the government abuses in  
40 this document. These reforms would maximize the protection of private rights and property and prevent private from being  
41 converted to public without evidence of express consent on the record of any and every administrative and legal interaction  
42 with government:

- 43 1. Each and every franchise must be self-supporting and self-sustaining. That means income taxes cannot be spent on  
44 Social Security payments and vice versa. This also prevents "bundling" of franchises.
- 45 2. Those offering the franchise must be legally LIABLE under the common law and not statute law to pay the "benefits"  
46 they claim you are eligible for. Sovereign, official, or judicial immunity may not be asserted as a defense for not  
47 paying.
- 48 3. All terms on government forms shall conclusively be presumed to have the COMMON LAW and PRIVATE meaning  
49 rather than the STATUTORY meaning in every disputed enforcement, until the GOVERNMENT conclusively proves  
50 WITH EVIDENCE that you are consensually subject to the franchise statutes.
- 51 4. Every government application that makes the applicant a target of enforcement must contain the following provisions:  
52 4.1. A warning that the franchise CANNOT lawfully be offered inside of a constitutional State of the Union.  
53 4.2. A warning that the application is voluntary.



- 4.3. A warning that those who force you to fill it out are committing a crime and what that crime is.
- 4.4. A checkbox to indicate duress and request and file a criminal complaint against anyone who forces you directly or indirectly to fill out the application.
- 4.5. The specific territory that the franchise can be offered, which is federal territory not within the exclusive jurisdiction of the state. The FOUR definitions of “United States” should be properly distinguished so that the geography where the franchise applies is unambiguous.
- 4.6. A check box for your status as a STATUTORY “non-resident non-person” who does not consent.
- 4.7. A warning to all government recipients that those in receipt of the application of a “non-resident non-person” under duress confers no enforcement jurisdiction upon the recipient and will cause a tort if enforcement is attempted.
- 4.8. A warning to the applicant and recipient that even if you are a lawful applicant not under duress, that you remain a statutory “non-resident non-person” for EVERY OTHER purpose of the government recipient. This prevents “bundling of franchises” that force you into other franchises.
5. A form must be provided for all previously submitted forms to at all times indicate all of the elements of item 4 above. That way, even if you were under duress at the time of application, you can later change the submitted form to accurately indicate duress.
6. If you indicate duress or that you are a “non-resident non-person” on any submitted franchise form, the government recipient shall be required to:
- 6.1. Provide legal proof that they received it.
- 6.2. Prosecute all those subjecting you to duress.
- 6.3. Provide a continuous status of the criminal prosecution of those instituting the duress.
- 6.4. Modify all their electronic records to indicate your proper status and lack of eligibility.
- 6.5. Refund any monies paid in so far.
- 6.6. Not demand that you must fill out a form available only to franchisees in order to get a refund of funds unlawfully paid in as a “non-resident non-person”.
7. Every government form that invokes a geographical or legal “word of art” such as any of the following must distinguish WHICH of the following geographies they mean using footnotes to prevent them from being confused:
- 7.1. “United States\*” the country.
- 7.2. “United States\*\*” the federal zone.
- 7.3. “United States\*\*\*” the states of the Union.
- 7.4. “United States\*\*\*\*” the corporation and the legal “person”.
8. Every use of the word “citizen” or “resident” must distinguish WHICH type of “citizen” they are referring to, all of which are mutually exclusive and non-overlapping, in order to prevent “equivocation” or confusion of contexts:
- 8.1. Fourteenth Amendment STATE national as described in 8 U.S.C. §1101(a)(21).
- 8.2. STATUTORY “national and citizen of the United States\*\* at birth” under 8 U.S.C. §1401 and 8 U.S.C. §1101(a)(22)(A).
- 8.3. STATUTORY “non-citizen national of the United States\*\* at birth” under 8 U.S.C. §1408 and 8 U.S.C. §1101(a)(22)(B).
9. The “Full Payment Rule” of the U.S. Supreme Court<sup>341</sup>, the Anti-Injunction Act, 26 U.S.C. §7421<sup>342</sup> in the context of the “income” taxation under the public officer/“trade or business” franchise shall NOT apply UNLESS AND UNTIL all of the above are satisfied. Instead, the presumption shall be maintained that you as the party being enforced against are:
- 9.1. Innocent.
- 9.2. A “nontaxpayer” until proven WITH EVIDENCE to be a LAWFUL “taxpayer”.
- 9.3. A “non-resident non-person” under federal statutes until a consensual domicile on federal territory is proven.
- 9.4. Not subject to the “purposeful availment” provisions of International Shoe Co. v. Washington, 326 U.S. 310 (1945) or the Foreign Sovereign Immunities Act (F.S.I.A.), 28 U.S.C. Chapter 97.
10. In every attempt to enforce the provisions of a franchise, the agency doing the enforcement, if it is disputed, MUST be required to satisfy the following burden of proof to an INDEPENDENT AND NEUTRAL third party not within their agency or under the influence of their agency:
- 10.1. That the property to be taken was consensually and lawfully donated to a public use.
- 10.2. That the owner was domiciled on federal territory at the time and therefore subject to territorial civil statutory codes.

<sup>341</sup> See *Court Remedies for Sovereigns: Taxation*, Litigation Tool #10.002, Section 6.2; <http://sedm.org/Litigation/LitIndex.htm>.

<sup>342</sup> See *Flawed Tax Arguments to Avoid*, Form #08.004, Section 8.11.

11. The requirement to exhaust administrative remedies must be expressly waived in the case of those who are not LAWFULLY or consensually participating in franchises, or who are “non-resident non-persons”.<sup>343</sup> Instead the GOVERNMENT shall have the requirement to exhaust JUDICIAL remedies under EQUITY and the common law (NOT in a franchise court) BEFORE it may commence enforcement if the party who is the target provides evidence under penalty of perjury that they were “non-resident non-persons” or never consented to participate. A non-franchisee should NEVER be required to exhaust administrative remedies in a franchise court because it requires him or her to criminally impersonate a public officer franchisee. You should not be required to commit a crime in order to prevent an illegal government enforcement action.
12. Conflicts of interest must be prevented and swiftly and notoriously prosecuted. The most basic element of due process is an impartial decision maker and fact finder<sup>344</sup>:
- 12.1. States of the Union may NOT receive any kind of funding from the national government that derives from franchise enforcement within their exclusive jurisdiction. Such funding merely illegally bribes them to look the other way and thereby obstruct justice and protect economic terrorism of people they are supposed to be protecting.
- 12.2. Both voters and jurists voting on issues affecting franchises should NOT receive income or “benefits” derived from franchise activities such as licensed driving, Social Security, Medicare, etc. They should be recused if they participate. Otherwise, a criminal financial conflict of interest is created. Instead, jurists and voters must derive from those domiciled in the place of the defendant AND in an entirely PRIVATE capacity. That means they do not participate in any government franchise or receive any government “benefit”.
- 12.3. No judge or jurist may have their pay or benefit funded by the tax or franchise fee in question.
- 12.4. No judge or jurist in a tax case should be subject to IRS enforcement if the defendant is a “non-taxpayer” or “non-resident non-person”. Fact finders and jurists must be SIMILARLY situated to the defendant or they are NOT “peers” as the vicinage requires.
- 12.5. Judges and prosecutors should be criminally and swiftly prosecuted for telling jurists that their tax bill will go up if they don’t convict the non-taxpayer or “non-resident non-person” party.
- 12.6. Jurists hearing trials involving franchise enforcement should be treated as follows:
- 12.6.1. They should be notified at the start of the trial by the judge that they will NOT be retaliated against by the IRS or any other federal agency if they rule against the government or in favor of those who are “non-resident non-persons” or “nontaxpayers”.<sup>345</sup>
- 12.6.2. The judge will issue a protective order against the government prohibiting retaliation or “selective enforcement”.
- A jurist should never do their job in fear of being retaliated against by any government or agency, or there is no due process and the trial turns into a case of mafia extortion.
13. Every attempt to enforce the laws of the NATIONAL rather than FEDERAL government within the borders of a constitutional state of the Union must be frequently and notoriously prosecuted for the following crimes. This will ensure the proper maintenance of the separation of powers at the heart of the U.S. Constitution. PRIVATE prosecutions of such activities should also be both allowed and even publicly funded:
- 13.1. Identity theft.
- 13.2. Human trafficking.
- 13.3. Terrorism.
- 13.4. A violation of Article 4, Section 4 of the U.S. Constitution because it is an “invasion”.

For legal tools to effect the above prosecution, see:

*Government Identity Theft*, Form #05.046

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

14. The following conclusive presumption shall prevail unless and until the above burden of proof is satisfied in a NON-franchise court under the common law:

*“All rights and property are PRESUMED to be EXCLUSIVELY PRIVATE and beyond the control of government or the CIVIL statutory franchise codes unless and until the government meets the burden of proving, WITH EVIDENCE, on the record of the proceeding that:*

*1. A SPECIFIC formerly PRIVATE owner consented IN WRITING to convert said property to PUBLIC property.*

<sup>343</sup> See *Flawed Tax Arguments to Avoid*, Form #08.004, Section 8.5.

<sup>344</sup> See: *Requirement for Due Process of Law*, Form #05.045, Section 2; <http://sedm.org/Forms/FormIndex.htm>.

<sup>345</sup> See: *Your Rights as a “Nontaxpayer”*, Form #08.008; <http://sedm.org/Forms/FormIndex.htm>.

2. The owner was either abroad, domiciled on, or at least PRESENT on federal territory NOT protected by the Constitution and therefore had the legal capacity to ALIENATE a Constitutional right or relieve a public servant of the fiduciary obligation to respect and protect the right. Those physically present but not necessarily domiciled in a constitutional but not statutory state protected by the constitution cannot lawfully alienate rights to a real, de jure government, even WITH their consent.

3. If the government refuses to meet the above burden of proof, it shall be CONCLUSIVELY PRESUMED to be operating in a PRIVATE, corporate capacity on an EQUAL footing with every other private corporation and which is therefore NOT protected by official, judicial, or sovereign immunity."

15. Cases in which laws for federal territory are being enforced in a CONSTITUTIONAL state should be heard in STATE court under the common law, if the party who is the target of enforcement alleges under penalty of perjury that they were under duress to participate or cannot lawfully participate. It should NOT be transferred to federal court under ANY circumstance UNTIL the burden of proof is met above, because of the criminal financial conflict of interest that federal judges have on tax issues. U.S. Attorneys are INFAMOUS for incorrectly and illegally invoking 28 U.S.C. §297 to transfer cases involving "non-resident non-persons" to federal court, to the detriment of innocent non-taxpayers and non-franchisees. This causes supreme injustice, criminal simulation of legal process, and identity theft on a MASSIVE scale.

A failure to do ALL of the above completely compromises judges, the courts, and legal process, demoralizes the people, corrupts the ENTIRE government, and turns the government essentially into a mafia that launders STOLEN money.

### **33 Conclusions and summary**

We will now succinctly summarize everything that we have learned in this short memorandum of law in order to emphasize the important points:

1. Franchises are the main method by which the government destroys and undermines the Constitutional rights of persons that it is supposed to be protecting.
  2. Participation in all franchises is entirely voluntary and requires either implicit (by conduct) or explicit (in writing) consent in some form.
  3. Franchise agreements which do not call for explicit written consent establish consent based on the behavior of persons who might be subject by it. This technique by lawmakers constitutes a devious attempt to:
    - 3.1. Hide the nature of the law they are passing as a franchise.
    - 3.2. Encourage members of the Executive Branch to misrepresent the nature of the franchise agreement. All franchise agreements are "private law", that can only lawfully be enforced against those who consent to them. However, when the general public is deceived into believing that said agreement instead is "public law" that applies equally to everyone, then everyone inevitably is compelled to participate in the franchise, thus universally destroying the rights of *everyone* without their consent. All such attempts by the government to do this constitute a conspiracy against rights in violation of [18 U.S.C. §241](#) and a tort under [42 U.S.C. §1983](#).
- To prevent the usurpations above, it is best if the government mandates that those who will be subject to the franchise must apply for a license to do so, and to verify that application for the license was voluntarily made each time terms of the franchise agreement are sought to be enforced. The application for said license then provides "reasonable notice" that rights have been surrendered.
4. The acceptance of any benefit associated with the franchise constitutes constructive consent to be bound by the terms of the franchise agreement. Those intent on preventing them from being "presumed" by their conduct to be subject to the franchise should take steps to formally and officially notify the government in writing that they reserve all their rights except those which they explicitly and expressly surrender in writing, where all rights surrendered are described in the writing.

CALIFORNIA CIVIL CODE  
DIVISION 3. OBLIGATIONS  
PART 2. CONTRACTS  
CHAPTER 3. CONSENT  
[Section 1589](#)

1589. A voluntary acceptance of the benefit of a [government benefit] transaction is equivalent to a consent to all the obligations [and legal liabilities] arising from it, so far as the facts are known, or ought to be known, to the person accepting.

- 1 5. A government or state may not compel a person to enter into a franchise which would cause a surrender of constitutional  
2 rights.

3 *"It would be a palpable incongruity to strike down an act of state legislation which, by words of express*  
4 *divestment, seeks to strip the citizen of rights guaranteed by the federal Constitution, but to uphold an act by*  
5 *which the same result is accomplished under the guise of a surrender of a right in exchange for a valuable*  
6 *privilege which the state threatens otherwise to withhold. It is not necessary to challenge the proposition that, as*  
7 *a general rule, the state, having power to deny a privilege altogether, may grant it upon such conditions as it sees*  
8 *fit to impose. But the power of the state in that respect is not unlimited, and one of the limitations is that it may*  
9 *not impose conditions which require the relinquishment of Constitutional rights. If the state may compel the*  
10 *surrender of one constitutional right as a condition of its favor, it may, in like manner, compel a surrender of all.*  
11 *It is inconceivable that guaranties embedded in the Constitution of the United States may thus be manipulated*  
12 *out or existence."*  
13 *[Frost v. Railroad Commission, 271 U.S. 583, 46 S.Ct. 605 (1926)]*

- 14 6. Those who participate in a franchise implicitly surrender their right to constitutionally challenge the applicability of the  
15 statutes that implement the franchise.

16 *"The Government urges that the Power Company is estopped to question the validity of the Act creating the*  
17 *Tennessee Valley Authority, and hence that the stockholders, suing in the right of the corporation, cannot [297*  
18 *U.S. 323] maintain this suit. .... The principle is invoked that one who accepts the benefit of a statute cannot*  
19 *be heard to question its constitutionality. Great Falls Manufacturing Co. v. Attorney General, 124 U.S. 581;*  
20 *Wall v. Parrot Silver & Copper Co., 244 U.S. 407; St. Louis Casting Co. v. Prendergast Construction Co., 260*  
21 *U.S. 469."*  
22 *[Ashwander v. Tennessee Valley Auth., 297 U.S. 288 (1936)]*

- 23 7. All government franchises are implemented through private law or contract law between the government and the  
24 individual. The application for a license constitutes constructive consent to the terms of the franchise agreement which  
25 grants it.

26 *"And here a thought suggests itself. As the Meadors, subsequently to the passage of this act of July 20, 1868,*  
27 *applied for and obtained from the government a license or permit to deal in manufactured tobacco, snuff and*  
28 *cigars, I am inclined to be of the opinion that they are, by this their own voluntary act, precluded from assailing*  
29 *the constitutionality of this law, or otherwise controverting it. For the granting of a license or permit-the*  
30 *yielding of a particular privilege-and its acceptance by the Meadors, was a contract, in which it was implied*  
31 *that the provisions of the statute which governed, or in any way affected their business, and all other statutes*  
32 *previously passed, which were in pari materia with those provisions, should be recognized and obeyed by them.*  
33 *When the Meadors sought and accepted the privilege, the law was before them. And can they now impugn its*  
34 *constitutionality or refuse to obey its provisions and stipulations, and so exempt themselves from the*  
35 *consequences of their own acts?*

36 *These internal revenue or tax laws were characterized as being not only repugnant to the constitution, but also*  
37 *unreasonably burdensome. With the most minute attention I examined those portions of the acts of July 13, 1866,*  
38 *and July 20, 1868, presented for my consideration; and carefully sought to ascertain \*1300 whether they were in*  
39 *conflict with any of the provisions of the constitution. My conclusion on that question has been expressed. I do*  
40 *not concur with counsel, that these laws are unreasonably burdensome. But even if they are, nay, even if they are*  
41 *oppressive, and unjust modes are employed for their enforcement, the remedy lies with congress, and not with the*  
42 *judiciary. By enacting these laws congress has exercised the constitutional power of taxation, and the courts have*  
43 *no power to interfere. Providence Bank v. Billings, 4 Pet. [29 U.S.] 514; Extension of Hancock Street, 18 Pa.St.*  
44 *26; Kirby v. Shaw, 19 Pa.St. 258; Livingston v. Mayor, etc., of New York, 8 Wend. 85; In re Opening Furman*  
45 *Street, 17 Wend. 649; Herrick v. Randolph, 13 Vt. 525. In McCulloch v. State of Maryland, 4 Wheat. [17 U.S.]*  
46 *316, 430. Chief Justice Marshall said, that it was unfit for the judicial department to 'inquire what degree of*  
47 *taxation is the legitimate use, and what degree may amount to the abuse of the power.'*  
48 *[In re Meador, 1 Abb.U.S. 317, 16 F.Cas. 1294, D.C.Ga. (1869)]*

- 49 8. Government identifying numbers such as Social Security Numbers and Taxpayer Identification Number (TINs) serve as  
50 the de facto equivalent of licenses to engage in public offices within the national government. We say de facto, because  
51 such activity has been expressly prohibited by the U.S. Supreme Court in the License Tax Cases, 72 U.S. 462, 18 L.Ed.  
52 497, 5 Wall. 462, 2 A.F.T.R. 2224 (1866) . This is why neither the Social Security Administration (S.S.A.) nor the IRS  
53 CALL these numbers licenses, even though it FUNCTIONS as the equivalent of one: They want to HIDE the truth from  
54 you. However, the courts have repeatedly held that neither Congress nor the Executive can lawfully do INDIRECTLY  
55 what they cannot do DIRECTLY, so such activities are unconstitutional.
- 56 9. Where the government receives consideration or benefit, a valid franchise contract or agreement is lawfully formed.  
57 HOWEVER, individuals need not receive a benefit in order to be bound. It is "presumed" sufficient that the government

follows the terms of the franchise agreement for the individual to be bound by it, provided consent to the agreement is proven on the record.<sup>346</sup>

10. The effect upon persons participating in franchises includes the following:

10.1. They must abide by all the terms of the franchise agreement that pertain to them.

10.2. They forfeit the constitutional prohibition against “bills of attainder” and become directly subject to administrative penalties without a court trial.

10.3. They satisfy the definition of “person” found in the franchise agreement.

10.4. They are treated as but do not in fact BECOME “public officers”, agents, and sometimes statutory “employees” of the government granting the franchise who are subject to government regulation and control. Acting as a “public officer” is the only method by which the government can regulate the conduct of those engaged in the franchise. It is otherwise unconstitutional and a violation of the [Thirteenth Amendment](#) prohibition of involuntary servitude to impose any kind “duty” upon a private person. The only exception to the prohibition against imposing duties upon private parties is in connection with enforcement of the prohibition against hurting the equal rights of your neighbor connected with the criminal or penal laws.

10.5. As “public officers”, they are exempt from the requirement for enforcement implementing regulations pursuant to [5 U.S.C. §552\(a\)\(1\)](#) and [44 U.S.C. §1505\(a\)](#) and may have federal statutes enforced directly against them. See:

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

10.6. They are treated as, but do not BECOME “residents” within the jurisdiction of the government granting the franchise. We say they do not BECOME “residents” because they must have a physical presence within federal territory to in fact BE “residents” per 26 C.F.R. §1.871-2(b).

10.6.1. In most cases, this means that the “effective domicile” of the “res” or “RES-IDENT” they represent, who is a “public office”, is on federal territory within the exterior limits of the state that they occupy.

10.6.2. These federal areas, in a sense, constitute an “artificial state” created for the sole purpose of conducting “business” with the government.

10.6.3. The reason that all state and federal government and all those conducting business with said government must have a domicile on federal territory is that these areas are not protected by the Bill of Rights, and therefore they have no rights, but only statutorily granted “privileges” and franchises. This provides a convenient totalitarian vehicle for the government to enforce its interests in connection with the franchises or “public rights”.

10.7. They agree to accept the duties of a “trustee” over public property, which public property was created by donating their private property temporarily to a “public use” in order to produce the benefits of the franchise.

*“Men are endowed by their Creator with certain unalienable rights, -life, liberty, and the pursuit of happiness;” and to ‘secure,’ not grant or create, these rights, governments are instituted. **That property [or income] which a man has honestly acquired he retains full control of, subject to these limitations: First, that he shall not use it to his neighbor's injury, and that does not mean that he must use it for his neighbor's benefit; second, that if he devotes it to a public use, he gives to the public a right to control that USE; and third, that whenever the public needs require, the public may take it upon payment of due compensation.***

[*Budd v. People of State of New York*, [143 U.S. 517](#) (1892)]

10.8. In most cases, they forfeit their right to hear disputes in a U.S. Constitution, Article III court or in front of an Article III judge if the matter deals with a federal franchise. Instead, disputes may be heard in Article I or Article IV courts, which are part of the Executive Branch of the government. We call such courts “administrative courts”.

10.9. They implicitly consent to the choice of law rules dictated by the franchise agreement. Their effective domicile or “residence” moves to the place dictated by the franchise agreement. In the case of the Internal Revenue Code, for instance, [26 U.S.C. §7701\(a\)\(39\)](#) and [§7408\(d\)](#) both dictate that the effective domicile of all “franchisees” is the District of Columbia. The place where all disputes must be settled is under the I.R.C. franchise agreement is in federal court under the laws of the District of Columbia, rather than state law.

11. The basis for personal income taxes is a franchise called a “trade or business”, which is defined in [26 U.S.C. §7701\(a\)\(26\)](#) as “the functions of a public office”.

<sup>346</sup> *Central Transp. Co. v. Pullman's Palace Car Co.*, 139 U.S. 24, 35 L.Ed. 55, 11 S.Ct. 478; *Summerville v. Georgia Power Co.*, 205 Ga. 843, 55 S.E.2d. 540; *Dufour v. Stacey*, 90 Ky. 288, 14 S.W. 48; *State ex rel. Kansas City v. East Fifth Street R. Co.*, 140 Mo. 539, 41 S.W. 955; *Victory Cab Co. v. Charlotte*, 234 N.C. 572, 68 S.E.2d. 433.



12. Only “public officers” can lawfully possess or use “public property”. Federal identifying numbers such as Social Security Numbers or Taxpayer Identification Numbers are “public property”, per 20 C.F.R. §422.103(d). Use of this public property constitutes constructive consent to the terms of the I.R.C. and Social Security franchise agreements.
- 12.1. It is otherwise an illegal act of embezzlement in violation of [18 U.S.C. §641](#) to possess or use such public property for a “private use”.
- 12.2. It is also a crime to impersonate a “public officer”. See [18 U.S.C. §912](#).
13. If you do not consent to the franchise agreement:
- 13.1. You cannot cite any provision of it in your defense, except possibly to prove that you aren’t subject to it.
- 13.2. By quoting it, implicitly provide your consent to be bound by it.
- 13.3. You should argue vociferously against anyone who tries to enforce it against you.
- 13.4. You should demand proof from those enforcing the agreement that you consented to it.
14. Unlawful methods of compelling persons to participate in franchises that are very commonly implemented by corrupt governments include the following:
- 14.1. Refusing to acknowledge that the thing being enforced is a franchise. Remember, all franchises are contracts and therefore they don’t need a liability statute. The Internal Revenue Code, Subtitle A has NO liability statute because it is a franchise, and yet when this fact is pointed in court and the government’s jurisdiction is challenged by demanding, pursuant to a quo warranto action, that they produce either evidence of liability or evidence of consent, they refuse to satisfy either requirement. This amounts to treason, because they cannot compel you into indentured economic servitude by making presumptions about your consent or your liability.

*“In another, not unrelated context, Chief Justice Marshall’s exposition in Cohens v. Virginia, 6 Wheat. 264 (1821), could well have been the explanation of the Rule of Necessity; he wrote that a court “must take jurisdiction if it should. The judiciary cannot, as the legislature may, avoid a measure because it approaches the confines of the constitution. We cannot pass it by, because it is doubtful. With whatever doubts, with whatever difficulties, a case may be attended, we must decide it, if it be brought before us. **We have no more right to decline the exercise of jurisdiction which is given, than to usurp that which is not given. The one or the other would be treason to the constitution.** Questions may occur which we would gladly avoid; but we cannot avoid them.” Id., at 404 (emphasis added)*  
*[U.S. v. Will, 449 U.S. 200 (1980)]*

- 14.2. Judges refusing to require that evidence of consent must appear on the record of the litigation when the government’s jurisdiction to enforce the terms of the franchise is challenged in a court of law. This approach violates the presumption of innocence until proven guilty that is the foundation of American jurisprudence. If a person is presumed innocent until proven guilty, then he must also be presumed to be EXEMPT from all government franchises and OTHER than a “franchisee” until the government produces admissible evidence of consent to the franchise on the record of the judicial proceeding.
- 14.3. They write the franchise agreement so that explicit written consent is not required and within the franchise agreement, create unconstitutional and prejudicial “statutory presumptions” which imply consent based on partaking of the benefits of the franchise. One’s conduct in partaking of the benefits of the franchise then provides evidence of “implied consent”.

CALIFORNIA CIVIL CODE  
DIVISION 3. OBLIGATIONS  
PART 2. CONTRACTS  
CHAPTER 3. CONSENT  
[Section 1589](#)

*1589. A voluntary acceptance of the benefit of a [government benefit] transaction is equivalent to a consent to all the obligations [and legal liabilities] arising from it, so far as the facts are known, or ought to be known, to the person accepting.*

- 14.4. They unlawfully apply penalties authorized under the franchise agreement against those who clearly are not party to the franchise agreement. For instance, they penalize “nontaxpayers” for refusing to act like “taxpayers”. This is one of the main methods by which they recruit more “taxpayers” and franchisees, in fact, and it is highly illegal because it constitutes an unlawful “bill of attainder”, which is a penalty against other than a franchisee without a court trial.

**Bill of attainder.** Legislative acts, no matter what their form, that apply either to named individuals or to easily ascertainable members of a group in such a way as to inflict punishment on them without a judicial trial. *United States v. Brown*, 381 U.S. 437, 448-49, 85 S.Ct. 1707, 1715, 14 L.Ed. 484, 492; *United States v. Lovett*, 328 U.S. 303, 315, 66 S.Ct. 1073, 1079, 90 L.Ed. 1252. **An act is a “bill of attainder” when the punishment is death and a “bill of pains and penalties” when the punishment is less severe; both kinds of punishment fall within the**

scope of the constitutional prohibition. U.S.Const. Art. I, Sect 9, Cl. 3 (as to Congress);' Art. I, Sec. 10 (as to state legislatures).  
[Black's Law Dictionary, Sixth Edition, p. 165]

14.5. They make those who administer the franchise exempt from liability for false or fraudulent statements or acts, which constitutes a license to LIE to the public. This license to lie to the public is then used to:

14.5.1. Deceive the public into believing that EVERYONE is a party to the franchise by calling EVERYONE a "taxpayer". The term "taxpayer" is defined in 26 U.S.C. §7701(a)(14) as a person subject to the IRC. Only those who consent can be subject, and so by calling everyone a "taxpayer", they are making a presumption that EVERYONE consents to be party to the franchise agreement. These tactics are exhaustively exposed in the following free pamphlet:

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

14.5.2. Falsely describe the franchise agreement as "public law" that applies equally to everyone, rather than "private law" which applies only to those who explicitly or implicitly consent.

14.5.3. Falsely state that EVERYONE has an affirmative legal duty to regularly submit evidence to the government which connects their neighbors, employees, and friends to participation in the franchise. For instance, the IRS encourages EVERYONE to file information returns for all payments to anyone, including those that are NOT connected to the "trade or business" franchise. This FRAUD is exhaustively described in the following pamphlet on our website:

Correcting Erroneous Information Returns, Form #04.001  
<http://sedm.org/Forms/FormIndex.htm>

For further details on how they license public servants to LIE, see the following amazing article:

Federal Courts and the IRS' Own IRM Say the IRS is NOT RESPONSIBLE for Its Actions or Its Words or for Following Its Own Written Procedures!, Family Guardian Fellowship  
<http://famguardian.org/Subjects/Taxes/Articles/IRSNotResponsible.htm>

14.6. By refusing to provide remedies to the public to correct evidence submitted by third parties which might connect them to the franchise. For instance, refusing to provide a form or procedure to the public which would correct erroneous IRS Form W-2's submitted by ignorant private employers WITHOUT submitting a tax return to the government that FURTHER violates the right to privacy. 26 U.S.C. §6041(a) says that the IRS Form W-2 is the method for connecting workers to the "trade or business" franchise, which is defined in 26 U.S.C. §7701(a)(26) as "the functions of a public office". The only form provided by the IRS for remedying false W-2's that the falsely accused worker can submit is IRS Form 4852, and this form can ONLY be submitted attached to a fully completed tax return. There is no method provided to correct these false W-2 reports WITHOUT submitting a tax return.

14.7. They silently "presume" that you consented. This makes the process of consent effectively "invisible" and then becomes a vehicle to falsely claim to the public that "participation is mandatory". All such presumptions which might injure a constitutionally guaranteed right are unconstitutional and a violation of due process of law. See:

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

14.8. They issue an identifying number in association with signing up for the franchise which is public property and then silently presume that use of this public property constitutes constructive consent to the terms of the franchise agreement. This is how Social Security and the federal and state income taxes work. See:

About SSNs and TINs On Government Forms and Correspondence, Form #05.012  
<http://sedm.org/Forms/FormIndex.htm>

15. Most government franchises use the Social Security Number as the de facto "license" to act as a "franchisee". The easiest way to prevent being associated with government franchises is to:

15.1. Terminate participation in Social Security using the following:

Resignation of Compelled Social Security Trustee, Form #06.002  
<http://sedm.org/Forms/FormIndex.htm>

15.2. Open all financial accounts without identifying numbers using the procedures below:

About IRS Form W-8BEN, Form #04.202, Section 7  
<http://sedm.org/Forms/FormIndex.htm>

15.3. Using the following form in association with pseudo numbers and pseudo names numbers you lawfully devise to interact with the government:

Notice of Pseudonym Use and Unreliable IRS Records, Form #04.206  
<http://sedm.org/Forms/FormIndex.htm>

16. The easy way to determine whether a particular statute is part of a franchise is to look at the language. If any of the following conditions are met, then it is probably a franchise and private law, rather than public law:

16.1. There is no liability statute within the franchise agreement. The liability arises out of your oath and office as a "public officer". The I.R.C. is like this. See:

*There's No Statute Making Anyone Liable to Pay IRC Subtitle A Income Taxes*, Family Guardian Fellowship  
<http://famguardian.org/Subjects/Taxes/Articles/NoStatuteLiable.htm>

16.2. You must be a federal "employee", officer, agent, or benefit recipient to be subject to it. See [5 U.S.C. §552a](#)(a)(13) and 26 C.F.R. §31.3401(c)-1 for example.

16.3. The government enforces federal statutory law against you and refuses to provide implementing regulations authorizing enforcement. There are no enforcement implementing regulations published in the Federal Register for the Internal Revenue Code, and this is no accident, but simply proof that it is only intended for groups specifically exempted from the requirement for implementing regulations, all of whom are federal instrumentalities, agencies, officers, "employees", and agents of the federal government. See:

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

16.4. You must litigate in other than an Article III court in the context of disputes under it. Disputes under the I.R.C. are settled in United States District Courts, ALL of which are Article IV courts. See:

*What Happened to Justice?*, Form #06.012  
<http://sedm.org/Forms/FormIndex.htm>

16.5. The franchise agreement moves your effective domicile to another place. Kidnapping is a crime under [18 U.S.C. §1201](#). The only way your effective domicile can be moved is with your consent in some form. See [26 U.S.C. §7701](#)(a)(39) and [7408](#)(d), for instance.

16.6. You have to be connected to an activity before they can enforce the statute against you. For instance, the I.R.S. cannot enforce the Internal Revenue Code against you until you are connected with a "trade or business". This is done by the filing of what is called "information returns". Information returns include IRS Forms W-2, 1042-S, 1098, 1099, and K-1. For more information about this scam, see:

*The "Trade or Business" Scam*, Form #05.001  
<http://sedm.org/Forms/FormIndex.htm>

We believe that it's unconstitutional to convert Constitutional rights into "privileges", and the only place such a conversion can lawfully occur is among those domiciled on or physically present in federal territory not protected by the Constitution and where rights don't exist. Otherwise, the Declaration of Independence says my Constitutional rights are "inalienable", which means they are incapable of being sold, exchanged, transferred, or bargained away in relation to a REAL, de jure government by ANY means, including through any government franchise. A lawful de jure government cannot be established SOLELY to protect PRIVATE rights and at the same time:

1. Make a profitable business or franchise out of DESTROYING, taxing, regulating, and compromising rights and enticing people to surrender those same inalienable rights.
2. Call participation "voluntary" and simultaneously:
  - 2.1. Refuse to PROTECT your right to NOT volunteer.
  - 2.2. Refuse to provide forms and procedures and remedies for UNVOLUNTEERING.
  - 2.3. Terrorize, harass, or slander those who refuse to volunteer.
  - 2.4. Make receiving any vital government service such as a passport contingent on signing up for any government franchise, and ESPECIALLY Social Security or the income tax.
3. Refuse to protect or even recognize the existence of private rights. This includes:

3.1. Prejudicially presuming that there are no private rights because everyone is the subject of statutory civil law. All statutory civil law regulates GOVERNMENT conduct, not private conduct. See:

*Why Statutory Civil Law is Law for Government and Not Private Persons*, Form #05.037  
<http://sedm.org/Forms/FormIndex.htm>

3.2. Compelling people to engage in public franchises by forcing them to use Social Security Numbers or refusing to prosecute those who compel their use in violation of 42 U.S.C. §408(a)(8). See:

*Resignation of Compelled Social Security Trustee*, Form #06.002  
<http://sedm.org/Forms/FormIndex.htm>

3.3. Presuming that all those interacting with the government are surety for offices and employees of the government representing public offices called "persons", "U.S. citizens" or "U.S. residents", "individuals", "taxpayers" (under the income tax franchise), "motorists" (under the driver's license franchise), "spouses" (under the marriage license Franchise), etc. The First Amendment protects our right NOT to contract or associate with such statuses

and to choose any status that we want and be PROTECTED in that choice from the adverse and injurious presumptions of others. See:

*Your Exclusive Right to Declare or Establish Your Civil Status*, Form #13.008  
<http://sedm.org/Forms/FormIndex.htm>

3.4. Refusing the DUTY to prosecute employers who compel completing form W-4, which is the WRONG form for most Americans.

3.5. Refusing to prosecute those who submit false information returns against people NOT engaged in public offices within the government in the District of Columbia. See:

*Correcting Erroneous Information Returns*, Form #04.001  
<http://sedm.org/Forms/FormIndex.htm>

4. Refuse to recognize anyone's right and choice *not* to engage in franchises such as a "trade or business" or to quit any franchise they may have unknowingly signed up for.

4.1. Refusing to provide or hiding forms that allow you to quit franchises and/or telling people they can't quit. For instance, Social Security Administration (S.S.A.) hides the form for quitting Social Security and tells people they aren't allowed to quit. This is SLAVERY in violation of the Thirteenth Amendment.

4.2. Offering "exempt" status on tax forms but refusing to provide or even recognize a "not subject" or "nontaxpayer" option. These two statuses are completely different and mutually exclusive. See:

*Flawed Tax Arguments to Avoid*, Form #08.004, Section 8.13  
<http://sedm.org/Forms/FormIndex.htm>

4.3. Refusing to file corrected information returns that zero out false reports of third parties, interfering with their filing, or not providing a form that the VICTIM, rather than the filer can use, to correct them.

4.4. Refusing to provide a definition of "trade or business" in their publication that would warn most Americans that they not only aren't involved in it, but are committing a CRIME to get involved in it in violation of [18 U.S.C. §912](#).

5. Deprive people of a remedy for the protection of private rights by turning all courts into administrative franchise/property courts in the Executive Branch instead of the Judicial Branch, such as Traffic Court, Family Court, Tax Court, and all federal District and Circuit Courts. See: *What Happened to Justice?*, Form #06.012; <http://sedm.org/Forms/FormIndex.htm>. This forces people to fraudulently declare themselves a privileged franchisee such as a "taxpayer" before they can get a remedy. See Tax Court Rule 13(a), which says that only "taxpayers" can petition Tax Court.

REAL de jure Judges cannot serve two masters, Justice and Money/Mammon, without having a criminal conflict of interest and converting the Public Trust into a Sham Trust. Anyone who therefore claims the authority to use franchises to entice state domiciled parties to surrender or destroy the private rights which all just government were established ONLY to protect cannot lawfully or truthfully claim to be a "government" and is simply a [de facto private corporation](#), a usurper, and a tyrant pretending to be a government. In fact, we believe it constitutes an "invasion" within the meaning of [Article 4, Section 4 of the United States Constitution](#) as well as an act of [international terrorism](#) for the federal government to either offer or enforce any national franchise within any constitutional state of the Union, or for any state of the Union to condone or allow such activity. See:

*De Facto Government Scam*, Form #05.043  
<http://sedm.org/Forms/FormIndex.htm>

If you want tools and instructions on how to avoid franchises of all kinds in order to preserve and protect your rights, you are invited to visit the following free location on our website:

*SEDM Liberty University, Section 4: Avoiding Government Franchises and Licenses*  
<http://sedm.org/LibertyU/LibertyU.htm>

If you believe that you have been victimized by persons who have enforced the terms of a franchise agreement against you that you never consented to, then you may wish to use the following references to pursue a Constitutional Tort Action against them for deprivation of rights:

*Sovereignty and Freedom Page, Section 11: Sovereignty and Defense of Sovereignty, Family Guardian Fellowship*  
<http://famguardian.org/Subjects/Freedom/Freedom.htm>

### 34 Resources for further study and rebuttal

A number of additional resources are available for those who wish to further investigate the contents of the pamphlet:

1. Detailed treatment of government franchises
  - 1.1. *A Treatise on Franchises*, Joseph Asbury Joyce, The Banks Law Publishing Company, 1909.  
[http://famguardian.org/Publications/ATreatiseOnFranchises/A\\_Treatise\\_on\\_Franchises.pdf](http://famguardian.org/Publications/ATreatiseOnFranchises/A_Treatise_on_Franchises.pdf)
2. History of franchises in America
  - 2.1. *A Story of Privileges and Immunities: From Medieval Concept to the Colonies and the United States Constitution*  
- Thomas Burrell, Federal Government.  
[http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=1937240](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1937240)
3. Corporatization and Privatization of the Government, Form #05.024-how our government has been turned into a private, for profit federal corporation in violation of the Constitution  
<http://sedm.org/Forms/FormIndex.htm>
4. Evidence of enfranchisement of government:
  - 4.1. *Invisible Contracts*, George Mercier  
<http://famguardian.org/PublishedAuthors/Indiv/MercierGeorge/GeorgeMercier.htm>
  - 4.2. *Corporate Takeover of U.S. Government Well Underway*, Family Guardian Fellowship  
<http://famguardian.org/Subjects/Freedom/Articles/CorporatizationOfGovt.htm>
5. De Facto Government Scam, Form #05.043-proves that we don't have a lawful de jure government, but a private corporation in which everyone is an "employee" or "offer" called a "citizen, resident, or inhabitant".  
<http://sedm.org/Forms/FormIndex.htm>
6. Quitting government franchises:
  - 6.1. *Resignation of Compelled Social Security Trustee*, Form #06.002  
<http://sedm.org/Forms/FormIndex.htm>
  - 6.2. *Legal Notice of Change in Domicile/Citizenship Records and Divorce from the United States*, Form #10.001  
<http://sedm.org/Forms/FormIndex.htm>
7. Avoiding participation in franchises:
  - 7.1. *Why It is Illegal for Me to Request or Use a "Taxpayer Identification Number"*, Form #04.205-form you can use when people try to demand that you MUST have or use a Taxpayer Identification Number (TIN).  
<http://sedm.org/Forms/FormIndex.htm>
  - 7.2. *Avoiding Government Franchises and Licenses*, Liberty University, Section 4  
<http://sedm.org/LibertyU/LibertyU.htm>
  - 7.3. *Affidavit of Citizenship, Domicile, and Tax Status*, Form #02.001  
<http://sedm.org/Forms/FormIndex.htm>
  - 7.4. *Tax Form Attachment*, Form #04.201  
<http://sedm.org/Forms/FormIndex.htm>
  - 7.5. *Correcting Erroneous Information Returns*, Form #04.001  
<http://sedm.org/Forms/FormIndex.htm>
  - 7.6. *Unlicensed Practice of Law*, Form #05.029  
<http://sedm.org/Forms/FormIndex.htm>
  - 7.7. *Sovereign Christian Marriage*, Form #06.009.  
<http://sedm.org/Forms/FormIndex.htm>
  - 7.8. *Defending Your Right to Travel*, Form #06.010  
<http://sedm.org/Forms/FormIndex.htm>
  - 7.9. *Lawfully Avoiding the Military Draft*, Form #09.003  
<http://sedm.org/Forms/FormIndex.htm>
  - 7.10. *USA Passport Application Attachment*, Form #06.007  
<http://sedm.org/Forms/FormIndex.htm>
  - 7.11. *Voter Registration Attachment*, Form #06.003  
<http://sedm.org/Forms/FormIndex.htm>
  - 7.12. *Federal Pleading/Motion/Petition/Motion Attachment*, Litigation Tool #01.002  
<http://sedm.org/Litigation/LitIndex.htm>
8. Enforcement authority of franchises:
  - 8.1. *Federal Enforcement Authority Within States of the Union*, Form #05.032  
<http://sedm.org/Forms/FormIndex.htm>
  - 8.2. *Federal Jurisdiction*-Family Guardian Fellowship



<http://famguardian.org/Subjects/LawAndGovt/Articles/FedJurisdiction/FedJuris.htm>

8.3. Presumption: Chief Weapon for Unlawfully Enlarging Federal Jurisdiction, Form #05.017

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

8.4. Why Domicile and Becoming a "Taxpayer" Require Your Consent, Form #05.002: Proves that all the government's civil jurisdiction derives from domicile, and that domicile is voluntary and therefore you don't have to submit to civil laws if you don't want to.

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

9. Results of participating in franchises:

9.1. Proof That There Is a "Straw Man", Form #05.042-proves that franchises are the main vehicle by which the "straw man" is created. Provides court admissible evidence of the existence of the straw man.

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

9.2. The Coming Crisis: How Government Dependency Threatens America's Freedoms, Jim Demint, Heritage Foundation-Heritage Foundation

<http://famguardian.org/Subjects/Freedom/ThreatsToLiberty/ComingCrisis-01508.pdf>

9.3. Our government has become idolatry and a false religion, Family Guardian Fellowship: Article which describes why the federal courts have become churches and our government has become a false god and a religious cult:

<http://famguardian.org/Subjects/Taxes/Articles/Christian/GovReligion.htm>

9.4. How the U.S. Government Has Made Itself Into the Equivalent of a Totalitarian Monarch, Family Guardian Fellowship

<http://famguardian.org/Subjects/Taxes/ChallJurisdiction/USGovIsNobility.htm>

## 35 Questions that Readers, Grand Jurors, and Petit Jurors Should be Asking the Government

These questions are provided for readers, Grand Jurors, and Petit Jurors to present to the government or anyone else who would challenge the facts and law appearing in this pamphlet, most of whom work for the government or stand to gain financially from perpetuating the fraud. If you find yourself in receipt of this pamphlet, you are demanded to answer the questions within 10 days. Pursuant to [Federal Rule of Civil Procedure 8\(b\)\(6\)](#), failure to deny within 10 days constitutes an admission to each question. Pursuant to [26 U.S.C. §6065](#), all of your answers must be signed under penalty of perjury. We are not interested in agency policy, but only sources of reasonable belief identified in the pamphlet below:

Reasonable Belief About Income Tax Liability, Form #05.007

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

Your answers will become evidence in future litigation, should that be necessary in order to protect the rights of the person against whom you are attempting to unlawfully enforce federal law.

1. Admit that the basis for all franchises is an implied or express contract of some kind.

*As a rule, franchises spring from contracts between the sovereign power and private citizens, made upon valuable considerations, for purposes of individual advantage as well as public benefit,<sup>347</sup> and thus a franchise partakes of a double nature and character. So far as it affects or concerns the public, it is publici juris and is subject to governmental control. The legislature may prescribe the manner of granting it, to whom it may be granted, the conditions and terms upon which it may be held, and the duty of the grantee to the public in exercising it, and may also provide for its forfeiture upon the failure of the grantee to perform that duty. But when granted, it becomes the property of the grantee, and is a private right, subject only to the governmental control growing out of its other nature as publici juris.<sup>348</sup>*  
[American Jurisprudence 2d, Franchises, §4: Generally (1999)]

YOUR ANSWER: \_\_\_\_ Admit \_\_\_\_ Deny

CLARIFICATION: \_\_\_\_\_

2. Admit that among the basis for a valid enforceable contract include the following and possibly others:

<sup>347</sup> Georgia R. & Power Co. v. Atlanta, 154 Ga. 731, 115 S.E. 263; Lippencott v. Allander, 27 Iowa 460; State ex rel. Hutton v. Baton Rouge, 217 La. 857, 47 So.2d. 665; Tower v. Tower & S. Street R. Co. 68 Minn 500, 71 N.W. 691.

<sup>348</sup> Georgia R. & Power Co. v. Atlanta, 154 Ga. 731, 115 S.E. 263; Lippencott v. Allander, 27 Iowa 460; State ex rel. Hutton v. Baton Rouge, 217 La. 857, 47 So.2d. 665; Tower v. Tower & S. Street R. Co. 68 Minn 500, 71 N.W. 691.

1. Both parties to the contract must be past the age of consent and are not minors.
2. An offer.
3. Mutual consideration or “benefit” to both parties.
4. Informed voluntary mutual consent or assent absent any duress.
5. Enumeration and “fair notice” of all rights established under the terms of the contract.

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

3. Admit that consent to a franchise agreement may be explicit, meaning in writing, or implicit, which means based consent based on one’s conduct.

*CALIFORNIA CIVIL CODE  
DIVISION 3. OBLIGATIONS  
PART 2. CONTRACTS  
CHAPTER 3. CONSENT  
[Section 1589](#)*

*1589. A voluntary acceptance of the benefit of a [government benefit] transaction is equivalent to a consent to all the obligations [and legal liabilities] arising from it, so far as the facts are known, or ought to be known, to the person accepting.*

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

4. Admit that a “trade or business” is defined in [26 U.S.C. §7701\(a\)\(26\)](#) as follows:

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

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

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

5. Admit that the person who provided this form to the recipient has admitted that he has never provided explicit, written consent to participate in the “trade or business” franchise and never made application for a license to participate in said franchise.

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

6. Admit that because the submitter of this form never provided explicit, written consent to participate in the “trade or business” franchise, the only way the franchise agreement codified in [Internal Revenue Code, Subtitle A](#) can be enforced against him is if he *implicitly* consented to participate in said franchise through his conduct.

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

7. Admit that implied consent is defined in Black’s Law Dictionary as follows:

*“[Implied consent](#). That manifested by signs, actions, or facts, or by inaction or silence, which raise a presumption that the consent has been given. For example, when a corporation does business in a state it impliedly consents to be subject to the jurisdiction of that state’s courts in the event of tortious conduct, even though it is not incorporated in that state. Most every state has a statute implying the consent of one who drives upon its highways*

1 to submit to some type of scientific test or tests measuring the alcoholic content of the driver's blood. In addition  
2 to implying consent, these statutes usually provide that if the result of the test shows that the alcohol content  
3 exceeds a specified percentage, then a rebuttable presumption of intoxication arises."  
4 [Black's Law Dictionary, Fifth Edition, pp. 276-277]

5  
6 YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

7  
8 CLARIFICATION:\_\_\_\_\_

- 9 8. Admit that the government, as the moving party asserting a liability under the [Internal Revenue Code, Subtitle A](#)  
10 franchise agreement, has the burden of proving that the submitter provided consent to the terms of said agreement in  
11 some form, and that he received notice of all rights surrendered under the terms of said franchise agreement.

12  
13 YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

14  
15 CLARIFICATION:\_\_\_\_\_

- 16 9. Admit that a "trade or business" is a franchise to which those who participate acquire the following "privileges" and to  
17 which those who do NOT participate may not lawfully avail themselves:

- 18  
19 1. Ability to take deductions from their tax liability pursuant to [26 U.S.C. §162](#).  
20 2. Ability to take earned income credits pursuant to [26 U.S.C. §32](#).  
21 3. Ability to apply a reduced, graduated rate of tax found in [26 U.S.C. §1](#).

22  
23 YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

24  
25 CLARIFICATION:\_\_\_\_\_

- 26 10. Admit that a "nonresident alien" not engaged in the "trade or business" franchise and who is defined in 26 C.F.R.  
27 §1.871-1(b)(1)(i) earns no "gross income" and therefore does not need any of the above privileges" that might reduce a  
28 liability because he doesn't have a liability.

29 Title 26: Internal Revenue

30 [PART 1—INCOME TAXES](#)

31 [nonresident alien individuals](#)

32 [§ 1.872-2 Exclusions from gross income of nonresident alien individuals.](#)

33 *(f) Other exclusions. Income which is from sources without [outside] the United States [District of Columbia,*  
34 *see [26 U.S.C. 7701\(a\)\(9\)](#) and [\(a\)\(10\)](#)], as determined under the provisions of sections 861 through 863, and*  
35 *the regulations thereunder, is not included in the gross income of a nonresident alien individual unless such*  
36 *income is effectively connected for the taxable year with the conduct of a trade or business in the United*  
37 *States by that individual. To determine specific exclusions in the case of other items which are from sources*  
38 *within the United States, see the applicable sections of the Code. For special rules under a tax convention for*  
39 *determining the sources of income and for excluding, from gross income, income from sources without the*  
40 *United States which is effectively connected with the conduct of a trade or business in the United States, see the*  
41 *applicable tax convention. For determining which income from sources without the United States is effectively*  
42 *connected with the conduct of a trade or business in the United States, see section [864\(c\)\(4\)](#) and [§1.864-5](#).*

43  
44 YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

45  
46 CLARIFICATION:\_\_\_\_\_

- 47 11. Admit that the legal person described in the previous question is a "nontaxpayer", which we define as any person other  
48 than the "taxpayer" defined in [26 U.S.C. §7701\(a\)\(14\)](#) and who is not subject to any provision of the Internal Revenue  
49 Code, Subtitle A.

50  
51 YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

52  
53 CLARIFICATION:\_\_\_\_\_

12. Admit that the tax imposed in [26 U.S.C. §1](#) is a tax upon earnings connected with the “trade or business” franchise and not upon ALL earnings.

[TITLE 26](#) > [Subtitle A](#) > [CHAPTER 1](#) > [Subchapter N](#) > [PART II](#) > [Subpart A](#) > § 871  
[§ 871. Tax on nonresident alien individuals](#)

(b) Income connected with United States business—graduated rate of tax

(1) Imposition of tax

A nonresident alien individual **engaged in trade or business within the United States during the taxable year shall be taxable as provided in section 1 or 55 on his taxable income which is effectively connected with the conduct of a trade or business within the United States.**

“We must reject in this case, as we have rejected in cases arising under the Corporation Excise Tax Act of 1909 (Doyle, Collector, v. Mitchell Brothers Co., 247 U.S. 179, 38 Sup.Ct. 467, 62 L.Ed.--), the broad contention submitted on behalf of the government that all receipts—everything that comes in—are income within the proper definition of the term ‘gross income,’ and that the entire proceeds of a conversion of capital assets, in whatever form and under whatever circumstances accomplished, should be treated as gross income. Certainly the term “income” has no broader meaning in the 1913 act than in that of 1909 (see Stratton’s Independence v. Howbert, 231 U.S. 399, 416, 417 S., 34 Sup.Ct. 136), and for the present purpose we assume there is no difference in its meaning as used in the two acts.”  
[Southern Pacific Co., v. Lowe, 247 U.S. 330, 335, 38 S.Ct. 540 (1918)]

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

13. Admit that everything that goes on IRS Form 1040 is “trade or business” earnings because everything on the form is subject to the deductions found in [26 U.S.C. §162](#), and only those engaged in a “trade or business” can take such deductions.

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

14. Admit that a tax upon a franchise or privilege is an excise tax.

“Excises are taxes laid upon the manufacture, sale or consumption of commodities within the country, upon licenses to pursue certain occupations and upon corporate privileges..the requirement to pay such taxes involves the exercise of [\[220 U.S. 107, 152\]](#) privileges, and the element of absolute and unavoidable demand is lacking..

...It is therefore well settled by the decisions of this court that when the sovereign authority has exercised the right to tax a legitimate subject of taxation as an exercise of a franchise or privilege, it is no objection that the measure of taxation is found in the income produced in part from property which of itself considered is nontaxable...

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

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

15. Admit that information returns, such as IRS Forms W-2, 1042-S, 1098, and 1099 all connect the recipient with earnings that are associated with the exercise of the “trade or business” franchise.

[TITLE 26](#) > [Subtitle F](#) > [CHAPTER 61](#) > [Subchapter A](#) > [PART III](#) > [Subpart B](#) > § 6041  
[§ 6041. Information at source](#)

(a) Payments of \$600 or more

All persons engaged in a trade or business and making payment in the course of such trade or business to another person, of rent, salaries, wages, premiums, annuities, compensations, remunerations, emoluments, or other fixed or determinable gains, profits, and income (other than payments to which section 6042 (a)(1), 6044 (a)(1), 6047 (e), 6049 (a), or 6050N (a) applies, and other than payments with respect to which a statement is required under the authority of section 6042 (a)(2), 6044 (a)(2), or 6045), of \$600 or more in any taxable year, or, in the case of such payments made by the United States, the officers or employees of the United States having information as to such payments and required to make returns in regard thereto by the regulations hereinafter provided for, shall render a true and accurate return to the Secretary, under such regulations and in such form and manner and to such extent as may be prescribed by the Secretary, setting forth the amount of such gains, profits, and income, and the name and address of the recipient of such payment.

YOUR ANSWER: \_\_\_\_ Admit \_\_\_\_ Deny

CLARIFICATION: \_\_\_\_\_

16. Admit that persons subject to the “trade or business” franchise agreement codified in [Internal Revenue Code, Subtitle A](#) are defined in [26 U.S.C. §7701\(a\)\(14\)](#) as “taxpayers”.

[26 U.S.C. Sec. 7701\(a\)14](#):

*Taxpayer*

*The term “taxpayer” means any person subject to any internal revenue tax.*

YOUR ANSWER: \_\_\_\_ Admit \_\_\_\_ Deny

CLARIFICATION: \_\_\_\_\_

17. Admit that the “trade or business” franchise agreement codified in [Internal Revenue Code, Subtitle A](#) may not be enforced against “nontaxpayers”, which are persons who never consented to the franchise agreement.

*“Revenue Laws relate to taxpayers [officers, employees, and elected officials of the Federal Government] and not to non-taxpayers [American Citizens/American Nationals not subject to the exclusive jurisdiction of the Federal Government]. The latter are without their scope. No procedures are prescribed for non-taxpayers and no attempt is made to annul any of their Rights or Remedies in due course of law.”*  
[*Economy Plumbing & Heating v. U.S.*, 470 F.2d. 585 (1972)]

*“The revenue laws are a code or system in regulation of tax assessment and collection. They relate to taxpayers, and not to nontaxpayers. The latter are without their scope. No procedure is prescribed for nontaxpayers, and no attempt is made to annul any of their rights and remedies in due course of law. With them Congress does not assume to deal, and they are neither of the subject nor of the object of the revenue laws...”*  
[*Long v. Rasmussen*, 281 F. 236 (1922)]

YOUR ANSWER: \_\_\_\_ Admit \_\_\_\_ Deny

CLARIFICATION: \_\_\_\_\_

18. Admit that it constitutes involuntary servitude, peonage, and slavery in violation of the Thirteenth Amendment and [42 U.S.C. §1994](#) to enforce any provision of the “trade or business” franchise agreement against anyone who is not party to it, such as a “nontaxpayer”.

*“Other authorities to the same effect might be cited. It is not open to doubt that Congress may enforce the Thirteenth Amendment by direct legislation, punishing the holding of a person in slavery or in involuntary servitude except as a punishment for a crime. In the exercise of that power Congress has enacted these sections denouncing peonage, and punishing one who holds another in that condition of involuntary servitude. This legislation is not limited to the territories or other parts of the strictly national domain, but is operative in the states and wherever the sovereignty of the United States extends. We entertain no doubt of the validity of this legislation, or of its applicability to the case of any person holding another in a state of peonage, and this whether there be municipal ordinance or state law sanctioning such holding. It operates directly on every citizen of the Republic, wherever his residence may be.”*  
[*Clyatt v. U.S.*, 197 U.S. 207 (1905)]



1                   *“That it does not conflict with the Thirteenth Amendment, which abolished slavery and involuntary servitude,*  
2 *except as a punishment for crime, is too clear for argument. Slavery implies involuntary servitude—a state of*  
3 *bondage; the ownership of mankind as a chattel, or at least the control of the labor and services of one man for*  
4 *the benefit of another, and the absence of a legal right to the disposal of his own person, property, and services*  
5 *[in their entirety]. This amendment was said in the Slaughter House Cases, 16 Wall, 36, to have been intended*  
6 *primarily to abolish slavery, as it had been previously known in this country, and that it equally forbade Mexican*  
7 *peonage or the Chinese coolie trade, when they amounted to slavery or involuntary servitude and that the use of*  
8 *the word ‘servitude’ was intended to prohibit the use of all forms of involuntary slavery, of whatever class or*  
9 *name.”*  
10 *[Plessy v. Ferguson, 163 U.S. 537, 542 (1896)]*

11  
12 YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

13  
14 CLARIFICATION:\_\_\_\_\_

- 15 19. Admit that those who participate in government franchises become “residents” with the jurisdiction of the government  
16 granting the franchise, even if they do not maintain a domicile within said territorial jurisdiction:

17                   *A domestic corporation is one organized or created in the United States, including only the States (and during*  
18 *the periods when not States, the Territories of Alaska and Hawaii), and the District of Columbia, or under the*  
19 *law of the United States or of any State or Territory. A foreign corporation is one which is not domestic. A*  
20 *domestic corporation is a resident corporation even though it does no business and owns no property in the*  
21 *United States. A foreign corporation engaged in trade or business within the United States is referred to in the*  
22 *regulations in this chapter as a resident foreign corporation, and a foreign corporation not engaged in trade*  
23 *or business within the United States, as a nonresident foreign corporation. A partnership engaged in trade or*  
24 *business within the United States is referred to in the regulations in this chapter as a resident partnership, and a*  
25 *partnership not engaged in trade or business within the United States, as a nonresident partnership. Whether a*  
26 *partnership is to be regarded as resident or nonresident is not determined by the nationality or residence of its*  
27 *members or by the place in which it was created or organized.*  
28 *[T.D. 8813, Federal Register: February 2, 1999 (Volume 64, Number 21), P. 4967-4975]*  
29 *[**IMPORTANT NOTE!**: Whether a "person" is a "resident" or "nonresident" has NOTHING to do with the*  
30 *nationality or residence, but with whether it is engaged in a "trade or business" franchise]*  
31 *[26 C.F.R. §301.7701-5 Domestic, foreign, resident, and nonresident persons; older version*  
32 *SOURCE: <http://famguardian.org/TaxFreedom/CitesByTopic/Resident-26cfr301.7701-5.pdf>]*

33  
34 YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

35  
36 CLARIFICATION:\_\_\_\_\_

- 37 20. Admit that it is unlawful to compel a person who is not subject to a franchise agreement to use a legislative or  
38 “franchise court” such as tax court.

39  
40 YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

41  
42 CLARIFICATION:\_\_\_\_\_

- 43 21. Admit Tax Court is an Article I Legislative “Franchise Court”

44                   [TITLE 26](#) > [Subtitle F](#) > [CHAPTER 76](#) > [Subchapter C](#) > [PART I](#) > § 7441  
45                   [§ 7441. Status](#)

46                   *There is hereby established, under article I of the Constitution of the United States, a court of record to be*  
47 *known as the United States Tax Court. The members of the Tax Court shall be the chief judge and the judges of*  
48 *the Tax Court.*

49  
50 YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

51  
52 CLARIFICATION:\_\_\_\_\_

- 53 22. Admit that Tax Court has NO JURISDICTION over persons who are not franchisees called “taxpayers”:

54                   *United States Tax Court*  
55                   *RULE 13. JURISDICTION*

(a) ...the jurisdiction of the Court depends

(1) in a case commenced in the Court by a taxpayer, upon the issuance by the Commissioner of a notice of deficiency in income

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

23. Admit that NO FEDERAL COURT has the legislatively delegated authority to declare a person who is a “nontaxpayer” as a “taxpayer”:

[TITLE 28 > PART VI > CHAPTER 151 > § 2201](#)  
[§ 2201. Creation of remedy](#)

(a) In a case of actual controversy within its jurisdiction, except with respect to Federal taxes other than actions brought under section 7428 of the Internal Revenue Code of 1986, a proceeding under section 505 or 1146 of title 11, or in any civil action involving an antidumping or countervailing duty proceeding regarding a class or kind of merchandise of a free trade area country (as defined in section 516A(f)(10) of the Tariff Act of 1930), as determined by the administering authority, any court of the United States, upon the filing of an appropriate pleading, may declare the rights and other legal relations of any interested party seeking such declaration, whether or not further relief is or could be sought. Any such declaration shall have the force and effect of a final judgment or decree and shall be reviewable as such.

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

24. Admit that NO FEDERAL COURT can lawfully do indirectly that which it cannot do directly.

*“I turn now to the arguments by which the constitutionality of the act of Congress has been attempted to be supported. It is said that, though Congress cannot directly abrogate contracts, or impair their obligation, it may indirectly, by the exercise of other powers granted to it. This I have conceded, but I deny that an acknowledged power can be exerted solely for the purpose of effecting indirectly an unconstitutional end which the legislature cannot directly attempt to reach. If the purpose were declared in the act, I think no court would hesitate to pronounce the act void. In *Hoke v. Harderson*, to which I have referred, Chief Justice Ruffin, when considering at length an argument that a legislature could purposely do indirectly what it could not do directly, used this strong language: ‘The argument is unsound in this, that it supposes (what cannot be admitted as a supposition) the legislature will, designedly and wilfully, violate the Constitution, in utter disregard of their oaths and duty. To do indirectly in the abused exercise of an acknowledged power, not given for, but perverted for that purpose, that which is expressly forbidden to be done directly, is a gross and wicked infraction of the Constitution.’”*

*[Sinking Fund Cases, 99 U.S. 700 (1878) ]*

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

25. Admit that it is an unconstitutional violation of due process of law to “presume” that a “nontaxpayer” is a “taxpayer”:  
25.1. The foundation of the American system of jurisprudence is innocence until proven guilty, which means that everyone is a “nontaxpayer” until proven with evidence and not presumption, that they are a “taxpayer”.

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

[[Sinking Fund Cases, 99 U.S. 700 \(1878\)](#)]

“Keeping in mind the well-settled rule that the citizen is exempt from taxation unless the same is imposed by clear and unequivocal language, and that where the construction of a tax law is doubtful, the doubt is to be resolved in favor of those upon whom the tax is sought to be laid.”  
[*Spreckels Sugar Refining Co. v. McClain*, [192 U.S. 397](#) (1904)]

25.2. All presumptions which prejudice constitutionally guaranteed rights are unconstitutional violations of due process.

(1) [8:4993] **Conclusive presumptions affecting protected interests:**

A conclusive presumption may be defeated where its application would impair a party's constitutionally-protected liberty or property interests. In such cases, conclusive presumptions have been held to violate a party's due process and equal protection rights. [Vlandis v. Kline (1973) [412 U.S. 441](#), 449, 93 S.Ct. 2230, 2235; Cleveland Bd. of Ed. v. LaFleur (1974) [414 U.S. 632](#), 639-640, 94 S.Ct. 1208, 1215-presumption under Illinois law that unmarried fathers are unfit violates process]  
[[Federal Civil Trials and Evidence, Rutter Group, paragraph 8:4993, p. 8K-34](#)]

“It is apparent,’ this court said in the Bailey Case ( [219 U.S. 239](#) , 31 S.Ct. 145, 151) ‘that a constitutional prohibition cannot be transgressed indirectly by the creation of a statutory presumption any more than it can be violated by direct enactment. The power to create presumptions is not a means of escape from constitutional restrictions.”  
[*Heiner v. Donnan*, [285 U.S. 312](#) (1932)]

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

26. Admit that the Anti-Injunction Act codified in [26 U.S.C. §7421](#) only applies to franchisees called “taxpayers”, and may not be invoked against a “nontaxpayer”, and that this therefore implies that it is a part of the franchise agreement codified in Internal Revenue Code, Subtitle A:

In sum, the Anti-Injunction Act's purpose and the circumstances of its enactment indicate that Congress did not intend the Act to apply to actions brought by aggrieved parties for whom it has not provided an alternative remedy [such as NONTAXPAYERS]. [17](#) In this [465 U.S. 367, 379] case, if the plaintiff South Carolina issues bearer bonds, its bondholders will, by virtue of 103(j)(1), be liable for the tax on the interest earned on those bonds. South Carolina will [465 U.S. 367, 380] incur no tax liability. Under these circumstances, the State will be unable to utilize any statutory procedure to contest the constitutionality of 103(j)(1). Accordingly, the Act cannot bar this action.  
[[South Carolina v. Regan, 465 U.S. 367 \(1984\)](#)]

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

27. Admit that the only statutory remedy provided for “nontaxpayers” within the Internal Revenue Code is that found in [26 U.S.C. §7426](#).

[TITLE 26 > Subtitle F > CHAPTER 76 > Subchapter B > § 7426](#)  
[§ 7426. Civil actions by persons other than taxpayers](#)

(a) Actions permitted

(1) Wrongful levy

If a levy has been made on property or property has been sold pursuant to a levy, and any person (other than the person against whom is assessed the tax out of which such levy arose) who claims an interest in or lien on such property and that such property was wrongfully levied upon may bring a civil action against the United States in a district court of the United States. Such action may be brought without regard to whether such property has been surrendered to or sold by the Secretary.

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION: \_\_\_\_\_

28. Admit that the Anti-Injunction Act may not be lawfully imposed by federal courts against “nontaxpayers” to dismiss attempts to prevent illegal collection actions instituted by the IRS that are not addressed within [26 U.S.C. §7426](#).

*In holding that the Act does not bar suits by nontaxpayers with no other remedies, the Court today has created a “breach in the general scheme of taxation [that] gives an opening for the disorganization of the whole plan [.]” Allen v. Regents, 304 U.S. 439, 454, 58 S.Ct. 980, 987, 82 L.Ed. 1448 (Reed, J., concurring in the result). Non-taxpaying associations of taxpayers, and most other nontaxpayers, will now be allowed to sidestep Congress’ policy against judicial resolution of abstract tax controversies. They can now challenge both Congress’ tax statutes and the Internal Revenue Service’s regulations, revenue rulings, and private letter decisions. In doing so, they can impede \*395 the process of collecting federal revenues and require Treasury to focus its energies on questions deemed important not by it or Congress but by a host of private plaintiffs. The Court’s holding travels “a long way down the road to the emasculation of the Anti-Injunction Act, and down the companion pathway that leads to the blunting of the strict requirements of Williams Packing ....” Commissioner v. Shapiro, 424 U.S. 614, 635, 96 S.Ct. 1062, 1074, 47 L.Ed.2d. 278 (1976) (BLACKMUN, J., dissenting). I simply cannot join such a fundamental undermining of the congressional purpose. [South Carolina v. Regan, 465 U.S. 367 (1984)]*

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION: \_\_\_\_\_

29. Admit that in the case of a nonresident alien not engaged in the “trade or business” franchise and who is described in 26 C.F.R. §1.871-1(b)(1)(i) and who receives a payment from the U.S. government not connected with a “trade or business” and as described in [26 U.S.C. §871\(a\)](#), the only “taxpayer” who is party to the transaction is the withholding agent described as being liable in [26 U.S.C. §1461](#) and not the “nonresident alien” receiving the payment.

[TITLE 26 > Subtitle A > CHAPTER 3 > Subchapter B > § 1461](#)  
[§ 1461. Liability for withheld tax](#)

*Every person required to deduct and withhold any tax under this chapter is hereby made liable for such tax and is hereby indemnified against the claims and demands of any person for the amount of any payments made in accordance with the provisions of this chapter.*

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION: \_\_\_\_\_

30. Admit that the “withholding agent” described in [26 U.S.C. §1461](#) in the previous question can only be a “franchisee”, “public officer”, government employee, agent, or fiduciary who assumed that role voluntarily by exercising his right to contract because the ability to impose duties or regulate “private conduct” is “repugnant to the constitution” and a violation of the Thirteenth Amendment prohibition against involuntary servitude:

*“The power to “legislate generally upon” life, liberty, and property, as opposed to the “power to provide modes of redress” against offensive state action, was “repugnant” to the Constitution. Id., at 15. See also United States v. Reese, 92 U.S. 214, 218 (1876); United States v. Harris, 106 U.S. 629, 639 (1883); James v. Bowman, 190 U.S. 127, 139 (1903). Although the specific holdings of these early cases might have been superseded or modified, see, e.g., Heart of Atlanta Motel, Inc. v. United States, 379 U.S. 241 (1964); United States v. Guest, 383 U.S. 745 (1966), their treatment of Congress’ §5 power as corrective or preventive, not definitional, has not been questioned.”*  
*[City of Boerne v. Flores, Archbishop of San Antonio, 521 U.S. 507 (1997)]*

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION: \_\_\_\_\_

31. Admit that the terms “special law” are defined as follows:

*“special law. One relating to particular persons or things; one made for individual cases or for particular places or districts; one operating upon a selected class, rather than upon the public generally. A private law. A law is “special” when it is different from others of the same general kind or designed for a particular purpose, or limited in range or confined to a prescribed field of action or operation. A “special law” relates to either*

particular persons, places, or things or to persons, places, or things which, though not particularized, are separated by any method of selection from the whole class to which the law might, but not such legislation, be applied. *Utah Farm Bureau Ins. Co. v. Utah Ins. Guaranty Ass'n*, Utah, 564 P.2d. 751, 754. A special law applies only to an individual or a number of individuals out of a single class similarly situated and affected, or to a special locality. *Board of County Com'rs of Lemhi County v. Swensen*, Idaho, 80 Idaho 198, 327 P.2d. 361, 362. See also Private bill; Private law. Compare General law; Public law." [Black's Law Dictionary, Sixth Edition, pp. 1397-1398]

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

32. Admit that all franchise agreements constitute "special law", and that the method of "selection" or separation from "all persons" is the requirement to manifest consent to the franchise agreement in some form.

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

33. Admit that [Internal Revenue Code, Subtitle A](#) income tax is "private law" and "special law" that only applies to those who individually consent to participate in the "trade or business" franchise:

*"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."*  
[Cynthia Mills, IRS Disclosure Officer, Exhibit #09.023  
SOURCE: <http://sedm.org/Exhibits/ExhibitIndex.htm>]

YOUR ANSWER: \_\_\_\_Admit \_\_\_\_Deny

CLARIFICATION:\_\_\_\_\_

### **Affirmation:**

I declare under penalty of perjury as required under [26 U.S.C. §6065](#) that the answers provided by me to the foregoing questions are true, correct, and complete to the best of my knowledge and ability, so help me God. I also declare that these answers are completely consistent with each other and with my understanding of both the Constitution of the United States, Internal Revenue Code, Treasury Regulations, the Internal Revenue Manual (I.R.M.), and the rulings of the Supreme Court but not necessarily lower federal courts.

Name (print):\_\_\_\_\_

Signature:\_\_\_\_\_

Date:\_\_\_\_\_

Witness name (print):\_\_\_\_\_

Witness Signature:\_\_\_\_\_

Witness Date:\_\_\_\_\_