STATE INCOME TAXES
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1 Introduction

This document is written to briefly explain how state income taxes may lawfully be collected and why in most cases, they are not. It is intended to be attached to a response to a state income tax collection notice.

If, while reading this information, you wish to verify the information presented for your own particular state, we encourage you to examine the following free resource on our website, which includes detailed legal research on all 53 jurisdictions within the USA. It also features hotlinks that take you right to the resource within your browser, so that you can read the law for yourself on the subjects we cover:

SEDMA Jurisdictions Database, Litigation Tool #09.003
http://sedm.org/Litigation/LitIndex.htm

2 Which states have no personal income taxes?

As of the writing of this document, nine states do not have a state personal income tax. These states are listed below in alphabetical order:

1. Alaska
2. Florida
3. Nevada
4. New Hampshire
5. South Dakota
6. Tennessee
7. Texas
8. Washington
9. Wyoming

If you would like a succinct summary and reference for state income tax law and procedure, we recommend the following:

State Tax Notice and Letter Response Index, Form #07.201
http://sedm.org/SampleLetters/States/StateRespLtrIndex.htm

3 State tax “Scheme”

Those states that do have personal income tax all work the same, as described in this section. All state income tax withholding is dependent on federal withholding. In order to have a state tax “liability”, a person must first have a federal “liability” under Subtitle A of the Internal Revenue Code. State tax withholding is authorized under the Buck Act, 4 U.S.C. §§105-111.

All the States that adopted the personal income tax operate under the Buck Act, 4 U.S.C. §§105-111, and specifically §106, which is implemented further within 5 U.S.C. §5517, “Withholding State Income Taxes”. However, the “State” mentioned in 5 U.S.C. §5517 is revealed only as the federal “State” defined in 4 U.S.C. §110(d) to mean a “territory or possession of the United States” listed under Title 48 of the U.S. Code. Said revelation is obvious since states of the Union do NOT appear in Title 48 of the U.S. Code as “territories and possessions” of the United States. If you would like to learn more about income taxation within federal territories and possessions, we refer you to the following:

Great IRS Hoax, Form #11.302, Section 5.14
http://famguardian.org/Publications/GreatIRSHoax/GreatIRSHoax.htm

Therefore, our scheme of state income taxation, if enforced or treated as other than entirely voluntary by both the IRS or state revenue agencies in the context of states of the Union, is completely unconstitutional and breaks down the separation of powers between the state and federal governments.

“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”
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.


In short, based on the way state revenue codes are illegally enforced in those states that have income taxes on natural persons, this illegal enforcement activity:

1. Amounts to a conspiracy against the property rights to enslave and oppress people in states of the Union by making them into involuntary federal and state serfs. This violates:
   1.1. The Thirteenth Amendment prohibition against involuntary servitude
   1.2. The Fifth Amendment requirement that all takings of property must be compensated or involve due process of law.

2. Is an unconstitutional enlargement of federal power inside states of the Union. Under our Constitution, states cannot consent to the enlargement of federal powers beyond those specifically enumerated in the Constitution. They cannot therefore permit or acquiesce to IRS enforcement against citizens or residents domiciled within their borders. The states were established to PROTECT the rights of their citizens and to SERVE them, not to acquiesce to federal plunder of their property and sharing of the spoils of this plunder by participating in such a conspiracy against their individual rights:

   “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)]

   “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 Eiku 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.”

   [Carter v. Carter Coal Co., 298 U.S. 338 (1936)]

State income taxation operates as follows:

1. Since the State income tax Forms require the federal amounts to be entered for proper calculation of State tax, federal income tax liability is a prerequisite to State income tax liability. Therefore, should someone have no federal liability, but wish to volunteer information on some tax Form, then, the proper amount would be “zero”.

2. State income taxes are based on “residence” within the “State” mentioned in 5 U.S.C. §5517, and revealed only as the federal “State” defined in 4 U.S.C. §110(d) to mean a “territory or possession of the United States” which are listed under Title 48 of the U.S. Code.

3. The federal income tax is imposed upon STATUTORY “U.S. persons” as defined in 26 U.S.C. §7701(a)(30) who are required by 26 U.S.C. §6109 to provide “identifying numbers” on tax returns. Since the State income tax is imposed in the “State” mentioned in 5 U.S.C. §5517 and revealed only as the federal “State” defined in 4 U.S.C. §110(d) to mean a “territory or possession of the United States” listed under Title 48 of the U.S. Code, people born or living and working in states of the Union can never be classified as STATUTORY “U.S. persons” nor can be required to provide identifying numbers. See Flawed Tax Arguments to Avoid, Form #08.004, Section 8.24 for further details on this subject.

4. States assume the same “situs” for income taxation as the federal government.

   “Situs. Lat. Situation; location; e.g. location or place of crime or business. Site; position; the place where a thing is considered, for example, with reference to jurisdiction over it, or the right or power to tax it. It imports fixedness of location. Situs of property, for tax purposes, is determined by whether the taxing state has sufficient contact with the personal property sought to be taxed to justify in fairness the particular tax. Town of Cady v. Alexander Const. Co., 12 Wis.2d 236, 107 N.W.2d 267, 270.”

Accordingly, a state of the Union and federal legislative jurisdictions cannot simultaneously place a person or a taxable activity in two mutually exclusive places. Therefore, the geographical location where a person or an activity may be subject to income taxes for the State mentioned in 5 U.S.C. §5517 and revealed only as the federal “State” defined in 4 U.S.C. §110(d) to mean a “territory or possession of the United States” which are listed under Title 48 of the U.S. Code, can only be one and the same with a federal government situs. Any attempt to enforce territorial obligations upon a state citizen constitutes criminal identity theft, as documented in Government Identity Theft, Form #05.046.

5. Financial conflicts of interest are a crime under 18 U.S.C. §208. Most state income taxes only “impose” the tax on “nonresidents” of the Constitutional State who are “residents” of the Statutory State (federal enclaves/territories). For distinctions between Constitutional State and Statutory State, see section 9 later. There is no way to justly or morally or ethically impose a state income tax upon “residents” within CONSTITUTIONAL states because this would create a conflict of interest within the judicial system. Judges would be ruling on a case in which their benefits would be derived directly from the taxes that pay their salary, and what judge in his right mind would ever allow a ruling that could potentially reduce his pay and benefits? Likewise, what jury would ever rule against a tax that reduced their government benefits or entitlements? However, if the taxes are only paid by nonresidents or on foreign commerce, then there is no possibility of any kind of conflict of interest, which ultimately assures justice and prevents any corruption within the legal system. See the following link for many more reasons why it is completely impractical to impose taxes on “residents”:


6. The federal authority for “State” taxation within federal enclaves is found within the Buck Act in 4 U.S.C. §106.

7. Since the federal government imposes “income taxes” only on people who are domiciled inside the federal zone, then state income tax is imposed upon these “persons” under the alleged authority of the “Buck Act”, which is codified in 4 U.S.C. §105 through 111.

8. The Buck Act does NOT give “states” of the Union authority to tax on federal land within their borders, because the term “State” defined within it only includes Territories of the United States. See 4 U.S.C. §110(d). Allowing States of the Union to tax within federal enclaves breaks down the separation of powers between our state and federal government, and violates Article 4, Section 4 of our Constitution, which requires a “republican form of government”, which is based on separation of powers. See section 5.1.1 of the Great IRS Hoax, Form #11.302 for further details on this subject.

9. Most Americans file 1040 forms with the IRS, even though it is shown throughout Chapter 5 of the Great IRS Hoax. Form #11.302 book that this is the wrong form to use in most cases, because only “residents” (who are “aliens” domiciled in the District of Columbia) and statutory “U.S. citizens” domiciled abroad and coming under an income tax treaty pursuant to 26 U.S.C. §911 can use the form. In particular, see sections 5.5.2 and 5.5.3 of the Great IRS Hoax, Form #11.302 book for further details.

10. States of the Union who impose income taxes must assume that you are a “nonresident” of the Constitutional State and a “resident” of the Statutory State if you file an IRS Form 1040. This is because federal enclaves within states are not part of the Constitutional “state”, and so people who are domiciled in these enclaves are “nonresidents” for Constitutional State income tax purposes.

11. People domiciled in states of the Union who commute daily to work temporarily in federal enclaves are classified as “immigrants” and come under the protection of 8 U.S.C. §1324b(a)(3)(A).

12. State income tax codes, like Subtitle A of the federal tax code, do not have a liability statute creating a legal duty to pay “income taxes”. We haven’t identified a single state of the Union that actually has a liability statute in their income tax code relating to “personal income taxes”. See section 5.6.1 of the Great IRS Hoax, Form #11.302 for further details on this aspect of the federal tax scheme.

In order to fully comprehend the relationship between federal and state income taxes, we must always be aware that federal and state territorial taxing jurisdictions are mutually exclusive and cannot overlap. This is a product of the “separation of powers doctrine” and fundamental to the organization of or “republican form of government” mandated by Article 4, Section 4 of the U.S. Constitution. The reason why these two jurisdictions must be mutually exclusive is that only ONE government can be sovereign over a geographical region at any one given time.

We will now finish this section with a quote of the federal regulation that authorizes state withholding. Note that the regulation authorizes withholding only on federal “employees”, as we show throughout this document. This is a result of the fact that nearly all the “taxpayers” under Subtitle A of the I.R.C. are those holding “public office” in the federal corporation called the United States (see 28 U.S.C. §3002(15)(A)) and coming under the Public Salary Tax Act of 1939.
[Code of Federal Regulations]
[Title 31, Volume 2]
[Revised as of July 1, 2002]
From the U.S. Government Printing Office via GPO Access
[CITE: 31CFR215.11]

TITLE 31—MONEY AND FINANCE: TREASURY
CHAPTER II—FISCAL SERVICE, DEPARTMENT OF THE TREASURY
PART 215—WITHHOLDING OF DISTRICT OF COLUMBIA, STATE, CITY AND COUNTY
INCOME OR EMPLOYMENT TAXES BY FEDERAL AGENCIES--Table of Contents
Subpart C--Standard Agreement

Sec. 215.11 Agency withholding procedures.

(a) State income tax shall be withheld only on the entire compensation of Federal employees and members of the Armed Forces. Nonresident employees, who under the State income tax law are required to allocate at least three-fourths of their compensation to the State, shall be subject to withholding on their entire compensation. Nonresident [alien] employees, who under the State income tax law are required to allocate less than three-fourths of their compensation to the State, may elect to:

(1) Have State income tax withheld on their entire compensation, or
(2) Have no income tax withheld on their compensation.

(b) In calculating the amount to be withheld from an employee's or a member's compensation, each agency shall use the method prescribed by the State income tax statute or city or county ordinance or a method which produces approximately the tax required to be withheld:

(1) By the State income tax statute from the compensation of each employee or member of the Armed Forces subject to such income tax, or
(2) By the city or county ordinance from the compensation of each employee subject to such income or employment tax.

(c) Where it is the practice of a Federal agency under Federal tax withholding procedure to make returns and payment of the tax on an estimated basis, subject to later adjustment based on audited figures, this practice may be applied with respect to the State, city of county income or employment tax where the agency has made appropriate arrangements with the State, city or county income tax authorities.

(d) Copies of Federal Form W-2, "Wage and Tax Statement", may be used for reporting withheld taxes to the State, city or county.

(e) Withholding shall not be required on wages earned but unpaid at the date of an employee's or member's death.

(f) Withholding of District of Columbia income tax shall not apply to pay of employees who are not residents of the District of Columbia as defined in 47 District of Columbia Code, chapter 15, subchapter II.

Notice that the above says that nonresident aliens, which includes the average American born in and domiciled within a state of the Union, may elect to "Have no income tax withheld on their compensation". They don’t say how that is accomplished, but the only proper way to do so for those who are not federal “employees” without committing perjury under penalty of perjury is to submit a form W-8BEN, and NOT a form W-4. Also note that the word “compensation” has a very specific legal meaning from the Classification Act of 1923, 42 Stat. 1988, and is defined as the earnings of a person holding public office in the federal government. Look for yourself:

Classification Act of 1923, 42 Stat. 1988

4 IRS Chief Counsel Agrees that federal income tax only applies within federal enclaves:
Chief Counsel Memorandum 200634001

The IRS Chief Counsel confirmed in a 2006 memorandum that the federal income tax, and by implication the state income taxes that build upon it, only applies within federal enclaves and not throughout an entire constitutional state. You can read the amazing truth for yourself below:

Office of Chief Counsel Memorandum Number 200634001, Exhibit #09.042-Establishes that income tax only applies within federal territory. Downloaded from https://www.irs.gov/pub/irs-wd/0634001.pdf on 6/17/2019
https://sedm.org/Exhibits/ExhibitIndex.htm

Additional evidence corroborating the above can be found at:

1. Buck Act, 5 U.S.C. §§105-113-the income tax is upon public offices exercised within federal enclaves. Note the definition of “State”.

State Income Taxes
Copyright Sovereignty Education and Defense Ministry, http://sedm.org
Form 05.031, Rev. 05-31-2017
EXHIBIT:________
5 Historical Origins of the Separation of Powers Doctrine

The foundation of our republican form of government is the notion of “separation of powers”. In the legal field, this is called “the separation of powers doctrine”. The U.S. Supreme Court confirmed the purpose of the separation of powers doctrine in the cases below:

“The leading Framers of our Constitution viewed the principle of separation of powers as the central guarantee of a just government. James Madison put it this way: "No political truth is certainly of greater intrinsic value or is stamped with the authority of more enlightened patrons of liberty.” The Federalist No. 47, p. 324 (J. Cooke ed.1961)."


“In Europe, the Executive is almost synonymous with the Sovereign power of a State; and, generally, includes legislative and judicial authority. When, therefore, writers speak of the sovereign, it is not necessarily in exclusion of the judiciary; and it will often be found, that when the Executive affords a remedy for any wrong, it is nothing more than by an exercise of its judicial authority. Such is the condition of power in that quarter of the world, where it is too commonly acquired by force, or fraud, or both, and seldom by compact. In America, however, the case is widely different. Our government is founded upon compact. Sovereignty was, and is, in the people. It was entrusted by them, as far as was necessary for the purpose of forming a good government, to the Federal Convention; and the Convention executed their trust, by effectually separating the Legislative, Judicial, and Executive powers; which, in the contemplation of our Constitution, are each a branch of the sovereignty. The well-being of the whole depends upon keeping each department within its limits. In the State government, several instances have occurred where a legislative act, has been rendered inoperative by a judicial decision, that it was unconstitutional; and even under the Federal government the judges, for the same reason, have refused to execute an act of Congress. "When, in short, either branch of the government usurps that part of the sovereignty, which the Constitution assigns to another branch, liberty ends, and tyranny commences."

[The Betsey, 3 U.S. 6 (1794)]

“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."


“The people of the United States, by their Constitution, have affirmed a division of internal governmental powers between the federal government and the governments of the several states-committing to the first its powers by express grant and necessary implication; to the latter, or [301 U.S. 548, 614] to the people, by reservation, the

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1 Source: Government Conspiracy to Destroy the Separation of Powers, Form #05.023, Section 2; http://sedm.org/Forms/FormIndex.htm
powers not delegated to the United States by the Constitution, nor prohibited by it to the States. 'The Constitution thus affirms the complete supremacy and independence of the state within the field of its powers. Carter v. Carter Coal Co., 298 U.S. 238, 295, 56 S.Ct. 855, 865. The federal government has no more authority to invade that field than the state has to invade the exclusive field of national governmental powers; for, in the oft-repeated words of this court 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 necessity of preserving each from every form of illegitimate intrusion or interference on the part of the other is so imperative as to require this court, when its judicial power is properly invoked, to view with a careful and discriminating eye any legislation challenged as constituting such an intrusion or interference. See South Carolina v. United States, 199 U.S. 437, 448, 26 S.Ct. 110, 4 Ann.Cas. 737.' [Steward Machine Co. v. Davis, 301 U.S. 548 (1937)]

Above we can see that the purpose of the separation of powers was to fulfill the purpose of the Declaration of Independence, which is to institute government for the SOLE purpose of protecting PRIVATE rights.

**DECLARATION OF INDEPENDENCE, 1776**

"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 protection of PRIVATE INALIENABLE rights BEGINS with preventing them from being converted to PUBLIC rights, franchises, or privileges, even WITH the consent of the owner. In other words, governments FIRST job is to keep PRIVATE rights and PUBLIC rights legally separated and never conmingling them. We cover this in the following:

**Separation Between Public and Private Course, Form #12.025**

[http://sedm.org/Forms/FormIndex.htm](http://sedm.org/Forms/FormIndex.htm)

The founders believed that men were inherently corrupt. They believed that where power concentrates, so does tyranny. To prevent tyranny, they separated the power within our government in the following ways:

1. **Separation of church (God) and state.** The state and God (the church) are in competition with each other to protect the people, as was shown in section 4.3.5 of the Great IRS Hoax, Form #11.302. Guaranteed by the First Amendment to the Constitution.
2. **Separation of money and state.** Guaranteed by Article 1, Section 10, Clause 1 of the Constitution, which required that no State shall make anything but gold and silver money.
3. **Separation of marriage and state.** At the time, there were no marriage licenses and everyone got married in their church. Their marriage certificate was the family bible, because that is where they recorded the ceremony.
4. **Separation of education and state.** The Constitution did not authorize the federal government to get involved in education, and since everything not mentioned in the Constitution was reserved to the states under the Tenth Amendment, we also had separation of education and state.
5. **Separation of media and state:** The founders always believed that a free and independent media was a precursor to an accountable and moral government and they wrote the requirement for freedom of the press into the First Amendment to the U.S. Constitution.
6. **Separation of the people and the government.** The founders gave the people equal footing with the state governments by giving them the House of Representatives. The House of Representatives is equal in legislative power to the Senate, which represents the state governments.
7. **State v. Federal separation.** The states had complete sovereignty internal to their border over everything except taxes on foreign commerce, mail fraud, and counterfeiting. Slavery was later added to that by the Thirteenth Amendment. The federal government had jurisdiction over all external or foreign matters only. Guaranteed by Art. IV of the Constitution.
8. **Separation of powers within the above two distinct governments.** Guaranteed by Art. 1, Art. II, and Art. III of the Constitution:
   8.1. Executive
   8.2. Legislative
   8.3. Judicial
The founding fathers derived the idea of separation of powers from various historical legal treatises available to them at the time they wrote the Constitution. The main source which described this separation of powers and after which they patterned their design for our government was a book written by Montesquieu which you can read for yourself below:

The Spirit of Laws, Charles de Montesquieu, 1758
http://famguardian.org/Publications/SpiritOfLaws/sol.htm

The founders implemented separation between the federal and state governments to put the states in competition with each other for citizens and commerce, so that when one state became too oppressive by having taxes that were too high or too many laws, people would move to a better state where they had more freedom and lower taxes. This would ensure that the states that were most oppressive would have the fewest citizens and the worst economy. They also put the federal government in charge of foreign commerce only, so that the only way it could increase its revenues was to promote, not discourage or restrict, commerce with foreign nations. If the taxes on foreign commerce were too high, people would simply buy more domestic goods and the federal government would shrink. It was naturally self-balancing.

The founders also put branches within each government in competition with each other: Executive, Legislative, and Judicial. They ensured that each branch had distinct functions that could not be delegated to another branch of government. Each branch would then jealously guard its power and jurisdiction to ensure that it was not invaded or undermined by the other branch. This ensured that there would always be a balance of powers so that the system was self-regulating and the balance of powers would be maintained.


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 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.

The founders put the states in charge of the federal government by filling the senate with delegates from each state and by giving each state full and complete and exclusive control over all taxation within its borders, with the exception of taxes on foreign commerce, which is commerce external to states of the Union and among foreign countries.
The states gave the federal government control only over taxes on foreign commerce under Article I, Section 8, Clause 3 of the Constitution. The states ensured this result by mentioning in two places in the Constitution, Article I, Section 2, Clause 3 and Article I, Section 9, Clause 4, that all direct taxes had to be apportioned to the legislatures of each state. The requirement to apportion direct taxes is the only mandate that appears twice in the Constitution, because they wanted to emphasize this limit on federal taxing powers. This ensured that the federal government could never burden or economically enslave individual citizens within each state or tax state governments directly:

"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)]

The founders imposed these restrictions on direct taxation because they knew that direct taxes amounted to slavery and they didn't want to become slaves to the federal government. Through the requirement for apportionment, state legislatures became the intermediaries for all federal appropriations that depended on other than indirect taxes on foreign commerce. Any other approach would require citizens in the states to serve two masters: state and federal, for the income they earn. This is a fulfillment of the Bible, which said on this subject:

"No one can serve two masters; [state and federal]; 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]

Thomas Jefferson, one of our most important founding fathers, confirmed the purpose of the separation of powers between state and federal governments. He confirmed that the purpose of the federal government was to regulate commerce and interaction with foreign countries and that it never had the authority or jurisdiction to invade within states, either through legislation or through police powers:

"The extent of our country was so great, and its former division into distinct States so established, that we thought it better to confederate [U.S. government] as to foreign affairs only. Every State retained its self-government in domestic matters, as better qualified to direct them to the good and satisfaction of their citizens, than a general government so distant from its remoter citizens and so little familiar with the local peculiarities of the different parts."

[Thomas Jefferson to A. Coray, 1823. ME 15:483]

"I believe the States can best govern our home concerns, and the General Government our foreign ones."

[Thomas Jefferson to William Johnson, 1823. ME 15:450]

"My general plan [for the federal government] would be, to make the States one as to everything connected with foreign nations, and several as to everything purely domestic."

[Thomas Jefferson to Edward Carrington, 1787. ME 6:227]

"Distinct States, amalgamated into one as to their foreign concerns, but single and independent as to their internal administration, regularly organized with a legislature and governor resting on the choice of the people and enlightened by a free press, can never be so fascinated by the arts of one man as to submit voluntarily to his usurpation. Nor can they be constrained to it by any force he can possess. While that may paralyze the single State in which it happens to be encamped, [the] others, spread over a country of two thousand miles diameter, rise up on every side, ready organized for deliberation by a constitutional legislature and for action by their governor, constitutionally the commander of the militia of the State, that is to say, of every man in it able to bear arms."

[Thomas Jefferson to A. L. C. Destutt de Tracy, 1811. ME 13:19]

You can read the above quotes from Thomas Jefferson on the website at:

2 See Federalist Paper #45 for confirmation of this fact.
Note that Jefferson said that the federal government was given jurisdiction over foreign affairs only, which includes foreign commerce. The only exception to this general rule is subject matter within the states over the following:

1. Slavery under the Thirteenth Amendment.
2. Counterfeiting under Article 1, Section 8, Clause 5 of the Constitution.
3. Mail under Article 1, Section 8, Clause 7 of the Constitution.
4. Assaults and infractions against its own officers under Article 1, Section 8, Clause 18 of the Constitution.
5. Treason under Article 3, Section 3, Clause 2 of the Constitution.

Every other type of subject matter jurisdiction exercised by the federal government within the states is not authorized by the Constitution, and therefore can only be undertaken with the voluntary consent and participation of the state governments and the people within them. This type of consensual jurisdiction is called "comity".

"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. Babbit 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]

Jefferson's quotes are also fully consistent with our system of federal taxation. For instance, Article 1, Section 8, Clause 3 of the U.S. Constitution limits federal taxation powers to commerce with foreign nations and between, but not within, states. 26 C.F.R. §1.861-8(f) also reveals that the only specific sources of "gross income" that are taxable under Subtitle A of the Internal Revenue Code are those associated with Domestic International Sales Corporations (DISC) and Foreign Sales Corporations (FSCs), both of whom are involved in commerce with foreign countries only. Even the IRS' own publications in the Federal Register confirm that this was the original intent of the founders. Below is an excerpt from the Federal Register, Volume 37, page 20960 dated October 5, 1972:

"Madison's Notes on the Constitutional Convention [see Federalist Paper #45] reveal clearly that the framers of the Constitution believed for some time [and wrote this permanent requirement into the Constitution] that the principal, if not sole, support of the new Federal Government would be derived from customs duties and taxes connected with shipping and importations. Internal taxation would not be resorted to except infrequently, and for special [emergency] reasons. The first resort to internal taxation, the enactment of internal revenue laws in 1794 and in the following 10 years, was occasioned by the exigencies of the public credit. These first laws were repealed in 1802. Internal revenue laws were reenacted for the period 1813-17, when the effects of the war of 1812 caused Congress to resort to internal taxation. From 1818 to 1861, however, the United States had no internal revenue laws and the Federal Government was supported by the revenue from import duties and the proceeds from the sale of public lands. In 1862 Congress once more levied internal revenue taxes. This time the establishment of an internal revenue system, not exclusively dependent upon the supplies of foreign commerce, was permanent." [Federal Register, Volume 37, p. 20960; Oct. 5, 1972]

What the IRS doesn't tell you in the above is that the resort to internal taxation under Subtitle A of the Internal Revenue Code was only authorized against officers of the United States government and not against private citizens living in the states of the Union. According to the U.S. Supreme Court, the enactment of the Sixteenth Amendment didn't change that Constitutional requirement one iota either. You can view this document on the website at:


Those federal politicians, legislators, and judges intent on becoming tyrants or expanding their power must break down the separation of powers established by the founders above if they want to concentrate power or take away powers from the states. They have done this over the years mainly by the following means, which we devote nearly the entirety of this book to exposing and explaining:

1. Deliberately deceiving people about the intent and result of ratifying the Sixteenth Amendment. According to the U.S. Supreme Court, the Sixteenth Amendment “conferring no power of taxation” upon the federal government, but simply
reinforced the idea that federal income taxes are indirect excise taxes only on businesses.\(^3\) Yet, to this day, your dishonest Congressman and the IRS itself both insist that the Sixteenth Amendment is the basis for their authority to tax the labor of a natural person, in spite of the fact that these kind of taxes violate the Thirteenth Amendment and constitute slavery and involuntary servitude.

2. Eliminating separation of church and state by either taxing churches or using the IRS to terrorize and gag them for their political activities. This is already happening. See the following website for details: [http://www.hushmoney.org/](http://www.hushmoney.org/)

3. Eliminating separation of money and state by eliminating the gold standard and transitioning to a fiat paper currency. This was done in 1913 with the introduction of the Federal Reserve Act on Dec. 23, 1913, shortly after the ratification of the Sixteenth Amendment in February 1913.

4. Eliminating separation of marriage and state by introducing marriage licenses. This was done in a large scale starting in 1923, with the Uniform Marriage and Divorce Act of 1929. See section 4.14.6.7 of the [Great IRS Hoax](http://www.constitution.org/ghansen/conghansen.htm), Form #11.302 for further details.

5. Confusing the definitions of words to make the separation of powers between state and federal unclear. For instance:

   5.1. Confusing the definitions of “state” and “State”.

   5.2. Confusing the definition of “United States”

   5.3. Not defining the word “foreign” in the Internal Revenue Code

6. Obfuscating the distinctions between “U.S. citizen” and “national” status within federal statutes. “U.S. citizens” were born in the federal United States while “nationals” were born in states of the Union.

7. Judges violating the due process rights of the accused by making frequent use of false presumption against litigants regarding citizenship and “taxpayer” status without documenting in their rulings what presumptions they are making or having to defend with evidence why such presumptions are warranted. Remember that “presumption” is the opposite of due process and also happens to be a sin in the Bible. Refer to section 2.8.2 of the [Great IRS Hoax](http://www.constitution.org/ghansen/conghansen.htm), Form #11.302 for details.

8. Refusing to acknowledge or recognize the limits of federal jurisdiction within federal courtrooms. We have been informed of many individuals being brutalized and abused by itinerant federal judges whose jurisdiction was challenged.

9. Suppressing any evidence or debate in courtrooms on the nature of separation of powers. Doing so by complicating rules of evidence, and making citizens meet a higher standard for evidence than the government.

10. Using the proceeds of extorted or illegally-collected federal income tax revenues to break down the separation of powers between states and the federal government. For instance, depriving states of federal revenues who do not do what the federal government wants them to do. This is called “privilege-induced slavery”. [Government Instituted Slavery Using Franchises](http://www.constitution.org/ghansen/conghansen.htm), Form #05.030 explains that this kind of artifice has been thoroughly exploited to create a de facto government that is completely at odds with the de jure separation of powers required by our Constitution.

11. Discrediting and slandering legal professionals who bring attention to the separation of powers between state and federal jurisdiction by calling them “frivolous” or “incompetent” and/or pulling their license to practice law. The framing of Congressman Traficant and Congressman George Hansen are examples of this kind of political persecution by abusing the legal system as a tool of persecution. See: [http://www.constitution.org/ghansen/conghansen.htm](http://www.constitution.org/ghansen/conghansen.htm)

12. Paying people in the legal publishing business to obfuscate the definitions of words. Section 6.8 of the [Great IRS Hoax](http://www.constitution.org/ghansen/conghansen.htm), Form #11.302 shows several instances of such corruption.

13. Making the laws found in the U.S. Code so confusing that the average American can’t rely on his own understanding of them to know what the law requires. Instead, he must compelled to rely on a high-paid expert, such as a judge or lawyer, both of whom have a conflict of interest in expanding their power, to say what the law really requires. This transforms our society from a “society of laws and not men” into a “society of men”.

14. Suppressing and oppressing the Right to Petition guaranteed to We the People in the [First Amendment](http://www.constitution.org/ghansen/conghansen.htm). The Founders believed that the people had an inalienable right to withhold payment of taxes until their petitions were heard and responded to. Federal courts have evaded and avoided upholding this requirement, in what amounts to treason against the Constitution punishable by death. See the article on the website below about this subject at: [http://famguardian.org/Subjects/Taxes/LegalEthics/RightToPet-031002.pdf](http://famguardian.org/Subjects/Taxes/LegalEthics/RightToPet-031002.pdf)

The U.S. Supreme Court in the case of [Baker v. Carr, 369 U.S. 186](https://www.law.cornell.edu/supinecraft) (1962) has developed some legal criteria for determining whether a court may invade or undermine the duties of a coordinate branch of government in its rulings and thereby undermine the separation of powers. Below is the criteria:

1. Has the issue been committed expressly by the Constitution to a coordinate political branch of the government?

\(^3\) See [Stanton v. Baltic Mining](http://www.law.cornell.edu/supinecraft), 240 U.S. 103 (1916), Peck v. Lowe, 247 U.S. 165 (1918), and many others.

\(^4\) See [Marbury v. Madison, 5 U.S. 137](https://www.law.cornell.edu/supinecraft); 1 Cranch 137, 2 L.Ed. 60 (1803)
2. Are there judicially discoverable and manageable standards for deciding the case?
3. Can the case be decided without some initial policy determination of a kind clearly for nonjudicial discretion?
4. Can the court decide the case independently without expressing lack of respect due a coordinate branch of the government?
5. Is there an unusual need for unquestioning adherence to a political decision already made?
6. Is there a potentiality for embarrassment from multifarious decisions by different branches of the government on the same question?

In the criteria above, the Executive and Legislative branches of the government are regarded as "political branches", while the judicial branch is not a political branch, but exclusively a legal branch. Understanding these criteria are important for readers who want to challenge the exercise of political powers by the federal judiciary, such as in areas of:

1. Interfering with one’s political choice of domicile. See Great IRS Hoax, Form #11.302, Section 5.4.5 for details.
2. Interfering with one’s political choice of citizenship. See Great IRS Hoax, Form #11.302, Sections 4.11 through 4.11.13.
3. Interfering with the exercise of political rights or a political party. You as a private individual constitute an independent sovereignty and political party and a court may not interfere with your political choices. See section 4.2.4 of the Great IRS Hoax, Form #11.302 for a definition of political rights.

A court that interferes with or questions or undermines a person’s political affiliations above is involving itself in political questions and the judge is overstepping his authority.

"Political questions. Questions of which courts will refuse to take cognizance, or to decide, on account of their purely political character, or because their determination would involve an encroachment upon the executive or legislative powers.

"Political questions doctrine" holds that certain issues should not be decided by courts because their resolution is committed to another branch of government and/or because those issues are not capable, for one reason or another, of judicial resolution. Islamic Republic of Iran v. Pahlavi, 116 Misc.2d. 590, 455 N.Y.S.2d 987, 990.

A matter of dispute which can be handled more appropriately by another branch of the government is not a "justiciable" matter for the courts. However, a state apportionment statute is not such a political question as to render it nonjusticiable. Baker v. Carr, 369 U.S. 186, 208-210, 82 S.Ct. 691, 705-706, 7 L.Ed.2d 663.


The U.S. Supreme Court has also insightfully defined the very harmful effect on society when the judicial branch of the government involves itself in political questions of the above nature in the case of Luther v. Borden:

"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 arbitration 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 unmakethem, allowing their representatives to make laws and unmakethem, 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 their [the Sovereign People’s] 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 se 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 mean and tame, 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 Russell 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, though not selected by nor, frequently, amenable to them nor at liberty to follow such various considerations in their judgments as [48 US. 531] 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 US. 1 (1849)]

If you would like a more thorough analysis of why courts do not have jurisdiction over “political questions” and why your choice of citizenship and domicile are political questions, please see the following excellent memorandum of law:

Political Jurisdiction, Form #05.004
http://sedm.org/Forms/05-MemLaw/PoliticalJurisdiction.pdf

6 “Separate” = “Soberin” = “Foreign”

“Pure and undefiled religion before God and the Father is this: to visit orphans and widows in their trouble, and to keep oneself unspotted [“foreign”, “sovereign”, and/or “alien”] from the world [and the corrupt BEAST governments and rulers of the world].”

[James 1:27, Bible, NKJV]

“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 [or the governments of the world] is enmity with God? Whoever therefore wants to be a friend [STATUTORY “citizen”, “resident”, “inhabitant”, “person” franchisee] of the world [or the governments of the world] makes himself an enemy of God.”

[James 4:4, Bible, NKJV]

“And I heard another voice from heaven [God] saying, ‘Come out of her [be legally “foreign” to Babylon the Great Harlot, a democratic, rather than republican, state full of socialist non-believers], my people [Christians], lest you share in her sins, and lest you receive of her plagues.’”

[Revelation 18:4, Bible, NKJV]

‘Come out from among them [the unbelievers and government idolaters]
And be separate [“foreign” and “sovereign”], says the Lord. Do not touch what is unclean.
And I will receive you.
I will be a Father to you,
And you shall be my sons and daughters,
Says the Lord Almighty.”

[2 Corinthians 6:17-18, Bible, NKJV]

Going along with the notion of the Separation Of Powers doctrine in the previous section is the concept of “sovereignty”. Sovereignty is the foundation of all government in America and fundamental to understanding our American system of government. Below is how President Theodore Roosevelt, one of our most beloved Presidents, describes “sovereignty”:
"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]

In this section, we will cover some very important implications of sovereignty within the context of government authority and jurisdiction generally. We will analyze these implications both from the standpoint of relations WITHIN a government and the relationship that government has with its citizens and subjects.

In law, a “sovereign” is called a “foreigner”, “stranger”, “transient foreigner”, “sojourner”, "stateless person", or simply a “nonresident”. This is an unavoidable result of the fact that states of the Union are:  

1. Sovereign in respect to each other and in respect to federal jurisdiction.
2. “foreign countries” or “foreign states” with respect to federal legislative jurisdiction.

"The United States Government is a foreign corporation with respect to a state." [N.Y. v. re Merriam 36 N.E. 505, 141 N.Y. 479, affirmed 16 S.Ct. 1073, 41 L.Ed. 287]

[19 Corpus Juris Secundum (C.J.S.), Corporations, 8884 (2003)]

3. Addressed as “states” rather than “States” in federal law because they are foreign.
4. The equivalent of independent nations in respect to federal jurisdiction excepting the subject of foreign affairs.

"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)]

Many Americans naturally cringe at the idea of being called a “foreigner” in their own country. The purpose of this section is to explain why there is nothing wrong with maintaining the status of being “foreign” and why it is the ONLY way to preserve and protect the separation of powers that was put into place by the very wise founding fathers for the explicit purpose of protecting our sacred Constitutional Rights.

The U.S. Supreme Court described how legal entities and persons transition from being FOREIGN to DOMESTIC in relation to a specific court or venue, which is ONLY with their express consent. This process of giving consent is also called a "waiver of sovereign immunity" and it applies equally to governments, states, and the humans occupying them. To wit:

**Before we can proceed in this cause we must, therefore, inquire whether we can hear and determine the matters in controversy between the parties, who are two states of this Union, sovereign within their respective boundaries, save that portion of power which they have granted to the federal government, and foreign to each other for all but federal purposes.** So they have been considered by this Court, through a long series of years and cases, to the present term; during which, in the case of The Bank of the United States v. Daniels, this Court has declared this to be a fundamental principle of the constitution; and so we shall consider it in deciding on the present motion. 2 Peters, 590, 91.

Those states, in their highest sovereign capacity, in the convention of the people thereof; on whom, by the revolution, the prerogative of the crown, and the transcendant power of parliament devolved, in a plentitude unimpaired by any act, and controllable by no authority, 6 Wheat. 651; 8 Wheat. 584, 88; adopted the constitution, by which they respectively made to the United States a grant of judicial power over controversies between two or more states. **By the constitution, it was ordained that this judicial power, in cases where a state was a party, should be exercised by this Court as one of original jurisdiction. The states waived their exemption from judicial power, 6 Wheat. 378, 80, as sovereigns by original and inherent right, by their own grant of its exercise over themselves in such cases, but which they would not grant to any inferior tribunal. By this grant,**
The idea of the above cite is that all civil subject matters or powers by any government NOT expressly consented to by the object of those powers are foreign and therefore outside the civil legal jurisdiction of that government. This fact is recognized in the Declaration of Independence, which states that all just powers derive from the CONSENT of those governed. The method of providing that consent, in the case of a human, is to select a civil domicile within a specific government and thereby nominate a protector under the civil statutory laws of the territory protected by that government. This fact is recognized in Federal Rule of Civil Procedure 17(b), which says that the capacity to sue or be sued is determined by the law of the domicile of the party. Civil statutory laws from places or governments OUTSIDE the domicile of the party may therefore NOT be enforced by a court against the party. This subject is covered further in:

**Why Domicile and Becoming a “Taxpayer” Require Your Consent, Form #05.002**
http://sedm.org/Forms/FormIndex.htm

A very important aspect of domicile is that whether one is domestic and a citizen or foreign and an alien under the civil statutory laws is determined SOLELY by one's domicile, and NOT their nationality. You can be born anywhere in America and yet still be a statutory alien in relation to any and every state or government within America simply by not choosing or having a domicile within any municipal government in the country. You can also be a statutory “alien” in relation to the national government and yet still have a civil domicile within a specific state of the Union, because your DOMICILE is foreign, not your nationality.

Consistent with the above analysis of how one transitions from FOREIGN to DOMESTIC through CONSENT are the following corroborating authorities.

1. The Declaration of Independence, which says that all JUST powers derive ONLY from the “consent of the governed”. Anything not consensual is therefore unjust and does not therefore have the “force of law” or any civil jurisdiction whatsoever against those not consenting.

**DECLARATION OF INDEPENDENCE, 1776**

“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. The concept of “comity” in 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.


5. The Longarm Statutes within your state. Each state has statutes authorizing nonresidents and therefore foreign sovereigns to waive their sovereign immunity in civil court.

Sovereignty can exist within individuals, families, churches, cities, counties, states, nations, and even international bodies. This is depicted in the “onion diagram” below, which shows the organization of personal, family, church, and civil government graphically. The boundaries and relations between each level of government are defined by God Himself, who
is the Creator of all things and the Author of the user manual for it all, His Holy Book. Each level of the “onion” below is considered sovereign, independent, and “foreign” with respect to all the levels external to it. Each level of the diagram represents an additional layer of protection for those levels within it, keeping in mind that the purpose of government at every level is “protection” of the sovereigns which it was created to serve and which are within it in the diagram below:

Figure 6-1: Hierarchy of sovereignty

The interior levels of the above onion govern and direct the external levels of the onion. For instance, citizens govern and direct their city, county, state, and federal governments by exercising their political right to vote and serve on jury duty. Here is how the U.S. Supreme Court describes it:

"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)]
City governments control their state governments by directing elections, controlling what appears on the ballot, and controlling how much of the property and sales tax revenues are given to the states. State government exercise their authority over the federal government by sending elected representatives to run the Senate and by controlling the “purse” of the federal government when direct taxes are apportioned to states.

Sovereignty also exists within a single governmental unit. For instance, in the previous section, we described the Separation of Powers Doctrine by showing how a “republican form of government” divides the federal government into three distinct, autonomous, and completely independent branches that are free from the control of the other branches. Therefore, the Executive, Legislative, and Judicial departments of both state and federal governments are “foreign” and “alien” with respect to the other branches.

Sovereignty is defined in man’s law as follows, in Black’s Law Dictionary:

“Sovereignty. The supreme, absolute, and uncontrollable power by which any independent state is governed; supreme political authority; paramount control of the constitution and frame of government and its administration; self sufficient source of political power, from which all specific political powers are derived; the international independence of a state, combined with the right and power of regulating its internal affairs without foreign dictation: also a political society, or state, which is sovereign and independent. Chisholm v. Georgia, 2 Dall. 455, 1 L.Ed. 440; Union Bank v. Hill, 3 Cold., Tenn 325; Moore v. Shaw, 17 Cal. 218, 79 Am.Dec. 123; State v. Dixon, 66 Mont. 76, 213 P. 227.”


“Sovereignty” consists of the combination of legal authority and responsibility that a government or individual has within our American system of jurisprudence. The key words in the above definition of sovereignty are: “foreign”, “uncontrollable”, and “independence”. A “sovereign” is:

1. A servant and fiduciary of all sovereigns internal to it.
2. Not subject to the legislative or territorial jurisdiction of any external sovereign. This is because he is the “author” of the law that governs the external sovereign and therefore not subject to it.

   “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)]

3. “Foreign” or “alien” with respect to other external sovereigns, from a legal perspective. This means that:
   3.1. The purpose of the laws of the sovereign at any level is to establish a fiduciary duty to protect the rights and sovereignty of all those entities which are internal to a sovereign.
   3.2. The existence of a sovereign may be acknowledged and defined, but not limited by the laws of an external sovereign.
   3.3. The rights and duties of a sovereign are not prescribed in any law of an external sovereign.
4. “Independent” of other sovereigns. This means that:
   4.1. The sovereign has a duty to support and govern itself completely and to not place any demands for help upon an external sovereign.
   4.2. The moment a sovereign asks for “benefits” or help, it ceases to be sovereign and independent and must surrender its rights and sovereignty to an external sovereign using his power to contract in order to procure needed help.

The purpose of the Constitution is to preserve “self-government” and independence at every level of sovereignty in the above onion diagram:

“The determination of the Framers Convention and the ratifying conventions to preserve complete and unimpaired state [and personal] 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, 723, ‘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

State Income Taxes 34 of 183
Copyright Sovereignty Education and Defense Ministry, http://sedm.org
Form 05.031, Rev. 05-31-2017
EXHIBIT:________
Below are some examples of the operation of the above rules for sovereignty within the American system of government:

1. No federal law prescribes a duty upon a person who is a “national” but not a “citizen” under federal law, as defined in 8 U.S.C. §1101(a)(21), 8 U.S.C. §1101(a)(22)(B), or 8 U.S.C. §1101(a)(21). References to “nationals” within federal law are rare and every instance where it is mentioned is in the context of duties and obligations of public servants, rather than the “national himself” or herself. This is further explained in pamphlet below:

**Why You are a “national”, “state national”, and Constitutional but not Statutory Citizen, Form #05.006 [http://sedm.org/Forms/FormIndex.htm]**

2. Natural persons who have not expressly and in writing contracted away their rights are “sovereign”. Here is how the U.S. Supreme Court describes it:

”. . .we are of the opinion that 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 at 74 (1905)]

3. States of the Union and the Federal government are both immune from lawsuits against them by “nationals”, except in cases where they voluntarily consent by law. This is called “sovereign immunity”. Read the Supreme Court case of Airden v. Maine, 527 U.S. 706 (1999) for exhaustive details on the constitutional basis for this immunity.

4. States of the Union are “foreign” with respect to the federal government for the purposes of legislative jurisdiction. In federal law, they are called “foreign states” and they are described with the lower case word “states” within the U.S. Code and in upper case “States” in the Constitution. Federal “States”, which are actually territories of the United States (see 4 U.S.C. §110(d)) are spelled in upper case in most federal statutes and codes. States of the Union are immune from the jurisdiction of federal courts, except in cases where they voluntarily consent to be subject to the jurisdiction. The federal government is immune from the jurisdiction of state courts and international bodies, except where it consents to be sued as a matter of law. This is called “sovereign immunity”.

**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.”


**Foreign Laws:** “The laws of a foreign country or sister state. In conflicts of law, the legal principles of jurisdiction which are part of the law of a sister state or nation. Foreign laws are additions to our own laws, and in that respect are called ‘jus receptum.’”


5. The rules for surrendering sovereignty are described in the “Foreign Sovereign Immunities Act”, which is codified in 28 U.S.C. §§1602-1611. A list of exceptions to the act in 28 U.S.C. §1605 define precisely what behaviors cause a sovereign to surrender their sovereignty to a fellow sovereign.

The key point we wish to emphasize throughout this section is that a sovereign is “foreign” with respect to all other external (outside them within the onion diagram) sovereigns and therefore not subject to their jurisdiction. In that respect, a sovereign is considered a “foreigner” of one kind or another in the laws of every sovereign external to it. For instance, a person who is a “national” but not a subject “citizen” under federal law, as defined in 8 U.S.C. §1101(a)(21) or 8 U.S.C. §1452, is classified as a “nonresident alien” within the Internal Revenue Code if they are engaged in a public office or simply a “nonresident non-person” if they are not. He is “alien” to the code because he is not subject to it and he is a “nonresident” because he does not maintain a domicile in the federal zone. This is no accident, but simply proof in the law itself that such a person is in deed and in fact a “sovereign” with respect to the government entity that serves him. Understanding this key point is the
foundation for understanding the next chapter, where we will prove to you with the government’s own laws that most Americans born in and living within states of the Union, which are “foreign states” with respect to federal jurisdiction, are:

1. Statutory “non-resident non-persons” if they are not engaged in a public office.
2. “Nonresident aliens” as defined under 26 U.S.C. §7701(b)(1)(B) if they are engaged in a public office in the national government.
3. Not “persons” or “individuals” within federal civil law, including the Internal Revenue Code. You can’t be a “person” or an “individual” within federal law unless you either have a domicile within federal jurisdiction or contract with the federal government to procure an identity or “res” within their jurisdiction and thereby become a “res-ident”. The U.S. Supreme Court has held that the rights of human beings are unalienable, which means they can’t be bargained or contracted away through any commercial process. Therefore, domicile is the only lawful source of jurisdiction over human beings.

“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…”

[Protestant Episcopal Church of the State of New York, 143 U.S. 517 (1892)]

Furthermore, the Bible says we can’t contract with “the Beast”, meaning the government and therefore, we have no delegated authority to give away our rights to the 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” in the process of contracting with them], lest they make you sin against Me [God]. For if you serve their gods [under contract or agreement or franchise], it will surely be a snare to you.”

[Exodus 23:32-33, Bible, NKJV]

4. Not “nonresident alien individuals”. You can’t be a “nonresident alien individual” without first being an “individual” and therefore a “person”. 26 U.S.C. §7701(c ) defines the term “person” to include “individuals”. Instead, they are “non-resident NON-persons”.

5. “foreign” or “foreigners” with respect to federal jurisdiction. All of their property is classified as a “foreign estate” under 26 U.S.C. §7701(a)(31). In the Bible, this status is called a “stranger”:

“You shall neither mistreat a stranger nor oppress him, for you were strangers in the land of Egypt.”

[Exodus 22:21, Bible, NKJV]

“And if a stranger dwells with you in your land, you shall not mistreat him.”

[Leviticus 19:33, Bible, NKJV]

6. Not “foreign persons”. You can’t be a “foreign person” without first being a “person”.

7. “nontaxpayers” if they do not earn any income from within the “federal zone” or that is connected with an excise taxable activity called a “trade or business”, which is defined in 26 U.S.C. §7701(a)(26) as a public office in the United States government.

8. Not qualified to sit on a jury in a federal district court, because they are not “citizens” under federal law.

Now do you understand why the Internal Revenue Code defines the term “foreign” as follows? They don’t want to spill the beans and inform you that you are sovereign and not subject to their jurisdiction! The definition of “foreign” in the Internal Revenue Code defines the term ONLY in the context of corporations, because the government only has civil statutory jurisdiction over PUBLIC statutory “persons” that they created and who are therefore engaged in a public office, of which federal corporations are a part:

26 U.S. Code § 7701 - Definitions

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

(3) Corporation

The term “corporation” includes associations, joint-stock companies, and insurance companies.
(4) Domestic

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

(5) Foreign

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

The reason they defined "foreign" as they did above is that:

1. The “United States” government is a “foreign corporation” in respect to a state. Everything OUTSIDE that corporation is “foreign”.

"The United States government is a foreign corporation with respect to a state."
[19 Corpus Juris Secundum (C.J.S.), Corporations, §§83 (2003)]

'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.

2. The only thing legally INSIDE the “United States” corporation as a legal person are public officers and federal instrumentalities such as OTHER federal corporations.

3. The government can only regulate or control that which it creates, and it didn’t create state corporations. Legislatively foreign states did that. State corporations are therefore OUTSIDE the “United States” corporation and foreign to it because not created by the United States government.

4. The power to tax is the power to create. They can’t tax what they didn’t create, meaning they can’t tax PRIVATE human beings. PRIVATE human beings are not statutory "persons" or "taxpayers" within the Internal Revenue Code UNLESS they are serving in public offices within the national and not state government. See: Hierarchy of Sovereignty: The Power to Create is the Power to Tax, Family Guardian Fellowship
http://famguardian.org/Subjects/Taxes/Remedies/PowerToCreate.htm

5. They know they only have jurisdiction over PUBLIC entities lawfully engaged in public offices WITHIN the government, all of which they CREATED by statute.

6. The term "United States" in statutes has TWO possible meanings in statutes such as the I.R.C.:
   6.1. The GEOGRAPHICAL "United States" consisting of Federal territory.

7. Most uses of "United States" within the I.R.C. rely on the SECOND definition above, including the term "sources within the United States" found in 26 U.S.C. §864(c)(3). That means a “source in the United States” really means an OFFICE or INSTRUMENTALITY within the United States federal corporation.

8. They want to promote false presumption about federal jurisdiction by making everyone falsely believe that they are a
statutory "person" or "taxpayer" and therefore a public office in the national government. Acting as a "public officer" makes an otherwise private human being INTO a public office and therefore LEGALLY but not GEOGRAPHICALLY "within" the "United States" federal corporation.

9. They want to create and exploit “cognitive dissonance” by appealing to the aversion of the average American to being called a “foreigner” or “non-resident non-person” with respect to his own federal government.

10. They want to mislead and deceiving Americans into believing and declaring on government forms that they are statutory rather than constitutional “U.S. citizens” pursuant to 8 U.S.C. §1401 who are subject to their corrupt laws instead of “nationals” but not a “citizens” pursuant to 8 U.S.C. §1101(a)(21). The purpose is to compel you through constructive fraud to associate with and conduct “commerce” (intercourse/fornication) with “the Beast” as a statutory “U.S. citizen”, who is a government whore. They do this by the following means:

10.1. Using “words of art” to encourage false presumption.

10.2. Using vague or ambiguous language that is not defined and using political propaganda instead of law to define the language.

Keep in mind the following with respect to a “foreigner” and the status of being a statutory “non-resident non-person” and therefore sovereign:

1. What makes you legislatively “foreign” in respect to a specific jurisdiction or venue is a foreign civil DOMICILE, not a foreign NATIONALITY.

2. Federal Rule of Civil Procedure 17(b) is the method of enforcing your foreign status, because it recognizes that those who are not domiciled on federal territory are beyond the civil statutory jurisdiction of the CIVIL court. This does NOT mean that you are beyond the jurisdiction of the COMMON law within that jurisdiction, but simply not beyond the civil STATUTORY control of that jurisdiction.

3. The only way an otherwise PRIVATE human being not domiciled on federal territory can be treated as AS IF they are is if they are lawfully engaged in a public office within the national and not state government.

4. There is nothing wrong with being an “alien” in the tax code, as long as we aren’t an alien with a “domicile” on federal territory, which makes us into a “resident”. The taxes described under Subtitle A of the Internal Revenue Code are not upon “aliens”, but instead mainly upon “residents”, who are “aliens” with a legal domicile within federal exclusive jurisdiction. This is covered in section 5.4.19 of the Great IRS Hoax, Form #11.302.

5. A “nonresident alien” is not an “alien” and therefore not a “taxpayer” in most cases. 8 U.S.C. §1101(a)(3) and 26 C.F.R. §1.1441-1(c)(3)(i) both define an “alien” as “any person who is neither a citizen nor national of the United States”. 26 U.S.C. §7701(b)(1)(B) defines a “nonresident alien” as “neither a citizen of the United States nor a resident of the United States (within the meaning of subparagraph (A))”.

6. A “nonresident alien” who is also an “alien” may elect under 26 U.S.C. §6013(g) or 26 U.S.C. §7701(b)(4) to be treated as a “resident” by filing the wrong tax form, the 1040, instead of the more proper 1040NR form. Since that election is a voluntary act, then income taxes are voluntary for nonresident aliens.

7. A “nonresident alien” who is a state national may not lawfully elect to become a “resident alien” or a “resident” pursuant to 26 U.S.C. §6013(g) or 26 U.S.C. §7701(b)(4).

8. The only way that a “nonresident alien” who is also a state national can lawfully become domiciled in a place is if he or she or it physically moves to that place and then declares an intention to remain permanently and indefinitely. When the nonresident alien does this, it becomes a statutory citizen of that place, not a “resident alien”.

9. Only “aliens” can have a “residence” within the Internal Revenue Code pursuant to 26 C.F.R. §1.871-2. State nationals or “non-citizen nationals of the United States**” under 8 U.S.C. §1408 cannot lawfully be described as having a “residence” because that word is nowhere defined to include anything other than “aliens”.

If you would like to learn more about the rules that govern sovereign relations at every level, please refer to the table below:

Table 1: Rules for Sovereign Relations/Government

<table>
<thead>
<tr>
<th>#</th>
<th>Sovereignty</th>
<th>Governance and Relations with other Sovereigns Prescribed By</th>
<th>God’s law</th>
<th>Man’s law</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Self government</td>
<td>Bible Family Constitution, Form #13.003</td>
<td>Criminal code. All other “codes” are voluntary and consensual.</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Family government</td>
<td>Bible Family Constitution, Form #13.003</td>
<td>Family Code in most states, but only for those who get a state marriage license.</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Church government</td>
<td>Bible Family Constitution, Form #13.003</td>
<td>Not subject to government jurisdiction under the Separation of Powers Doctrine</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>City government</td>
<td>Bible Family Constitution, Form #13.003</td>
<td>Municipal code</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>County government</td>
<td>Bible Family Constitution, Form #13.003</td>
<td>County code</td>
<td></td>
</tr>
</tbody>
</table>

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This concept of being a “foreigner” or statutory “non-resident non-person” as a sovereign is also found in the Bible as well. Remember what Jesus said about being free?:

"Ye shall know the Truth and the Truth shall make you free."
[John 8:32, Bible, NKJV]

We would also add to the above that the Truth shall also make you a “non-resident non-person” under the civil statutory “codes”/franchises of your own country! Below are a few examples why:

"Adulterers and adulteresses! Do you now know that friendship [and "citizenship"] with the world [or the governments of the world] is enmity with God? Whoever therefore wants to be a friend ["citizen" or "taxpayer" or "resident" or "inhabitant"] of the world makes himself an enemy of God."
[James 4:4, Bible, NKJV]

"For our citizenship is in heaven [and not earth], from which we also eagerly wait for the Savior, the Lord Jesus Christ"
[Philippians 3:20, Bible, NKJV]

"I am a stranger in the earth. Do not hide Your commandments [laws] from me."
[Psalm 119:19, Bible, NKJV]

"I have become a stranger to my brothers, and an alien to my mother's children; because zeal for Your [God's] house has eaten me up, and the reproaches of those who reproach You have fallen on me."
[Psalm 69:8-9, Bible, NKJV]

It is one of the greatest ironies of law and government that the only way you can be free and sovereign is to be “foreign” or what the Bible calls a “stranger” of one kind or another within the law, and to understand the law well enough to be able to describe exactly what kind of “foreigner” you are and why, so that the government must respect your sovereignty and thereby leave you and your property alone.

"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."

The very object of "justice" itself is to ensure that people are "left alone". The purpose of courts is to enforce the requirement to leave our fellow man alone and to only do to him/her what he/she expressly consents to and requests to be done:

PAULSEN, ETHICS (Thilly's translation), chap. 9.

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“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.”


A person who is “sovereign” must be left alone as a matter of law. There are several examples of this important principle of sovereignty in operation in the Bible as well. For example:

Then Haman said to King Ahasuerus, “There is a certain people scattered and dispersed among the people in all the provinces of your kingdom; their laws are different from all other people’s, and they do not keep the king’s laws [are FOREIGN with respect to them and therefore sovereign]. Therefore it is not fitting for the king to let them remain. If it pleases the king, let a decree be written that they be destroyed, and I will pay ten thousand talents of silver into the hands of those who do the work, to bring it into the king’s treasuries.”

[Esther 3:8-9, Bible, NKJV]

In the Bible, when the Jews were being embarrassed and enslaved by surrounding heathen populations, they responded in the Book of Nehemiah by building a wall around their city and being self-contained and self-governing to the exclusion of the “aliens” and “foreigners” around them, who were not believers. This is their way of not only restoring self-government, but of also restoring God as their King and Sovereign, within what actually amounted to a “theocracy”:

“The survivors [Christians] who are left from the captivity in the province are there in great distress and reproach. The wall [of separation between “church”, which was the Jews, and “state”, which was the heathens around them] of Jerusalem is also broken down, and its gates are burned with fire.”

[Neh. 1:3 Bible, NKJV]

Then I said to them, “You see the distress that we are in, how Jerusalem lies waste, and its gates are burned with fire. Come and let us build the wall of [of separation in] Jerusalem that we may no longer be a reproach.” And I told them of the hand of my God which had been good upon me, and also of the king’s words that he had spoken to me. So they said, “Let us rise up and build.” Then they set their hands to this good work.

But when Sanballat the Horonite, Tobiah the Ammonite official, and Geshem the Arab heard of it, they laughed at us and despised us, and said, “What is this thing that you are doing? Will you rebel against the king?”

So I answered them, and said to them, “The God of heaven Himself will prosper us; therefore we His servants will arise and build [the wall of separation between church and state].”

[Neh. 3:17-18, Bible, NKJV]

The “wall” of separation between “church”, which was the Jews, and “state”, which was the surrounding unbelievers and governments, they were talking about above was not only a physical wall, but also a legal one as well! The Jews wanted to be “separate”, and therefore “sovereign” over themselves, their families, and their government and not be subject to the surrounding heathens and nonbelievers around them. They selected Heaven as their domicile and God’s laws as the basis for their self-government, which was a theocracy, and therefore became “strangers” on the earth who were hated by their neighbors. The Lord, in wanting us to be sanctified and “separate” as His “bride”, is really insisting that we also be a “foreigner” or “stranger” with respect to our unbelieving neighbors and the people within the heathen state that has territorial jurisdiction where we physically live:

“Come out from among them [the unbelievers and government idolaters] And be separate [“sovereign” and “foreign”], says the Lord.

Do not touch what is unclean [corrupted],

And I will receive you.

I will be a Father to you,
And you shall be my sons and daughters,

Says the Lord Almighty.”

[2 Corinthians 6:17-18, Bible, NKJV]
When we follow the above admonition of our Lord to become “sanctified” and therefore “separate”, then we will inevitably be persecuted, just as Jesus warned, when He said:

"If the world hates you, you know that it hated Me before it hated you. If you were of the world, the world would love its own. Yet because you are not of the world, but I chose you out of the world, therefore the world hates you. Remember the word that I said to you, 'A 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. But all these things they will do to you for My name's sake, because they do not know Him who sent Me. If I had not come and spoken to them, they would have no sin, but now they have no excuse for their sin. He who hates me hated My Father also. If I had not done among them the works which no one else did, they would have no sin; but now they have seen and also hated both Me and My Father. But this happened that the word might be fulfilled which is written in their law: 'They hated Me without a cause.'"

[John 15:18-25, Bible, NKJV]

The persecution will come precisely and mainly because we are sovereign and therefore refuse to be governed by any authority except God and His sovereign Law. Now do you understand why Christians, more than perhaps any other faith, have been persecuted and tortured by governments throughout history? The main reason for their relentless persecution is that they are a threat to government power because they demand autonomy and self-government and do not yield their sovereignty to any hostile (“foreign”) power or law other than God and His Holy law. This is the reason, for instance, why the Roman Emperor Nero burned Christians and their houses when he set fire to Rome and why he made them part of the barbaric gladiator spectacle: He positively hated anyone whose personal sovereignty would make his authority and power basically irrelevant and moot and subservient to a sovereign God. He didn’t like being answerable to anyone, and especially not to an omnipotent and omnipresent God. He viewed God as a competitor for the affections and the worship of the people. This is the very reason why we have "separation of church and state" today as part of our legal system: to prevent this kind of tyranny from repeating itself. This same gladiator spectacle is also with us today in a slightly different form. It’s called an "income tax trial" in the federal church called "district court". Below are just a few examples of the persecution suffered by Jews and Christians throughout history, drawn from the Bible and other sources, mainly because they attempted to fulfill God’s holy calling to be sanctified, separate, sovereign, a “foreigner”, and a “stranger” with respect to the laws, taxes, and citizenship of surrounding heathen people and governments:

1. The last several years of the Apostle John’s life were spent in exile on the Greek island of Patmos, where he was sent by the Roman government because he was a threat to the power and influence of Roman civil authorities. During his stay there, he wrote the book of Revelation, which was a cryptic, but direct assault upon government authority.
2. Every time Israel was judged in the Book of Judges, they came under “tribute” (taxation and therefore slavery) to a tyrannical king.
3. Abraham’s great struggles for liberty were against overreaching governments, Genesis 14, 20.
5. Egyptian Pharaohs enslaved God’s people, Ex. 1.
6. Joshua’s battle was against 31 kings in Canaan.
7. Israel struggled against the occupation of foreign governments in the Book of Judges.
8. David struggled against foreign occupation, 2 Samuel 8, 10.
9. Zechariah lost his life in 2 Chronicles for speaking against a king.
10. Isaiah was executed by Manasseh.
11. Daniel was oppressed by Officials who accused him of breaking a Persian statutory law.
12. Jesus was executed by a foreign power Jn. 18ff.
13. Jesus was a victim of Israel’s kangaroo court, the Sanhedrin.
14. The last 1/4 of the Book of Acts is about Paul’s defense against fraudulent accusations.
15. The last 6 years of Paul’s life was spent in and out prison defending himself against false accusations.

Taxation is the primary means of destroying the sovereignty of a person, family, church, city, state, or nation. Below is the reason why, from a popular bible dictionary:

'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 resources 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.
If you want to stay “sovereign”, then you had better get used to the following:

1. Supporting yourself and governing your own families and churches, to the exclusion of any external sovereignty. This will ensure that you never have to surrender any aspect of your sovereignty to procure needed help.

2. Learning and obeying God’s laws.

3. Being an “alien” or civil statutory “non-resident non-person” in your own land.

4. Being persecuted by the people and governments around you because you insist on being “foreign” and “different” from the rest of the “sheep” around you.

If you aren’t prepared to do the above and thereby literally “earn” the right to be free and “sovereign”, just as our founding fathers did, then you are literally wasting your time to read further in this book. Doing so will make you into nothing more than an informed coward. Earning liberty and sovereignty in this way is the essence of why America is called:

“The land of the free and the home of the brave.”

It takes courage to be brave enough to be different from all of your neighbors and all the other countries in the world, and to take complete and exclusive responsibility for yourself and your loved ones. Below is what happened to the founding fathers because they took this brave path in the founding of this country. Most did so based on the Christian principles mentioned above. At the point when they committed to the cause, they renounced their British citizenship and because “aliens” with respect to the British Government, just like you will have to do by becoming a “national” but not a “citizen” under federal law:

And, for the support of this Declaration, with a firm reliance on the protection of Divine Providence, we mutually pledge to each other our lives, our fortunes, and our Sacred honor

Have you ever wondered what happened to the fifty-six men who signed the Declaration of Independence? This is the price they paid:

Five signers were captured by the British as traitors, and tortured before they died. Twelve had their homes ransacked and burned. Two lost their sons in the revolutionary army, another had two sons captured. Nine of the fifty-six fought and died from wounds or hardships resulting from the Revolutionary War.

These men signed, and they pledged their lives, their fortunes, and their sacred honor!

What kind of men were they? Twenty five were lawyers or jurists. Eleven were merchants. Nine were farmers or large plantation owners. One was a teacher, one a musician, one a printer. Two were manufacturers, one was a minister. These were men of means and education, yet they signed the Declaration of Independence, knowing full well that the penalty could be death if they were captured.

Almost one third were under forty years old, eighteen were in their thirties, and three were in their twenties. Only seven were over sixty. The youngest, Edward Rutledge of South Carolina, was twenty-six and a half, and the oldest, Benjamin Franklin, was seventy. Three of the signers lived to be over ninety. Charles Carroll died at the age of ninety-five. Ten died in their eighties.

The first signer to die was John Morton of Pennsylvania. At first his sympathies were with the British, but he changed his mind and voted for independence. By doing so, his friends, relatives, and neighbors turned against him. The ostracism hastened his death, and he lived only eight months after the signing. His last words were, “tell them that they will live to see the hour when they shall acknowledge it to have been the most glorious service that I ever rendered to my country.”

Carter Braxton of Virginia, a wealthy planter and trader, saw his ships swept from the seas by the British navy. He sold his home and properties to pay his debts, and died in rags.

Thomas McKeam was so hounded by the British that he was forced to move his family almost constantly. He served in the Congress without pay, and his family was kept in hiding. His possessions were taken from him, and poverty was his reward.

The signers were religious men, all being Protestant except Charles Carroll, who was a Roman Catholic. Over half expressed their religious faith as being Episcopal. Others were Congregational, Presbyterian, Quaker, and Baptist.
Vandals or soldiers or both, looted the properties of Ellery, Clymer, Hall, Walton, Gwinnett, Heyward, Rutledge, and Middleton.

Perhaps one of the most inspiring examples of "undaunted resolution" was at the Battle of Yorktown. Thomas Nelson, Jr. was returning from Philadelphia to become Governor of Virginia and joined General Washington just outside of Yorktown. He then noted that British General Cornwallis had taken over the Nelson home for his headquarters, but that the patriots were directing their artillery fire all over the town except for the vicinity of his own beautiful home. Nelson asked why they were not firing in that direction, and the soldiers replied, "Out of respect to you, Sir." Nelson quietly urged General Washington to open fire, and stepping forward to the nearest cannon, aimed at his own house and fired. The other guns joined in, and the Nelson home was destroyed. Nelson died bankrupt, at age 51.

Caesar Rodney was another signer who paid with his life. He was suffering from facial cancer, but left his sickbed at midnight and rode all night by horseback through a severe storm and arrived just in time to cast the deciding vote for his delegation in favor of independence. His doctor told him the only treatment that could help him was in Europe. He refused to go at this time of his country's crisis and it cost him his life.

Francis Lewis's Long Island home was looted and gutted, his home and properties destroyed. His wife was thrown into a damp dark prison cell for two months without a bed. Health ruined, Mrs. Lewis soon died from the effects of the confinement. The Lewis's son would later die in British captivity, also.

"Honest John" Hart was driven from his wife's bedside as she lay dying, when British and Hessian troops invaded New Jersey just months after he signed the Declaration. Their thirteen children fled for their lives. His fields and his grist mill were laid to waste. All winter, and for more than a year, Hart lived in forests and caves, finally returning home to find his wife dead, his children vanished and his farm destroyed. Rebuilding proved too be too great a task. A few weeks later, by the spring of 1779, John Hart was dead from exhaustion and a broken heart.

Norris and Livingston suffered similar fates.

Richard Stockton, a New Jersey State Supreme Court Justice, had rushed back to his estate near Princeton after signing the Declaration of Independence to find that his wife and children were living like refugees with friends. They had been betrayed by a Tory sympathizer who also revealed Stockton's own whereabouts. British troops pulled him from his bed one night, beat him and threw him in jail where he almost starved to death. When he was finally released, he went home to find his estate had been looted, his possessions burned, and his horses stolen. Judge Stockton had been so badly treated in prison that his health was ruined and he died before the war's end, a broken man. His surviving family had to live the remainder of their lives off charity.

William Ellery of Rhode Island, who marveled that he had seen only "undaunted resolution" in the faces of his co-signers, also had his home burned.

When we are following the Lord’s calling to be sovereign, separate, “foreign”, and “alien” with respect to a corrupted state and our heathen neighbors, below is how we can describe ourselves from a legal perspective:

1. We are fiduciaries of God, who is a "nontaxpayer", and therefore we are "nontaxpayers". Our legal status takes on the character of the sovereign who we represent. Therefore, we become "foreign diplomats".

"For God is the King of all the earth: Sing praises with understanding."  
[Psalm 47:7, Bible, NKJV]

"For the LORD is our Judge, the LORD is our Lawgiver, the LORD is our King; He will save [and protect] us."  
[Isaiah 33:22, Bible, NKJV]

2. The laws which apply to all civil litigation relating to us are from the domicile of the Heavenly sovereign we represent, which are the Holy Bible pursuant to:

2.1. God’s Laws found in our memorandum of law below:  
Laws of the Bible, Form #13.001  
http://sedm.org/Forms/FormIndex.htm

2.2. Federal Rule of Civil Procedure 17(b)

2.3. Federal Rule of Civil Procedure 44.1

3. Our "domicile" is the Kingdom of God on Earth, and not within the jurisdiction of any man-made government. We can have a domicile on earth and yet not be in the jurisdiction of any government because the Bible says that God, and not man, owns the WHOLE earth and all of Creation. We are therefore “transient foreigners” and “stateless persons” in respect to every man-made government on earth. See the following for details:

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EXHIBIT: _______
4. We are "non-resident non-persons" under federal statutory civil law.

5. We are CONSTITUTIONAL but not STATUTORY "citizens". That means we are "nationals" per 8 U.S.C. §1101(a)(21) but not "citizens" per 8 U.S.C. §1401 under federal statutory civil law. The reason this must be so is that a statutory "citizens of the United States" (who are born anywhere in America and domiciled within exclusive federal jurisdiction under 8 U.S.C. §1401) may not be classified as either a Fourteenth Amendment "citizen of the United States***" or an instrumentality of a foreign state under 28 U.S.C. §1332(c) and (d) and 28 U.S.C. §1603(b). Note that we ARE NOT claiming to be non-citizen nationals of the United States** at birth" per 8 U.S.C. §1408 or 8 U.S.C. §1452 or 8 U.S.C. 1101(a)(22)(B), who are all born in possessions of the United States and not states of the Union. See our article entitled "Why You are a 'national', 'state national', and Constitutional but not Statutory Citizen" for further details and evidence.

6. We are not and cannot be "residents" of any earthly jurisdiction without having a conflict of interest and violating the first Four Commandments of the Ten Commandments found in Exodus 20. The Kingdom of Heaven is our exclusive legal "domicile", and our "permanent place of abode", and the source of ALL of our permanent protection and security. We cannot and should not rely upon man's vain earthly laws as an idolatrous substitute for God's sovereign laws found in the Bible. Instead, only God's laws and the Common Law, which is derived from God's law, are suitable protection for our God-given rights.

“For I was ashamed to request of the king an escort of soldiers and horsemen to help us against the enemy on the road, because we had spoken to the king, saying ‘The hand of our God is upon all those for good who seek Him, but His power and His wrath are against all those who forsake Him.’ So we fasted and entreated our God for this, and He answered our prayer.”

[Esther 8:21-22, Bible, NKJV]

7. We are Princes (sons and daughters) of the only true King and Sovereign of this world, who is God.

“You [Jesus] are worthy to take the scroll,
And to open its seals;
For You were slain,
And have redeemed us 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]

And when he had come into the house, Jesus anticipated him, saying, "What do you think, Simon? From whom do the kings [governments] of the earth [lawfully] take customs or taxes, from their sons [citizens and subjects] or from strangers [statutory "aliens", which are synonymous with "residents" in the tax code, and exclude "citizens"]?"

Peter said to Him, "From strangers [statutory "aliens"]/"residents" ONLY. See 26 C.F.R. §1.1-1(a)(2)(ii) and 26 C.F.R. §1.1441-1(c)(5)."

Jesus said to him, "Then the sons of the King, Constitutional but not statutory "citizens" of the Republic, who are all sovereign "nationals" and "nonresidents" are free sovereign over their own person and labor, e.g.

SOVEREIGN IMMUNITY?"

[Matt. 17:24-27, Bible, NKJV]

8. We are "Foreign Ambassadors" and "Ministers of a Foreign State" called the Kingdom of Heaven. The U.S. Supreme Court said in U.S. v. Wong Kim Ark below that "ministers of a foreign state" may not be statutory "citizens of the United States" under the Fourteenth Amendment to the United States Constitution. Furthermore, the Fourteenth Amendment was intended exclusively for freed slaves and not sovereign Americans such as us.

“For our citizenship is in heaven [and not earth], from which we also eagerly wait for the Savior, the Lord Jesus Christ”

State Income Taxes

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Form 05.031, Rev. 05-31-2017

EXHIBIT:_______
"And Mr. Justice Miller, delivering the opinion of the court [legislating from the bench, in this case], in analyzing the first clause [of the Fourteenth Amendment], observed that “the phrase ‘subject to the jurisdiction thereof’ was intended to exclude from its operation children of ministers, consuls, and citizens or subjects of foreign states, born within the United States.”

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

9. Our dwelling, which is a "temporary and not permanent place of abode", is a "Foreign Embassy". Notice we didn't say "residence", because only "residents" (aliens) can have a "residence" under 26 C.F.R. §1.871-2(b).

10. We are protected from federal government persecution by:
   10.1. The USA Constitution. Constitutional rights, according to the Declaration of Independence, are "inalienable", meaning that we AREN'T ALLOWED by law to consent to give them away or bargain them away. Furthermore, they attach to the LAND we stand on and not our civil status.
   10.2. The common law of the state we are physically in. There is no federal common law applicable to states of the Union.
   10.3. 18 U.S.C. §112.

11. We are "stateless" within the meaning of 28 U.S.C. §1332(a) immune from the CIVIL jurisdiction of the federal courts, which are all Article IV, legislative, territorial courts. We are "stateless" because we do not maintain a domicile within the "state" defined in 28 U.S.C. §1332(d), which is a federal territory and excludes states of the Union.

12. We are not allowed under God's law to conduct "commerce" or "intercourse" with "the Beast" by sending to it our money or receiving benefits we did not earn. Black’s Law dictionary defines "commerce" as "intercourse". The Bible defines "the Beast" as the "kings of the earth"/political rulers in Rev. 19:19:

"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..."


"Come, I will show you the judgment of the great harlot [the atheist totalitarian democracy] who sits on many waters [which are described as seas and multitudes of people in Rev. 17:15], with whom the kings of the earth [political rulers of today] committed fornication [intercourse], and the inhabitants of the earth were made drunk with the wine of her fornication [intercourse], usurious and harmful commerce."

So he carried me away in the Spirit into the wilderness. And I saw a woman sitting on a scarlet beast which was full of names of blasphemy, having seven heads and ten horns. The woman was arrayed in purple and scarlet, and adorned with gold and precious stones and pearls, having in her hand a golden cup full of abominations and the filthiness of her fornication [intercourse]. And on her forehead a name was written: MYSTERY, BABYLON THE GREAT, THE MOTHER OF HARLOTS AND OF THE ABOMINATIONS OF THE EARTH.

I saw the woman, drunk with the blood of the saints and with the blood of the martyrs of Jesus. And when I saw her, I marveled with great amazement."

[Rev. 17:1-6, Bible, NKJV]

"And I saw the beast, the kings [heathen political rulers and the unbelieving democratic majorities who control them] of the earth [controlled by Satan], and their armies, gathered together to make war against Him [God] who sat on the horse and against His army."

[Revelation 19:19, Bible, NKJV]

The Bible calls this kind of commerce "fornication" and "adultery" and describes the fornicator called "Babylon the Great Harlot" basically as a democracy instead of a Republic in Revelation chapters 17 to 19. This is consistent with the Foreign Sovereign Immunities Act found in 28 U.S.C. §1605(a)(2), which says that those who conduct "commerce" with the "United States" federal corporation within its legislative jurisdiction thereby surrender their sovereignty. Participation in our corrupted tax system also fits the classification of "commerce" within the meaning of this requirement. See the link below for details:

http://travel.state.gov/law/info/judicial/judicial_693.html
If you would like to know how to legally become “foreign” to the government in tax matters, see:

**Non-Resident Non-Person Position, Form #05.020**

[http://sedm.org/Forms/FormIndex.htm](http://sedm.org/Forms/FormIndex.htm)

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### 7 Limitations imposed upon Constitutional States by the Separation of Powers

The separation of powers doctrine imposes all the following restrictions upon states of the Union in relation to the federal government:

1. States cannot enforce federal law within their borders.

   "Consequently no State court will undertake to enforce the criminal law of the Union, except as regards the arrest of persons charged under such law. It is therefore clear, that the same power cannot be exercised by a State court as is exercised by the courts of the United States, in giving effect to their criminal laws…"

   "There is no principle better established by the common law, none more fully recognized in the federal and State constitutions, than that an individual shall not be put in jeopardy twice for the same offense. This, it is true, applies to the respective governments; but its spirit applies with equal force against a double punishment, for the same act, by a State and the federal government…"

   *Nothing can be more repugnant or contradictory than two punishments for the same act. It would be a mockery of justice and a reproach to civilization. It would bring our system of government into merited contempt.*

   [Fox v. The State of Ohio, 46 U.S. 410, 5 Howard 410, 12 L.Ed. 213 (1847)]

2. States may not enact law that pertains to federal territory.

3. States may not supervise, regulate, or tax federal corporations operating within the borders of a state. All such regulation, taxation, and supervision must be done by a federal court. In addition to the below, see Osborn v. Bank of the U.S., 22 U.S. 738 (1824).

   "It is very true that a corporation can have no legal existence out of the boundaries [territory] 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)]

   "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. State courts must treat the federal government as a foreign corporation and a foreign state in respect to a state of the Union, and its laws.

   "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)]

5. States may not exercise jurisdiction within the borders of other states:

   "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"

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1 Source: *Government Conspiracy to Destroy the Separation of Powers*, Form #05.023, Section 4.3; [http://sedm.org/Forms/FormIndex.htm](http://sedm.org/Forms/FormIndex.htm)
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)]

6. States may not act as trustees of the federal government under the terms of any franchise, including Social Security. This is why the term “State” as used in the Social Security Act does NOT include any state of the Union. See:
6.1. Current Social Security Act, Section 1101(a)(1)
6.2. 42 U.S.C. §1301(a)(1)

"The king establishes the land by justice; but he who receives bribes [or stolen loot or "benefits" under franchise] overthrows it."
[Prov. 29:4, Bible, NKJV]

"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]

7. Those holding public office within a state of the Union may not also simultaneously hold public office within the national government. This would be a criminal conflict of interest.

"No [public] servant 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."

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.

8. State judges must reside within the exclusive jurisdiction of the district within which they serve and may not reside on federal territory.
10. State officials cannot consent to an enlargement of federal powers within their borders:

"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)]

8 Why states of the Union are “Foreign Countries” and “foreign states” with respect to most federal jurisdiction

The law agrees that states of the Union are foreign with respect to federal jurisdiction:

TITLE 28 > PART I > CHAPTER 13 > Sec. 297.
Sec. 297. - Assignment of judges to courts of the freely associated compact states

(a) The Chief Justice or the chief judge of the United States Court of Appeals for the Ninth Circuit may assign any circuit or district judge of the Ninth Circuit, with the consent of the judge so assigned, to serve temporarily as a judge of any duly constituted court of the freely associated compact states whenever an
official duty authorized by the laws of the respective compact state requests such assignment and such
assignment is necessary for the proper dispatch of the business of the respective court.

(b) The Congress consents to the acceptance and retention by any judge so authorized of reimbursement from
the countries referred to in subsection (a) of all necessary travel expenses, including transportation, and of
subsistence, or of a reasonable per diem allowance in lieu of subsistence. The judge shall report to the
Administrative Office of the United States Courts any amount received pursuant to this subsection.

Definitions from Black’s Law Dictionary:

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.”

Foreign Laws: “The laws of a foreign country or sister state.”

Dual citizenship. Citizenship in two different countries. Status of citizens of United States who reside
within a state; i.e., person who are born or naturalized in the U.S. are citizens of the U.S. and the state wherein
they reside.

Legal encyclopedia Corpus Juris Secundum:

“Generally, the states of the Union sustain toward each other the relationship of independent sovereigns or
independent foreign states, except in so far as the United States is paramount as the dominating government, and
in so far as the states are bound to recognize the fraternity among sovereignties established by the federal
Constitution, as by the provision requiring each state to give full faith and credit to the public acts, records, and
judicial proceedings of the other states...”
[81A Corpus Juris Secundum (C.J.S.), United States, §29 (2003)]

The courts agree with this interpretation:

"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)]

"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)]

"In determining the boundaries of apparently conflicting powers between states and the general government, the
proper question is, not so much what has been, in terms, reserved to the states, as what has been, expressly or by
necessary implication, granted by the people to the national government; for each state possess all the powers
of an independent and sovereign nation, except so far as they have been ceded away by the constitution. The
federal government is but a creature of the people of the states, and, like an agent appointed for definite and
specific purposes, must show an express or necessarily implied authority in the charter of its appointment, to give
validity to its acts." [People ex re. Atty. Gen. v. Naglee, 1 Cal. 234 (1850)]
Going along with the foregoing, people who are domiciled in states of the Union are also described statutorily as “nationals” but not “citizens” under all “Acts of Congress”. They are “citizens” under the Constitution, but not under federal statutory law. This is an important consequence of the Separation of Powers Doctrine, which is described below:

Separation of Powers Doctrine
http://famguardian.org/Subjects/LawAndGovt/Articles/SeparationOfPowersDoctrine.htm

If you would like more details on why you are a “national” and not a “citizen” within all Acts of Congress, please read the free references below:

1. Why You are a “national”, “state national”, and Constitutional but not Statutory Citizen, Form #05.006
http://sedm.org/Forms/FormIndex.htm
2. Federal Enforcement Authority in States of the Union, Form #05.032
http://sedm.org/Forms/FormIndex.htm
3. Non-Resident Non-Person Position, Form #05.020;
http://sedm.org/Forms/FormIndex.htm

A favorite tactic of members of the legal profession in arguing against the conclusions of this section is to cite the following U.S. Supreme Court cites and then to say that the federal and state government enjoy concurrent jurisdiction within states of the Union.

"The laws of the United States are laws in the several States, and just as much binding on the citizens and courts thereof as the State laws are. The United States is not a foreign sovereignty as regards the several States, but is a concurrent, and, within its jurisdiction, paramount sovereignty. Every citizen of a State is a subject of two distinct sovereignties, having concurrent jurisdiction in the State,-concurrent as to place and persons, though distinct as to subject-matter."
[Clayton v. Houseman, 93 U.S. 130, 136 (1876)]

"And the powers of the General Government, and of the State, although both exist and are exercised within the same territorial limits, are yet separate and distinct sovereignties, acting separately and independently of each other, within their respective spheres."
[Ableman v. Booth, 62 U.S. 506, 516 (1858)]

The issue raised above relates to the concept of what we call “dual sovereignty”. Can two entities be simultaneously sovereign over a single geographic region and the same subject matter? Let’s investigate this intriguing matter further, keeping in mind that such controversies result from a fundamental misunderstanding of what “sovereignty” really means.

We allege and a book on Constitutional government also alleges that it is a legal impossibility for two sovereign bodies to enjoy concurrent jurisdiction over the same subject, and especially when it comes to jurisdiction to tax.

"§79. This sovereignty pertains to the people of the United States as national citizens only, and not as citizens of any other government. There cannot be two separate and independent sovereignties within the same limits or jurisdiction; nor can there be two distinct and separate sources of sovereign authority within the same jurisdiction. The right of commanding in the last resort can be possessed only by one body of people inhabiting the same territory; and can be executed only by those intrusted with the execution of such authority."
[Treatise on Government, Joel Tiffany, p. 49, Section 78;

What detractors are trying to do is deceive you, because they are confusing federal “States” described in federal statutes with states of the Union mentioned in the Constitution. These two types of entities are mutually exclusive and “foreign” with respect to each other.

"The earliest case is that of Hepburn v. Ellzey, 2 Cranch, 445, 2 L.Ed. 332, in which this court held that, under that clause of the Constitution limiting the jurisdiction of the courts of the United States to controversies between citizens of different states, a citizen of the District of Columbia could not maintain an action in the circuit court of the United States. It was argued that the words 'state,' in that connection, was used simply to denote a distinct political society. But,' said the Chief Justice, 'as the act of Congress obviously used the word 'state' in reference to that term as used in the Constitution, it becomes necessary to inquire whether Columbia is a state in the sense of that instrument. The result of that examination is a conviction that the members of the American confederacy only are the states contemplated in the Constitution; . . . and excludes from the term the signification attached to it by writers on the law of nations.' This case was followed in Barney v. Baltimore, 6 Wall. 280, 18 L.Ed. 825, and quite recently in Hoos v. Jamieson, 166 U.S. 395, 41 L.Ed. 1049, 17 Sup.Ct. Rep. 596. The same rule
was applied to citizens of territories in New Orleans v. Winter, 1 Wheat. 91, 4 L.Ed. 44, in which an attempt
was made to distinguish a territory from the District of Columbia. But it was said that "neither of them is a
state in the sense in which that term is used in the Constitution." In Scott v. Jones, 5 How. 343, 12 L.Ed. 181,
and in Miners' Bank v. Iowa ex rel. District Prosecuting Attorney, 12 How. 1, 13 L.Ed. 867, it was held that under
the judiciary act, permitting writs of error to the supreme court of a state in cases where the validity of a state
statute is drawn in question, an act of a territorial legislature was not within the contemplation of Congress."
[Downes v. Bidwell, 182 U.S. 244 (1901)]

The definition of "State" for the purposes of federal income taxes confirms that states of the Union are NOT included within
the definitions used in the Internal Revenue Code, and that only federal territories are. This is no accident, but proof that
there really is a separation of powers and of legislative jurisdiction between states of the Union and the Federal government:

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.

TITLE 26 > Subtitle E > CHAPTER 79 > § 7701
§ 7701. Definitions
(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.

We like to think of the word “sovereignty” in the context of government as the combination of “exclusive authority” with
“exclusive responsibility”. The Constitution in effect very clearly divides authority and responsibility for specific matters
between the states and federal government based on the specific subject matter, and ensures that the functions of each will
never overlap or conflict. It delegates certain powers to each of the two sovereigns and keeps the two sovereigns from
competing with each other so that public peace, tranquility, security, and political harmony have the most ideal environment
in which to flourish.

If we therefore examine the Constitution and the Supreme court cases interpreting it, we find that the complex division of
authority that it makes between the states and the federal government accomplishes the following objectives:

1. Delegates primarily internal matters to the states. These matters involve mainly public health, morals, and welfare and
require exclusive legislative authority within the state.

"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,
[Carter v. Carter Coal Co., 298 U.S. 238, 56 S.Ct. 855 (1936)]

"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 licensees.

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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 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. Delegates primarily external matters to the federal government, including diplomatic and military and postal and commerce matters. These include such things as:

2.1. Article 1, Section 8, Clause 3 of the constitution authorizes the feds to tax and regulate foreign commerce and interstate commerce, but not intrastate commerce.

2.2. Article 1, Section 8, Clauses 11-16 authorize the establishment of a military and the authority to make war.

2.3. Article 1, Section 8, Clause 4 allows thefed to determine uniform rules for naturalization and immigration from outside the country. However, it does not take away the authority of states to naturalize as well.

2.4. Article 1, Section 8, Clause 17: Exclusive authority over community property of the states called federal “territory”.

3. Ensures that the same criminal offense is never prosecuted or punished twice or simultaneously under two sets of laws.

"Consequently no State court will undertake to enforce the criminal law of the Union, except as regards the arrest of persons charged under such law. It is therefore clear, that the same power cannot be exercised by a State court as is exercised by the courts of the United States, in giving effect to their criminal laws…"

"There is no principle better established by the common law, none more fully recognized in the federal and State constitutions, than that an individual shall not be put in jeopardy twice for the same offense. This, it is true, applies to the respective governments; but its spirit applies with equal force against a double punishment, for the same act, by a State and the federal government…."

Nothing can be more repugnant or contradictory than two punishments for the same act. It would be a mockery of justice and a reproach to civilization. It would bring our system of government into merited contempt.”

[Fox v. The State of Ohio, 46 U.S. 410, 5 Howard 410, 12 L.Ed. 213 (1847)]

4. Ensures that the two sovereigns never tax the same objects or activities, because then they would be competing for revenues.

"Two governments acting independently of each other cannot exercise the same power for the same object.”

[Fox v. The State of Ohio, 46 U.S. 410, 5 Howard 410, 12 L.Ed. 213 (1847)]

As far as the last item above goes, which is that of taxation, however, the U.S. Supreme Court has stated:

"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 tonnage. 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 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)]

"The grant of the power to lay and collect taxes is, like the power to regulate commerce, made in general terms, and has never been understood to interfere with the exercise of the same power by the States; and hence has been drawn an argument which has been applied to the question under consideration. But the two grants are not, it is conceived, similar in their terms or their nature. Although many of the powers formerly [22 U.S. 1, 179] exercised by the States, are transferred to the government of the Union, yet the State governments remain, and constitute a most important part of our system. The power of taxation is indispensable to their existence, and is a power which, in its own nature, is capable of residing in, and being exercised by, different authorities at the
same time. We are accustomed to see it placed, for different purposes, in different hands. Taxation is the simple operation of taking small portions from a perpetually accumulating mass, susceptible of almost infinite division; and a power in one to take what is necessary for certain purposes, is not, in its nature, incompatible with a power in another to take what is necessary for other purposes. Congress is authorized to lay and collect taxes, and to pay the debts, and provide for the common defence and general welfare of the United States. This does not interfere with the power of the States to tax [internally] for the support of their own governments; nor is the exercise of that power by the States [to tax INTERNALLY], an exercise of any portion of the power that is granted to the United States [to tax EXTERNALLY]. In imposing taxes for State purposes, they are not doing what Congress is empowered to do. Congress is not empowered to tax for those purposes which are within the exclusive province of the States. When, then, each government exercises the power of taxation, neither is exercising the power of the other. But, when a State proceeds to regulate commerce with foreign nations, or among the several States, it is exercising the very power that is granted to Congress, [22 U.S. 1, 200] and is doing the very thing which Congress is authorized to do. There is no analogy, then, between the power of taxation and the power of regulating commerce.

[Gibbons v. Ogden, 22 U.S. 21 (1824)]

“In Slaughter-house Cases, 16 Wall. 62, it was said that the police power is, from its nature, incapable of any exact definition or limitation; and in Stone v. Mississippi, 101 U.S. 814, that it is ‘easier to determine whether particular cases come within the general scope of the power than to give an abstract definition of the power itself, which will be in all respects accurate.’ That there is a power, sometimes called the police power, which has never been surrendered by the states, in virtue of which they may, within certain limits, control everything within their respective territories, and upon the proper exercise of which, under some circumstances, may depend the public health, the public morals, or the public safety, is conceded in all the cases. Gibbons v. Ogden, 9 Wheat. 203. In its broadest sense, as sometimes defined, it includes all legislation and almost every function of civil government. Barbier v. Connolly, 113 U.S. 31; S. C. 5 Sup.Ct.Rep. 357. [ . . . ] Definitions of the police power must, however, be taken subject to the condition that the state cannot, in its exercise, for any purpose whatever, encroach upon the powers of the general [federal] government, or rights granted or secured by the supreme law of the land.

“Illustrations of interference with the rightful authority of the general government by state legislation—which was defended upon the ground that it was enacted under the police power—are found in cases where enactments concerning the introduction of foreign paupers, convicts, and diseased persons were held to be unconstitutional as conflicting, by their necessary operation and effect, with the paramount authority of congress to regulate commerce with foreign nations, and among the several states. In Henderson v. Mayor of New York, 92 U.S. 263, the court, speaking by Mr. Justice MILLER, while declining to decide whether in the absence of congressional action the states can, or how far they may, by appropriate legislation protect themselves against actual paupers, vagrants, criminals, [115 U.S. 650, 662] and diseased persons, arriving from foreign countries, said, that no definition of the police power, and 'no urgency for its use, can authorize a state to exercise it in regard to a subject-matter which has been confided exclusively to the discretion of congress by the constitution.' Chy Lung v. Freeman, 92 U.S. 276. And in Railroad Co. v. Husen, 95 U.S. 474, Mr. Justice STRONG, delivering the opinion of the court, said that 'the police power of a state cannot obstruct foreign commerce or interstate commerce beyond the necessity for its exercise; and, under color of it, objects not within its scope cannot be secured at the expense of the protection afforded by the federal constitution.'

[New Orleans Gas Company v. Louisiana Light Company, 115 U.S. 650 (1885)]

And the Federalist Paper # 45 confirms this view in regards to taxation:

“It is true, that the Confederacy is to possess, and may exercise, the power of collecting internal as well as external taxes throughout the States; but it is probable that this power will not be resorted to, except for supplemental purposes of revenue; that an option will then be given to the States to supply their quotas by previous collections of their own; and that the eventual collection, under the immediate authority of the Union, will generally be made by the officers, and according to the rules, appointed by the several States. Indeed it is extremely probable, that in other instances, particularly in the

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organization of the judicial power, the officers of the States will be clothed with the correspondent authority of the Union. “

“Should it happen, however, that separate collectors of internal revenue should be appointed under the federal government, the influence of the whole number would not bear a comparison with that of the multitude of State officers in the opposite scale. “

“Within every district to which a federal collector would be allotted, there would not be less than thirty or forty, or even more, officers of different descriptions, and many of them persons of character and weight, whose influence would lie on the side of the State. The 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 former will be exercised principally on external objects, as war, peace, negotiation, and foreign commerce; with which last the power of taxation will, for the most part, be connected. The powers reserved to the several States will extend to all the objects which, in the ordinary course of affairs, concern the lives, liberties, and properties of the people, and the internal order, improvement, and prosperity of the State. The operations of the federal government will be most extensive and important in times of war and danger; those of the State governments, in times of peace and security. As the former periods will probably bear a small proportion to the latter, the State governments will here enjoy another advantage over the federal government. The more adequate, indeed, the federal powers may be rendered to the national defense, the less frequent will be those scenes of danger which might favor their ascendancy over the governments of the particular States.” [Federalist Paper No 45 (Jun. 1788), James Madison]

The introduction of the Sixteenth Amendment did not change any of the above, because Subtitle A income taxes only apply to persons domiciled within the federal United States, or federal zone, including persons temporarily abroad per 26 U.S.C. §911. Even the Supreme Court agreed in the case of Stanton v. Baltic Mining that the Sixteenth Amendment “conferred no new powers of taxation”, and they wouldn’t have said it and repeated it if they didn’t mean it. Whether or not the Sixteenth Amendment was properly ratified is inconsequential and a nullity, because of the limited applicability of Subtitle A of the Internal Revenue Code primarily to persons domiciled in the federal zone no matter where resident. The Sixteenth Amendment authorized that:

United States Constitution
Sixteenth Amendment

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

And in fact, the above described amendment is exactly what an income tax under Subtitle A that only operates against persons domiciled within the federal zone does: collect taxes on incomes without apportionment. Furthermore, because the federal zone is not protected by the Constitution or the Bill of Rights (see Downes v. Bidwell, 182 U.S. 244 (1901)), then there can be no violation of constitutional rights from the enforcement of the I.R.C. there. As a matter of fact, since due process of law is a requirement only of the Bill of Rights, and the Bill of Rights doesn’t apply in the federal zone, then technically, Congress doesn’t even need a law to legitimately collect taxes in these areas! The federal zone, recall, is a totalitarian socialist democracy, not a republic, and the legislature and the courts can do anything they like there without violating the Bill of Rights or our Constitutional rights.

With all the above in mind, let’s return to the original Supreme Court cites we referred to at the beginning of the section. The Constitution and the Bill of Rights, which are the “laws” of the United States, apply equally to both the union states AND the federal government, as the cites explain. That is why either state or federal officers both have to take an oath to support and defend the Constitution before they take office. However, the statutes or legislation passed by Congress, which are called “Acts of Congress” have much more limited jurisdiction inside the Union states, and in most cases, do not apply at all. For example:

TITLE 18 > PART III > CHAPTER 301 > Sec. 4001
Sec. 4001. - Limitation on detention; control of prisons

(a) No citizen shall be imprisoned or otherwise detained by the United States except pursuant to an Act of Congress.

The reason for the above is because the federal government has no police powers inside the states because these are reserved by the Tenth Amendment to the state governments. Likewise, the feds have no territorial jurisdiction for most subject matters inside the states either. See U.S. v. Bevans, 16 U.S. 336 (1818).
Now if we look at the meaning of “Act of Congress”, we find such a definition in Rule 54(c) of the Federal Rules of Criminal Procedure prior to Dec. 2002, wherein is defined "Act of Congress." Rule 54(c) states:

Federal Rule of Civil Procedure 54(c), prior to Dec. 2002

"Act of Congress" includes any act of Congress locally applicable to and in force in the District of Columbia, in Puerto Rico, in a territory or in an insular possession.

Keep in mind, the Internal Revenue Code is an “Act of Congress.” The reason such “Acts of Congress” cannot apply within the sovereign states is because the federal government lacks what is called “police powers” inside the union states, and the Internal Revenue Code requires police powers to implement and enforce. THEREFORE, THE QUESTION IS, ON WHICH OF THE FOUR LOCATIONS NAMED IN RULE 54(c) IS THE UNITED STATES DISTRICT COURT ASSERTING JURISDICTION WHEN THE U.S. ATTORNEY HAULS YOUR ASS IN COURT ON AN INCOME TAX CRIME? Hint, everyone knows what and where the District of Columbia is, and everyone knows where Puerto Rico is, and territories and insular possessions are defined in Title 48 United States Code, happy hunting!

The preceding discussion within this section is also confirmed by the content of 4 U.S.C. §72. Subtitle A is primarily a “privilege” tax upon a “trade or business”. A “trade or business” is defined in 26 U.S.C. §7701(a)(26) as “the functions of a public office”:

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

(a) Definitions

(26) Trade or business

"The term 'trade or business' includes the performance of the functions of a public office."

Title 4 of the U.S. Code then says that all “public offices” MUST exist ONLY in the District of Columbia and no place else, except as expressly provided by law:

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.

If the we then search all the titles of the U.S. Code electronically, we find only one instance where “public offices” are “expressly provided” by law to a place other than the seat of government in connection with the Internal Revenue Code. That reference is found in 48 U.S.C. §1612, which expressly provides that public offices for the U.S. Attorney are extended to the Virgin Islands to enforce the provisions of the Internal Revenue Code.

Moving on, we find in 26 U.S.C. §7601 that the IRS has enforcement authority for the Internal Revenue Code only within what is called “internal revenue districts”. 26 U.S.C. §7621 authorizes the President to establish these districts. Under Executive Order 10289, the President delegated the authority to define these districts to the Secretary of the Treasury in 1952. We then search the Treasury Department website for Treasury Orders documenting the establishment of these internal revenue districts:

http://www.ustreasury.gov/regs/

The only orders documenting the existence of “internal revenue districts” is Treasury Orders 150-01 and 150-02. Treasury Order 150-01 established internal revenue districts that included federal land within states of the Union, but it was repealed in 1998 as an aftermath of the IRS Restructuring and Reform Act and replaced with Treasury Order 150-02. Treasury Order 150-02 says that all IRS administration must be conducted in the District of Columbia. Therefore, pursuant to 26 U.S.C. §7601, the IRS is only authorized to enforce the I.R.C. within the District of Columbia, which is the only remaining internal revenue district. This leads us full circle right back to our initial premise, which is:
1. The definition of the term “United States” found in 26 U.S.C. §7701(a)(9) and (a)(10), which is defined as the District of Columbia, means what it says and says what it means.

2. Subtitle A of the Internal Revenue Code may only be enforced within the only remaining internal revenue district, which is the District of Columbia.

3. There is no provision of law which “expressly extends” the enforcement of the Internal Revenue Code to any land under exclusive state jurisdiction.

4. The Separation of Powers Doctrine therefore does not allow anyone in a state of the Union to partake of the federal “privilege” known as a “trade or business”, which is the main subject of tax under Subtitle A of the I.R.C. This must be so because it involves a public office and all public offices must exist ONLY in the District of Columbia.

5. The only source of federal jurisdiction to tax is foreign commerce because the Constitution does not authorize any other type of tax internal to a state of the Union other than a direct, apportioned tax. Since the Internal Revenue Code, Subtitle A tax is not apportioned and since it is upon a privileged “trade or business” activity, then it is indirect and therefore need not be apportioned.

Q.E.D.-Quod Erod Demonstrandum (proven beyond a shadow of a doubt)

We will now provide an all-inclusive list of subject matters for which the federal government definitely does have jurisdiction within a state, and the Constitutional origin of that power. For all subjects of federal legislation other than these, the states of the Union and the federal government are FOREIGN COUNTRIES and FOREIGN STATES with respect to each other:

1. Foreign commerce pursuant to Article 1, Section 8, Clause 3 of the United States Constitution. This jurisdiction is described within 9 U.S.C. §1 et seq.

2. Counterfeiting pursuant to Article 1, Section 8, Clause 5 of the United States Constitution.

3. Postal matters pursuant to Article 1, Section 8, Clause 7 of the United States Constitution.

4. Treason pursuant to Article 4, Section 2, Clause 2 of the United States Constitution.

5. Federal contracts, franchises, and property pursuant to Article 4, Section 3, Clause 2 of the United States Constitution.

This includes federal employment, which is a type of contract or franchise, wherever conducted, including in a state of the Union.

In relation to that last item above, which is federal contracts and franchises, Subtitle A of the Internal Revenue Code fits into that category, because it is a franchise and not a “tax”, which relates primarily to federal employment and contracts. The alleged “tax” in fact is a kickback scheme that can only lawfully affect federal contractors and employers, but not private persons. Those who are party to this contract or franchise are called “effectively connected with a trade or business”. Saying a person is “effectively connected” really means that they consented to the contract explicitly in writing or implicitly by their conduct. To enforce the “trade or business” franchise as a contract in a place where the federal government has no territorial jurisdiction requires informed, voluntary consent in some form from the party who is the object of the enforcement of the contract. The courts call this kind of consent “comity”. To wit:

"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 policy, 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)]

When the federal government wishes to enforce one of its contracts or franchises in a place where it has no territorial jurisdiction, such as in China, it would need to litigate in the courts in China just like a private person. However, if the contract is within a state of the Union, the Separation of Powers Doctrine requires that all “federal questions”, including federal contracts, which are “property” of the United States, must be litigated in a federal court. This requirement was eloquently explained by the U.S. Supreme Court in Alden v. Maine, 527 U.S. 706 (1999). Consequently, even though the federal government enjoys no territorial jurisdiction within a state of the Union for other than the above subject matters explicitly authorized by the Constitution itself, it still has subject matter jurisdiction within federal court over federal property, contracts and franchises, which are synonymous. Since the Internal Revenue Code is a federal contract or franchise, then the federal courts have jurisdiction over this issue with persons who participate in the “trade or business” franchise.
Finally, below is a very enlightening U.S. Supreme Court case that concisely explains the constitutional relationship between the exclusive and plenary *internal* sovereignty of the states or the Union and the exclusive *external* sovereignty of the federal government:

“It will contribute to the elucidation of the question if we first consider the differences between the powers of the federal government in respect of foreign or external affairs and those in respect of domestic or internal affairs. That there are differences between them, and that these differences are fundamental, may not be doubted.

The two classes of powers are different, both in respect of their origin and their nature. The broad statement that the federal government can exercise no powers except [299 U.S. 304, 316] those specifically enumerated in the Constitution, and such implied powers as are necessary and proper to carry into effect the enumerated powers, is categorically true only in respect of our internal affairs. In that field, the primary purpose of the Constitution was to carve from the general mass of legislative powers then possessed by the states such portions as it was thought desirable to vest in the federal government, leaving those not included in the enumeration still in the states. Carter v. Carter Coal Co., 298 U.S. 238, 56 S.Ct. 855, 865. That this doctrine applies only to powers which the states had is self-evident. And since the states severally never possessed international powers, such powers could not have been carved from the mass of state powers but obviously were transmitted to the United States from some other source. During the Colonial period, those powers were possessed exclusively by and were entirely under the control of the Crown. By the Declaration of Independence, 'the Representatives of the United States of America' declared the United (not the several) Colonies to be free and independent states, and as such to have 'full Power to levy War, conclude Peace, contract Alliances, establish Commerce and to do all other Acts and Things which Independent States may of right do.'

As a result of the separation from Great Britain by the colonies, acting as a unit, the powers of external sovereignty passed from the Crown not to the colonies severally, but to the colonies in their collective and corporate capacity as the United States of America. Even before the Declaration, the colonies were a unit in foreign affairs, acting through a common agency—namely, the Continental Congress, composed of delegates from the thirteen colonies. That agency exercised the powers of war and peace, raised an army, created a navy, and finally adopted the Declaration of Independence. Rulers come and go; governments end and forms of government change; but sovereignty survives. A political society cannot endure [299 U.S. 304, 317] without a supreme will somewhere. Sovereignty is never held in suspense. When, therefore, the external sovereignty of Great Britain in respect of the colonies ceased, it immediately passed to the Union. See Penhallow v. Duane, 3 Dall. 54, 80, 81, Fed.Cas. No. 10925. That fact was given practical application almost at once. The treaty of peace, made on September 3, 1783, was concluded between his Britannic Majesty and the 'United States of America.' 8 Stat., European Treaties, 80.

The Union existed before the Constitution, which was ordained and established among other things to form 'a more perfect Union.' Prior to that event, it is clear that the Union, declared by the Articles of Confederation to be 'perpetual,' was the sole possessor of external sovereignty, and in the Union it remained without change save in so far as the Constitution in express terms qualified its exercise. The Framers' Convention was called and exerted its powers upon the irrefutable postulate that though the states were several their people in respect of foreign affairs were one. Compare The Chinese Exclusion Case, 180 U.S. 581, 606, 608 S., 9 S.Ct. 623. In that convention, the entire absence of state power to deal with those affairs was thus forcefully stated by Rufus King:

'The states were not 'sovereigns' in the sense contended for by some. They did not possess the peculiar features of [external] sovereignty, they could not make war, nor peace, nor alliances, nor treaties. Considering them as political beings, they were dumb, for they could not speak to any foreign sovereign whatever. They were deaf, for they could not hear any propositions from such sovereign. They had not even the organs or faculties of defence or offence, for they could not of themselves raise troops, or equip vessels, for war.' 5 Elliot's Debates, 212. [299 U.S. 304, 318]

It results that the investment of the federal government with the powers of external sovereignty did not depend upon the affirmative grants of the Constitution. The powers to declare and wage war, to conclude peace, to make treaties, to maintain diplomatic relations with other sovereignties, if they had never been mentioned in the Constitution, would have vested in the federal government as necessary concomitants of nationality. Neither the Constitution nor the laws passed in pursuance of it have any force in foreign territory unless in respect of our own citizens (see American Banana Co. v. United Fruit Co., 213 U.S. 347, 356, 29 S.Ct. 511, 16 Ann.Cas. 1047); and operations of the nation in such territory must be governed by treaties, international understandings and compacts, and the principles of international law. As a member of the family of nations, the right and power of the United States in that field are equal to the right and power of the other members of the international family. Otherwise, the United States is not completely sovereign. The power to acquire territory by discovery and occupation [Joint United States, 137 U.S. 202, 212, 11 S.Ct. 80], the power to expel undesirable aliens (Fong Yue Ting v. United States, 149 U.S. 698, 705 et seq., 13 S.Ct. 1016), the power to make such international agreements as do not constitute treaties in the constitutional sense (Altman & Co. v. United States, 224 U.S. 583, 600, 601 S., 32 S.Ct. 593; Crandall, Treaties, Their Making and Enforcement (2d Ed.) p. 102 and note 1), none of which is expressly affirmed by the Constitution, nevertheless exist as inherently inseparable from the conception of nationality.
This the court recognized, and in each of the cases cited found the warrant for its conclusions not in the provisions of the Constitution, but in the law of nations.

In Burnet v. Brooks, 288 U.S. 378, 396, 53 S.Ct. 457, 461, 86 A.L.R. 747, we said, 'As a nation with all the attributes of sovereignty, the United States is vested with all the powers of government necessary to maintain an effective control of international relations.' Cf. Carter v. Carter Coal Co., supra, 298 U.S. 228, at page 295, 56 S.Ct. 855, 865. [299 U.S. 304, 319] Not only, as we have shown, is the federal power over external affairs in origin and essential character different from that over internal affairs, but participation in the exercise of the power is significantly limited. In this vast external realm, with its important, complicated, delicate and manifold problems, the President alone has the power to speak or listen as a representative of the nation. He makes treaties with the advice and consent of the Senate; but he alone negotiates. Into the field of negotiation the Senate cannot intrude; and Congress itself is powerless to invade it. As Marshall said in his great argument of March 7, 1800, in the House of Representatives, 'The President is the sole organ of the nation in its external relations, and its sole representative with foreign nations.' Annals, 6th Cong., col. 613. The Senate Committee on Foreign Relations at a very early day in our history (February 15, 1816), reported to the Senate, among other things, as follows:

'The President is the constitutional representative of the United States with regard to foreign nations. He manages our concerns with foreign nations and must necessarily be most competent to determine when, how, and upon what subjects negotiation may be urged with the greatest prospect of success. For his conduct he is responsible to the Constitution. The committee considers this responsibility the surest pledge for the faithful discharge of his duty. They think the interference of the Senate in the direction of foreign negotiations calculated to diminish that responsibility and thereby to impair the best security for the national safety. The nature of transactions with foreign nations, moreover, requires caution and unity of design, and their success frequently depends on secrecy and dispatch. 8 U.S. Sen.Reports Comm. on Foreign Relations, p. 24.'

It is important to bear in mind that we are here dealing not alone with an authority vested in the President by an [299 U.S. 304, 320] exertion of legislative power, but with such an authority plus the very delicate, plenary and exclusive power of the President as the sole organ of the federal government in the field of international relations—a power which does not require as a basis for its exercise an act of Congress, but which, of course, like every other governmental power, must be exercised in subordination to the applicable provisions of the Constitution. It is quite apparent that if, in the maintenance of our international relations, embarrassment—perhaps serious embarrassment—is to be avoided and success for our aims achieved, congressional legislation which is to be made effective through negotiation and inquiry within the international field must often accord to the President a degree of discretion and freedom from statutory restriction which would not be admissible were domestic affairs alone involved. Moreover, he, not Congress, has the better opportunity of knowing the conditions which prevail in foreign countries, and especially this is true in time of war. He has his confidential sources of information. He has his agents in the form of diplomatic, consular and other officials. Secrecy in respect of information gathered by them may be highly necessary, and the premature disclosure of it productive of harmful results. Indeed, so clearly is this true that the first President refused to accede to a request to lay before the House of Representatives the instructions, correspondence and documents relating to the negotiation of the Jay Treaty—a refusal the wisdom of which was recognized by the House itself and has never since been doubted. In his reply to the request, President Washington said:

'The nature of foreign negotiations requires caution, and their success must often depend on secrecy; and even when brought to a conclusion a full disclosure of all the measures, demands, or eventual concessions which may have been proposed or contemplated would be extremely [299 U.S. 304, 321] impolitic; for this might have a pernicious influence on future negotiations, or produce immediate inconveniences, perhaps danger and mischief, in relation to other powers. The necessity of such caution and secrecy was one cogent reason for vesting the power of making treaties in the President, with the advice and consent of the Senate, the principle on which that body was formed confining it to a small number of members. To admit, then, a right in the House of Representatives to demand and to have as a matter of course all the papers respecting a negotiation with a foreign power would be to establish a dangerous precedent.' 1 Messages and Papers of the Presidents, p. 194.

The marked difference between foreign affairs and domestic affairs in this respect is recognized by both houses of Congress in the very form of their requisitions for information from the executive departments. In the case of every department except the Department of State, the resolution directs the official to furnish the information. In the case of the State Department, dealing with foreign affairs, the President is requested to furnish the information 'if not incompatible with the public interest.' A statement that to furnish the information is not compatible with the public interest rarely, if ever, is questioned. “ [United States v. Curtiss-Wright Export Corporation, 299 U.S. 304 (1936)]

If you would like to learn more about the relationship between federal and state sovereignty exercised within states of the Union, we recommend an excellent, short, succinct book on the subject as follows:

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EXHIBIT: _______
9 The FOUR types of “States”

9.1 The TWO types of States within each CONSTITUTIONAL state

The governments of each state of the Union preside over TWO mutually exclusive and separate jurisdictions, which we summarize below:

1. Constitutional State. Land within the exclusive jurisdiction of a constitutional state of the Union fall within this area.

2. Statutory State. This area consists of federal areas within the exterior limits of a Constitutional State. These areas are federal territory not protected by the Constitution of the United States or the Bill of Rights and are “instrumentalities” of the federal government. Jurisdiction over these areas is shared with the federal government under the auspices of the following legal authorities:


   2.2. The Rules of Decision Act, 28 U.S.C. §1652. This act prescribes which of the two conflicting laws shall prevail in the case of crimes on federal territory.

   2.3. 28 U.S.C. §2679(c), which says that any action against an officer or employee of the United States in which the officer or employee is acting outside their authority shall be prosecuted in a state court.

   2.4. Agreement on Coordination of Tax Administration (A.C.T.A.) between the state and the Secretary of the Treasury. See section 9 later.

The situation above in respect to a state is not unlike our national government, which has two mutually exclusive jurisdictions:

“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?”

[Cohen v. Virginia, 19 U.S. 264, 6 Wheat. 265; 5 L.Ed. 257 (1821)]

“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 in 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 hard part is figuring out which of the two jurisdictions that any particular state statute applies to. What makes this process difficult are the following complicating factors:

1. There is no constitutional requirement that the laws passed by the state legislature must clearly state which of the two jurisdictions they apply to. This was also confirmed in the following exhibit, which is a letter from a United States Congressman:

   Congressman Zoe Lofgren Letter, Exhibit #04.003
   http://sedm.org/Exhibits/ExhibitIndex.htm

2. Crafty state legislators deliberately obfuscate the statutes they write so as to encourage those within the Republic to obey laws that in fact only apply to the Statutory State so as to unlawfully increase their revenues, power, and control.

3. Courts of InJustice and the judges who serve in them refuse to acknowledge that most statutes passed by the legislature can only lawfully affect federal areas and persons who consent to be treated as though they inhabit these areas.
Within federal law, the Constitutional State is referred to as a “foreign state”. To wit:

"Foreign states. Nations which are outside the United States. Term may also refer to another state; i.e. a sister state."  

"Generally, the states of the Union sustain toward each other the relationship of independent sovereigns or independent foreign states, except in so far as the United States is paramount as the dominating government, and in so far as the states are bound to recognize the fraternity among sovereignties established by the federal Constitution, as by the provision requiring each state to give full faith and credit to the public acts, records, and judicial proceedings of the other states..."  
[81A Corpus Juris Secundum (C.J.S.), United States, §29 (2003)]

"The United States Government is a foreign corporation with respect to a state..." [N.Y. v. re Merriam 36 N.E. 505; 141 N.Y. 479; affirmed 16 S.Ct. 1073; 41 L.Ed. 287] [underlines added]

[19 Corpus Juris Secundum (C.J.S.) Legal Encyclopedia, United States, §884]

Even the U.S. Supreme Court admits that the Constitutional State are legislatively “foreign states” with respect to the federal government:

We have held, upon full consideration, that although under existing statutes a circuit court of the United States has jurisdiction upon habeas corpus to discharge from the custody of state officers or tribunals one restrained of his liberty in violation of the Constitution of the United States, it is not required in every case to exercise its power to that end immediately upon application being made for the writ. 'We cannot suppose,' this court has said, 'that Congress intended to compel those courts, by such means, to draw to themselves, in the first instance, the control of all criminal prosecutions commenced in state courts exercising authority within the same territorial limits, where the accused claims that he is held in custody in violation of the Constitution of the United States. The injunction to hear the case summarily, and thereupon 'to dispose of the party as law and justice require' [R. S. 761], does not deprive it of the power to exercise the same authority, as to the time and mode in which it will act, the powers conferred upon it. That discretion should be exercised in the light of the relations existing, under our system of government, between the judicial tribunals of the Union and of the states, and in recognition of the fact that the public good requires that those relations be not disturbed by unnecessary conflict between courts equally bound to guard and protect rights secured by the Constitution. When the petitioner is in custody by state authority for an act done or omitted to be done in pursuance of a law of the United States, or of an order, process, or decree of a court or judge thereof; or where, being a subject or citizen of a foreign state, and domiciled therein, he is in custody, under like circumstances as an act done or omitted under any alleged right, title, authority, privilege, protection, or exemption claimed under the commission, order, or sanction of any foreign state, or under color thereof, the authority and effect whereof depend upon the law of nations; in such and like cases of urgency, involving the authority and operations of the general government, or the obligations of this country to, or its relations with, foreign nations, [180 U.S. 499, 502] the courts of the United States have frequently interposed by writs of habeas corpus and discharged prisoners who were held in custody under state authority. So, also, when they are in the custody of a state officer, it may be necessary, by use of the writ, to bring them into a court of the United States to test by witnesses, Ex parte Royall, 117 U.S. 241, 259, 29 S.L.Ed. 868, 871, 6 Sup.Ct.Rep. 734; Ex parte Fonda, 117 U.S. 516, 518, 29 S.L.Ed. 994, 6 Sup.Ct.Rep. 548; Re Duncan, 139 U.S. 449, 454, sub nom. Duncan v. McCall, 35 L.Ed. 219, 222, 11 Sup.Ct.Rep. 573; Re Wood, 140 U.S. 278, 289. Sub nom. Wood v. Brush, 35 L.Ed. 505, 509, 11 Sup.Ct.Rep. 738; McElvaine v. Brush, 142 U.S. 155, 160, 35 S.L.Ed. 974, 977, 12 Sup.Ct.Rep. 156; Cook v. Hart, 146 U.S. 131, 194, 36 S.L.Ed. 934, 939, 13 Sup.Ct.Rep. 40; Re Frederich, 149 U.S. 70, 75, 37 S.L.Ed. 653, 656, 13 Sup.Ct.Rep. 793; New York v. Eno, 155 U.S. 89, 96, 39 S.L.Ed. 60, 83, 15 Sup.Ct.Rep. 39; Pepke v. Cromon, 153 U.S. 100, 109, 39 L.Ed. 84, 13 Sup.Ct.Rep. 34; Re Chapman, 156 U.S. 211, 316, 39 S.L.Ed. 401, 402, 15 Sup.Ct.Rep. 334; Whitten v. Tomlinson, 160 U.S. 231, 242, 40 S.L.Ed. 408, 412, 16 Sup.Ct.Rep. 297; Iasigi v. Van De Carr, 166 U.S. 391, 395, 41 S.L.Ed. 1045, 1049, 17 Sup.Ct.Rep. 595; Baker v. Grice, 169 U.S. 284, 290, 42 S.L.Ed. 748, 750, 18 Sup.Ct.Rep. 323; Tinsley v. Anderson, 171 U.S. 101, 105, 43 S.L.Ed. 91, 96, 18 Sup.Ct.Rep. 805; Fitts v. McGhee, 172 U.S. 516, 533, 34 S.L.Ed. 535, 543, 19 Sup.Ct.Rep. 269; Markuson v. Boucher, 175 U.S. 184, 44 L.Ed. 124, 20 Sup.Ct.Rep. 76.

There are cases that come within the exceptions to the general rule. In Loney’s Case, 134 U.S. 372, 375, sub nom. Thomas v. Loney, 33 L.Ed. 949, 951, 10 Sup.Ct.Rep. 584, 585, it appeared that Loney was held in custody by the state authorities under a charge of perjury committed in giving his deposition as a witness before a notary public in Richmond, Virginia, in the case of a contested election of a member of the House of Representatives of the United States. He was discharged upon a writ of habeas corpus sued out from the circuit court of the United States, this court saying: The power of punishing a witness for testifying falsely in a judicial proceeding belongs peculiarly to the government in whose tribunals that proceeding is had. It is essential to the impartial and efficient administration of justice in the tribunals of the nation, that witnesses should be able to testify freely before them, unrestrained by legislation of the state, or by fear of punishment in the state courts. The administration of justice in the national tribunals would be greatly embarrassed and impeded if a witness testifying before a court of the United States, or upon a contested election of a member and punishment in the courts of the state upon a charge of perjury, preferred by a disappointed suitor or contestant, or instigated by local passion or prejudice. So, in Ohio v. Thomas, 173 U.S. 276, 284, 285 S., 43 L.Ed. 699, 702, 19 Sup.Ct.Rep. 453, 456, which was the case of the arrest of the acting governor [180 U.S. 499, 503] of the State Income Taxes

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EXHIBIT:________
Whenever the Constitutional State accepts a benefit from the federal government, it surrenders its sovereign immunity and acts in the dual capacity of a Statutory State under the following concepts:

1. States borrowing money are treated as ordinary private creditors. This includes when they borrow money from the federal government.

"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 pay it with interest, are not acting as sovereignies. 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)]

2. States which engage in ordinary private business or contracts implicitly surrender their sovereign immunity.

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. §77(c)(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(b) (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. ____.
3. States which avail themselves of federal benefits or contracts with the federal government forfeit their sovereign immunity. To conclude otherwise would be to sanction what amounts to theft. In addition to the below, see also West Virginia v. United States, 497 U.S. 305, 107 S.Ct. 702 (1987)

“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. 523] 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)]

A nondiscriminatory taxing measure that operates to defray the cost of a federal program by recovering a fair approximation of each beneficiary’s share of the cost is surely no more offensive to the constitutional scheme than is either a tax on the income earned by state employees or a tax on a State’s sale of bottled water. [34] The National Government’s interest in being compensated for its expenditures is only too apparent. More significantly perhaps, such revenue measures by their very nature cannot possess the attributes that led Mr. Chief Justice Marshall to proclaim that the power to tax is the power [435 U.S. 444, 461] to destroy. There is no danger that such measures will not be based on benefits conferred or that they will function as regulatory devices unduly burdening essential state activities. It is, of course, the case that a revenue provision that forces a State to pay its own way when performing an essential function will increase the cost of the state activity. But Graves v. New York ex rel. O’Keefe, and its precursors, see 396 U.S., at 483 and the cases cited in n. 3, teach that an economic burden on traditional state functions without more is not a sufficient basis for sustaining a claim of immunity. Indeed, since the Constitution explicitly requires States to bear similar economic burdens when engaged in essential operations, see U.S. Const., Amdts. 5, 14; Pennsylvania Coal Co. v. Mahon, 260 U.S. 393 (1922) (State must pay just compensation when it “takes” private property for a public purpose); U.S. Const., Art. I, 10, cl. 1; United States Trust Co. v. New Jersey, 431 U.S. 1 (1977) (even when burdensome, a State often must comply with the obligations of its contracts), it cannot be seriously contended that federal exactions from the States of their fair share of the cost of specific benefits they receive from federal programs offend the constitutional scheme.

Our decisions in analogous context support this conclusion. 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 J.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)]

The Founding Fathers recognized the above dual agency in the Federalist Papers:

“It is true, that the Confederacy is to possess, and may exercise, the power of collecting internal as well as external taxes throughout the States; but it is probable that this power will not be resorted to, except for supplemental purposes of revenue; that an option will then be given to the States to supply their quotas by previous collections of their own; and that the eventual collection, under the immediate authority of the Union, will generally be made by the officers, and according to the rules, appointed by the several States. Indeed it is extremely probable, that in other instances, particularly in the organization of the judicial power, the officers of the States will be clothed with the correspondent authority of the Union.”

“Should it happen, however, that separate collectors of internal revenue should be appointed under the federal government, the influence of the whole number would not bear a comparison with that of the multitude of State officers in the opposite scale.”

“Within every district to which a federal collector would be allotted, there would not be less than thirty or forty, or even more, officers of different descriptions, and many of them persons of character and weight, whose influence would lie on the side of the State. The powers delegated by the proposed Constitution to the federal Government...
government are few and defined. Those which are to remain in the State governments are numerous and indefinite. The former will be exercised principally on external objects, as war, peace, negotiation, and foreign commerce; with which last the power of taxation will, for the most part, be connected. The powers reserved to the several States will extend to all the objects which, in the ordinary course of affairs, concern the lives, liberties, and properties of the people, and the internal order, improvement, and prosperity of the State. The operations of the federal government will be most extensive and important in times of war and danger; those of the State governments, in times of peace and security. As the former periods will probably bear a small proportion to the latter, the State governments will here enjoy another advantage over the federal government. The more adequate, indeed, the federal powers may be rendered to the national defense, the less frequent will be those scenes of danger which might favor their ascendancy over the governments of the particular States.”

[Federalist Paper No 45 (Jan. 1788), James Madison]

The Statutory State is the corporate entity and legal “person” that interfaces with, contracts with, and acts as an agent for the federal government in the context of said contracts. All contracts or what the U.S. Supreme Court calls “compacts” create agency on the part of those who consent toward the other parties to the contract.

“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.”


We allege that it is THIS “individual” who is a corporation is the only proper subject of the federal income tax and every other type of government legislation. This is the same “individual” defined in the I.R.C. below:

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) Nonresident alien individual.

The term nonresident alien individual means a person described in section 7701(b)(1)(B), an alien individual who is a resident of a foreign country under the residence article of an income tax treaty and Sec. 301.7701(b)-7(a)(1) of this chapter, or an alien individual who is a resident of Puerto Rico, Guam, the Commonwealth of Northern Mariana Islands, the U.S. Virgin Islands, or American Samoa as determined under Sec. 301.7701(b)-1(d) of this chapter. An alien individual who has made an election under section 6013 (g) or (h) to be treated as a resident of the United States is nevertheless treated as a nonresident alien individual for purposes of withholding under chapter 3 of the Code and the regulations thereunder.

The Statutory State essentially acts as an agency or instrumentality or “public officer” of the U.S. government, assisting in the management and control over federal areas within their borders in the context of all federal benefit programs which they participate in. In that capacity, they implicitly surrender sovereign immunity and agree to accept the supervision of the federal courts in what amounts to their essentially private business concerns with the federal government. In the context of income taxation, this federal “agency” is created by an Agreement on Coordination of Tax Administration (A.C.T.A.) between the state and the federal government, and it represents a delegation of authority by the federal government to allow the state government to enforce their taxes and laws ONLY within the Statutory State and the federal areas within the exterior limits of the state which comprise it. See section 9 later. These federal areas qualify as “possessions” of the United States, and therefore “States” within federal law:

TITLE 4 > CHAPTER 4 > § 110
§ 110. Same; definitions
(d) The term “State” includes any Territory or possession of the United States.

The term “possession” is nowhere defined in the law that we have been able to locate. However, Black’s Law Dictionary indicates that all “rights” or franchises constitute “property”.

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"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 indefinitive 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.


[. . .]

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."


If franchises are property and the Agreement on Coordination of Tax Administration (A.C.T.A.) creates a franchise, then the collections of rights, privileges, and benefits it conveys to the federal government constitutes “property” and therefore a “possession of the United States” from a legal perspective. Article 4, Section 3, Clause 2 of the Constitution is what authorizes the federal courts to regulate the exercise of federal franchises by states.

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 [including franchises and the benefits they confer] 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.

An example of federal territorial possessions include American Samoa and Swain’s Island, which are mentioned in 48 U.S.C. Chapter 13. Over possessions of the United States, federal legislative jurisdiction is “plenary”, meaning exclusive, except to the extent that they surrender any portion of it through legislation implementing what is called “comity”.

“Plenary. Full, entire, complete, absolute, perfect, unqualified. Mashunkashney v. Mashunkashney, 191 Okl. 501, 134 P. 2d. 976, 979."


All such surrenders of sovereignty over federal areas or possessions are called “comity”:

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. Babbit Ford, Inc., 117 Ariz., 192, 571 P. 2d. 689, 695. See also Full faith and credit clause.


An example of comity in action is the Buck Act, in which Congress authorized “States” as defined in 4 U.S.C. §110(d) to tax federal “public officials” working within federal areas.
(d) The term "State" includes any Territory or possession of the United States.

This provision was implemented as an outgrowth of the Public Salary Tax Act of 1939. You can read this act below:

http://famguar.org/PublishedAuthors/Govt/HistoricalActs/PublSalaryTaxAct1939.htm

To wit:

TITLE 4 > CHAPTER 4 > § 106
§ 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.

The state maintains a “trusteeship” over federal areas within its border and act as the equivalent of a federal “Government corporation”. To wit:

TITLE 5 > PART 1 > CHAPTER 1 > § 103
§ 103. Government corporation

For the purpose of this title—

(1) “Government corporation” means a corporation owned or controlled by the Government of the United States;

The “control” referred to above is the authority delegated by the Buck Act, the Public Salary Tax Act of 1939, the Agreement on Coordination of Tax Administration (A.C.T.A.), and the Assimilated Crimes Act, 18 U.S.C. §13. To view the Public Salary Tax Act of 1939, see:

http://famguar.org/PublishedAuthors/Govt/HistoricalActs/PublSalaryTaxAct1939.htm

The subject of taxation of territories and possessions is discussed in the document below:

Great IRS Hoax, Form #11.302, Section 5.14
http://famguar.org/Publications/GreatIRSHoax/GreatIRSHoax.htm

The U.S. Supreme Court has also held that all federal territories are “corporations”, which implies that possessions can just as readily be thought of the same way:

At common law, a “corporation” was an “artificial person[ ] 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"); 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"). [NGAIRINGAS v. SANCHEZ, 493 U.S. 182 (1990)]
We will now end this section by comparing the Constitutional State with the Statutory State to make the content of this section perfectly clear for visually minded readers:
Table 2: Comparison of Constitutional State v. Statutory State

<table>
<thead>
<tr>
<th>#</th>
<th>Attribute</th>
<th>Constitutional State</th>
<th>Statutory State</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Name</td>
<td>“Republic of ________”</td>
<td>“State of ________”</td>
</tr>
<tr>
<td>2</td>
<td>Name of this entity in federal law</td>
<td>Called a “state” or “foreign state”</td>
<td>Called a “State” as defined in 4 U.S.C. §110(d)</td>
</tr>
<tr>
<td>3</td>
<td>Protected by the Bill of Rights, which is the first ten amendments to the United States Constitution?</td>
<td>Yes</td>
<td>No (No rights. Only statutory “privileges”)</td>
</tr>
<tr>
<td>4</td>
<td>Form of government</td>
<td>Constitutional Republic</td>
<td>Legislative totalitarian socialist democracy</td>
</tr>
<tr>
<td>5</td>
<td>A corporation?</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>6</td>
<td>A federal corporation?</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>7</td>
<td>Exclusive jurisdiction over its own lands?</td>
<td>Yes</td>
<td>No. Shared with federal government pursuant to Buck Act, Assimilated Crimes Act, 18 U.S.C. §13, and Agreement on Coordination of Tax Administration (A.C.T.A.).</td>
</tr>
<tr>
<td>8</td>
<td>“Possession” of the United States?</td>
<td>No (sovereign and “foreign” with respect to national government)</td>
<td>Yes</td>
</tr>
<tr>
<td>9</td>
<td>Subject to exclusive federal jurisdiction?</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>10</td>
<td>Subject to federal income tax?</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>11</td>
<td>Subject to state income tax?</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>12</td>
<td>Subject to state sales tax?</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>13</td>
<td>Subject to national military draft? (See SEDM Form #05.030 <a href="http://sedm.org/Forms/FormIndex.htm">http://sedm.org/Forms/FormIndex.htm</a>)</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>15</td>
<td>Licenses such as marriage license, driver’s license, business license required in this jurisdiction?</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>16</td>
<td>Voters called</td>
<td>“Elector”</td>
<td>“Registered voters”</td>
</tr>
<tr>
<td>17</td>
<td>How you declare your domicile in this jurisdiction</td>
<td>1. Describing yourself as a “state national” but not a statutory “U.S. citizen on all government forms.</td>
<td>1. Describing yourself as a statutory “U.S. citizen” on any state or federal form.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2. Registering as an “elector” rather than a voter.</td>
<td>2. Applying for a federal benefit.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3. Terminating participation in all federal benefit programs.</td>
<td>3. Applying for and receiving any kind of state license.</td>
</tr>
</tbody>
</table>

9.2 States under the Articles of Confederation (“Republic of ________”)

The first official act of separation of America from Britain was the Declaration of Independence issued on July 4, 1776. Following the issuance of that document, the former British colonies assembled into a confederation called the Continental Congress. The President of the Continental Congress was named George Hansen. Therefore, he was the FIRST “President
of the United States of America”. Under his leadership, the Continental Congress published the Articles of Confederation on November 15, 1777, which was subsequently ratified by all the former British Colonies on March 1, 1781.

The Articles of Confederation established a corporation called “The United States of America”, which was identified by the U.S. Supreme Court as follows:

As a result of the separation from Great Britain by the colonies, acting as a unit, the powers of external sovereignty passed from the Crown not to the colonies severally, but to the colonies in their collective and corporate capacity as the United States of America. Even before the Declaration, the colonies were a unit in foreign affairs, acting through a common agency—namely, the Continental Congress, composed of delegates from the thirteen colonies. That agency exercised the powers of war and peace, raised an army, and finally adopted the Declaration of Independence. Rulers come and go; governments end and forms of government change; but sovereignty survives. A political society cannot endure [299 U.S. 304, 317] without a supreme will somewhere. Sovereignty is never held in suspense. When, therefore, the external sovereignty of Great Britain in respect of the colonies ceased, it immediately passed to the Union. See Penhall v. Doane, 3 Dall. 54, 80, 81, Fed.Cas. No. 10925. That fact was given practical application almost at once. The treaty of peace, made on September 3, 1783, was concluded between his Britannic Majesty and the ‘United States of America.’ 8 Stat., European Treaties, 80.

The Union existed before the Constitution, which was ordained and established among other things to form ‘a more perfect Union.’ Prior to that event, it is clear that the Union, declared by the Articles of Confederation to be ‘perpetual,’ was the sole possessor of external sovereignty, and in the Union it remained without change save in so far as the Constitution in express terms qualified its exercise. The Framers’ Convention was called and exerted its powers upon the irrefutable postulate that though the states were several their people in respect of foreign affairs were one.

[United States v. Curtiss-Wright Export Corporation, 299 U.S. 304 (1936)]

The above case distinguishes FOREIGN (international) affairs from DOMESTIC (INTERNAL AFFAIRS) within the states. For the purposes of INTERNAL affairs, the separate states under the Articles of Confederation behaved as independent, sovereign nations in nearly every respect. Each of these sovereign States were self-governing Republics which were legislatively “foreign” and “alien” in respect to any and every act of the Continental Congress. Because the Articles of Confederation identify themselves as “perpetual”, then these separate, legislatively “foreign”, and sovereign states and Republics continued to exist even after the USA Constitution was ratified. No act of Congress has ever repealed the Articles of Confederation and therefore, these states continue to exist even to this day, as does the corporation called “The United States of America” established by the Articles of Confederation.

The proper name for the Republics under the Articles of Confederation was and is “California, Virginia, Texas…..” Etc. It wasn’t until the Constitution was ratified that these same political entities ALSO acquired an ADDITIONAL name as “State of California, State of Virginia, State of Texas…”.

In acts of Congress written after the Constitution was ratified, the sovereign and legislatively foreign states under the Articles of Confederation are referred to as the “Republic of…”. These entities are where all EXCLUSIVELY PRIVATE and therefore legislatively foreign property is held, protected, and maintained. As EXCLUSIVELY private property, this property is NOT SUBJECT to the legislative jurisdiction of ANY government:

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 lades. 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 regulation becomes necessary for the public good.

SOURCE: http://scholar.google.com/scholar_case?case=6419197193322400931

State Income Taxes
Copyright Sovereignty Education and Defense Ministry, http://sedm.org
Form 05.031, Rev. 05-31-2017 EXHIBIT: _______
Based on the above, the key to whether a government can REGULATE or LEGISLATE for the use of specific property or rights to property then is whether:

1. The owner holds title as a “citizen” who has VOLUNTARILY SUBMITTED himself to the government. NO ONE can FORCE you to become a statutory citizen, and therefore no one can FORCE you to be subject to the CIVIL laws passed by the government you are a “citizen” of. Those who don’t VOLUNTEER to become citizens and retain their status as statutory Non-citizen nationals CAN COMPLAIN if the government tries to regulate their use of EXCLUSIVELY PRIVATE PROPERTY. OR

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

2. The owner donated the property in its entirety or ANY interest in the property to a public use or public purpose and thereby subjected the used to government regulations.

   "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 [for 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)]

Anyone who has done NEITHER of the above:

1. Retains ABSOLUTE, UNQUALIFIED, FEE SIMPLE ownership over said property.
2. Resides in the Constitutional State, which is where ABSOLUTE OWNERSHIP is exercised over all EXCLUSIVELY PRIVATE PROPERTY.
3. Resides or is domiciled OUTSIDE the “State of____”.
4. Is legislatively foreign and alien in relation to all civil law of the government in question.

9.3 States under the USA Constitution (“State of____”)

This section describes how a specific state, the state of Texas, was divided into two contradictory parts:

1. The federal Statutory State under the USA Constitution.
2. The republic or sovereign state under the Articles of Confederation.

This document provides evidence of how these two states were created and legally separated by our founding fathers. The implications of this process to Jurisdiction, the payment of taxes, insurance and the requirement of driver’s and marriage licenses is substantial. We won’t cover all of the states, but simply use the biggest state as an example. All the other states were done the same way. Our analysis will answer the an important question:

   Is the constitutional prohibition found in Article 4, Section 3, Clause 1 against creating a "State within a State" violated by turning a Constitutional State into a statutory corporation or statutory "State" within federal law?

Let’s start by looking at the term double standard. This is how Black’s law Dictionary defines it; double standard.

   "A set of principles permitting greater opportunity or greater lenience for one class of people than for another, usu. based on a difference such as gender or race."

It could also be based on citizenship or rights and privileges or contracts and franchises. The understanding of these words will be important to those of you who decide to take back control of their life by pursuing further study on this subject. For better understanding of this subject matter please read:
As for the term “dual nature” I believe everyone will agree that it is something having a double character or purpose.

Now we will discover through the law and the legal meaning of certain words the reason for our two state dichotomy.

The U.S. Constitution; Article 4, Section 3, Clause 1:

New States may be admitted by the Congress into this Union; But no new State shall be formed or erected within the jurisdiction of any other state; nor any State be formed by the junction of two or more States, or Parts of States, without the Consent of the Legislatures of the States concerned as well as of the Congress.

The first two sentences of this clause are the ones we will be focusing on. The first sentence seems relatively harmless. New states may be admitted by the Congress into this Union, right? That is what I thought until I decided to test my knowledge of certain words. For example:

“NEW. As an element in numerous compound terms and phrases of the law, this word may denote novelty, or the condition of being previously unknown or of recent or fresh origin, but ordinarily it is a purely relative term and is employed in contrasting the date, origin, or character of one thing with the corresponding attributes of another thing of the same kind or class.”


Most of us understand the first part of the definition of “new,” but how many of us understood the second part?

“it is a purely relative term and is employed in contrasting the date, origin, or character of one thing with the corresponding attributes of another thing of the same kind or class.”

“Contrast” means:

to set in opposition in order to emphasize differences,

...and “opposition” means

the condition of being in conflict.

Therefore we can safely conclude that the “character” of the “New” state is one that is in conflict with the old one (in our case our Republic) in order to emphasize the differences.

Now let’s look at the second sentence of that article: “But no new State shall be formed or erected within the jurisdiction of any other State.” Like everyone, my first thought is that you can’t form another state within the boundaries of any one state. But why didn’t they say that? Why did they use the word jurisdiction which mainly applies to the judicial system of our government? In 1787 the term jurisdiction was defined as;

“The authority by which judicial officers take cognizance of and decide causes.”

[Bouvier’s Law Dictionary 3rd Rev. 1914]

Instead of jurisdiction they could have used the word “boundaries” or words “exterior limits.” That would make more sense to the common man with common knowledge. The basic definition of jurisdiction is the right and power to interpret and apply the law. This definition is aptly applied to the courts in our judicial system, but how do we apply that to our sentence? It still seems confusing. Another common, but not legal, definition of jurisdiction is authority or control. (Am. Heritage Dict. 2nd college Ed.) That makes a little more sense but is still pretty vague. So now we can say:

“But no new State shall be formed or erected within the authority or control of any other State.”

Until 1999 there was no legal definition of jurisdiction that had any connection with any physical boundaries of land or any powers of government. (with the exception of the territorial jurisdiction of a court which was defined as a geographic area such as a county or judicial district.) You will notice the expansion of the definition in the 7th edition of Black’s Law Dictionary printed in 1999. Then in the 8th edition they expanded the definition of jurisdiction even further:
“Jurisdiction.

A government’s general power to exercise authority over all persons and things within its territory; esp., a state’s power to create interests that will be recognized under common-law principles as valid in other states.”


No wonder this definition wasn’t available when they wrote the Constitution. It never would have been ratified or adopted.

“The determination of the Framers Convention and the ratifying conventions to preserve complete and unimpaired 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.”

[Carter v. Carter Coal Co., 298 U.S. 238 (1936)]

We believe now you can start to understand why they waited 200 years to reveal their secret definition of the word “jurisdiction”.

We can now also understand Article 4, Section 3, Clause 1 of the U.S. Constitution to mean:

“But no contrasting Statutory State (de facto) shall be formed or erected within the territory of any other (de jure) state.”

That makes perfect sense! Or does it? The word use of jurisdiction in this sentence was and is very confusing. Why did they not use the word territory? Here is why.

“Territory - a part of a country separated from the rest, and subject to a particular jurisdiction. In American law, 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 officers appointed by the president.”


The reason they didn’t use the word territory is because it states plainly the facts and would have given their plan away, whereas the other words they used mean the same thing but are very confusing and hard to understand when we apply our common definitions.

Let’s compare the definition of territorial jurisdiction by dates. 1776 – 1999:

“territorial jurisdiction. Jurisdiction as considered as limited to cases arising or persons residing within a defined territory, as, a county.”


In Black’s Law 7th Ed., printed in 1999, they expanded the definition to include:

“2. Territory over which a government, one of its courts, or one of its subdivisions has jurisdiction.”


The reason for the inclusion of this definition is because it now defines the jurisdiction of an incorporated state as compared to the previous definition which could also include a constitutional republic. They now define this Statutory State as a federal state in Black’s Law Dictionary.

“Federated State. An independent central organism, having its own machinery absorbing, in view of international law, all the individual states associated together.”

It is time to look at the word “erect” in that sentence. Most of us would agree that the common definition of this word would be to “construct or establish” and you would be correct in this general sense. But this is a legal document therefore you should know the legal definition of such words. This is how Black’s Law Dictionary, Second Ed. defines it:

“Erect - One of the formal words of incorporation in royal charters. “

“We do, incorporate, erect, ordain, name, constitute, and establish.” Does this sound familiar to anyone? Erect means to incorporate and in general terms incorporate means to create a corporation, but let’s look further.

Incorporate - To unite with or blend indistinguishably into something already in existence.
[Am. Heritage Dict., Second Ed.]

“Incorporate. 1. To create a corporation; to confer a corporate franchise upon determinate persons. 2. To declare that another document shall be taken as part of the document in which the declaration is made as much as if it were set out at length therein. “
[Black’s Law Dictionary, 2nd Ed.]

The second definition is saying they can combine their corporate constitution with the republics constitution. For absolute proof of this trick we have included a highlighted copy of Art. 5, Judicial Department, of the Texas Constitution later so you may see how they did this.

It is now time to translate the first two sentences of Article 4, Section 3, Clause 1 of the U.S. Constitution with the legal definitions provided above. The U.S. Constitution says,

“New States may be admitted by the Congress into this Union; But no new State shall be formed or erected within the jurisdiction of any other state;”

When we define the words therein and apply the definitions to these two sentences, it reads thus;

“States that contrast in origin or character to their Republics may be admitted by the Congress into this Union; But this contrasting corporate or federal state shall not have any authority or control, [”jurisdiction”], within the other state or Republic which is under the Articles of Confederation, because this contrasting Statutory State consists of territory or property ceded to the United States [Art. 1, Sect. 8, Cl. 17] that does not come within the limits of the republics and are organized with a separate legislature and with executive and judicial officers appointed by the president. Therefore by erecting or incorporating we will unite and blend indistinguishably into the Republic while combining the constitution of the Republic with our federal state corporate constitution.

And we shall call this contrasting corporate federal state the “STATE OF TEXAS” or any other “STATE OF __________ for that matter.

“For whatever is hidden is meant to be disclosed, and whatever is concealed is meant to be brought out into the open. “
[Mark 4:22, New International Version, 1984]

The Congress has provided themselves with a safety net though in Art. 4, Sect. 3, Cl. 2. The first sentence of this clause is quoted often, mainly for explaining the development and power of our legislative courts. The second sentence in this clause is the one they wrote to safeguard themselves in case you figured out what Art. 4, Sect. 3, Cl. 1 meant. Art. 4, Sect. 3, Cl. 2, second sentence:

“...and nothing in this Constitution shall be so CONSTRUED as to PREJUDICE any CLAIMS of the United States, or of any particular State.”

Let’s use Black’s Law 8th Ed. to define the above sentence; and nothing in this Constitution shall be so (construed - analyze and explain the meaning of the sentence or passage.) as to (prejudice - damage or detriment one’s legal right or claims) any (claims - assertion of a legal right.) of the United States, or any particular State.

So in common parlance what they are saying is:

When you are able to determine what the constitution really says and discover that you have been betrayed, you can’t hold us responsible because this document gives us the authority to govern in this capacity. We assert this right and you can’t damage it. Besides, you volunteered into our corporation therefore we can legally hold you
Those of you who question the true intentions of the men in charge of formulating our constitution need to read this:

Commentaries on the Constitution of the United States (1833),
by Joseph L. Story
Book 3, Chapter 1

Judge Story comments:

§ 276. The convention, at the same time, addressed a letter to congress, expounding their reasons for their acts, from which the following extract cannot but be interesting. “It is obviously impracticable (says the address) in the federal government of these states, to secure all rights of independent sovereignty to each, and yet provide for their interest and safety of all. Individuals, entering into society, must give up a share of liberty to preserve the rest. The magnitude of the sacrifice must depend, as well on situation and circumstance, as on the object to be obtained. It is at all times difficult to draw with precision the line between those rights, which must be surrendered, and those, which may be reserved; and on the present occasion this difficulty was increased by difference among the several states, as to their situation, extent, habits, and particular interests. In all our deliberations on this subject, we kept steadily in our view that, which appears to us the greatest interest of every true American, the consolidation of our Union, in which is involved our prosperity, felicity, safety, perhaps our national existence. This important consideration, seriously and deeply impressed on our minds, led each state in the convention to be less rigid on points of inferior magnitude, than might have been otherwise expected. And thus the constitution, which we now present, is the result of a spirit of amity, and of that mutual deference and concession, which the peculiarity of our political situation rendered indispensable.

(12 Journ. of Congress, 109, 110; Journ. of Convention, 367, 368; 5 Marsh. Life of Wash. 129.) (emphasis added)

Are they kidding? Apparently not! Note that the rights and corresponding responsibilities they are referring to above that had to be surrendered to join the Union are referred to collectively as “State of _____”.

We can now confirm through the U.S. Constitution that the “State of Texas” is a federal (NOT "national") corporation consisting of property ceded to it by our Republic or sovereign state (recognized in the Articles of Confederation). This property and the corporation that manages it is what the “State of Texas” consists of. This “State of Texas” is the “body corporate” that makes up HALF of what all governments are. Recall that in order to satisfy the legal definition of “government”, one must have BOTH a “body corporate" AND a “body politic”.

Both before and after the time when the Dictionary Act and § 1983 were passed, the phrase “bodies politic and corporate" was understood to include the [governments of the] States. See, e.g., J. Bouvier, 1 A Law Dictionary Adapted to the Constitution and Laws of the United States of America 185 (11th ed. 1866); W. Shawker & G. Longsdorf, Cyclopedic Dictionary of Law 104 (1901); Chisholm v. Georgia, 2 U.S. (2 Dall.) 419, 447, 1 L.Ed. 440 (1793) (Iredell, J.); id., at 468 (Cushing, J.); Cotton v. United States, 52 U.S. (11 How.) 229, 231, 13 L.Ed. 675 (1873) ("Every sovereign State is of necessity a body politic, or artificial person"); Poindexter v. Greenhow, 114 U.S. 270, 288, 5 S.Ct. 903, 29 L.Ed. 185 (1885); McPherson v. Blacker, 146 U.S. 1, 24, 13 S.Ct. 3, 6, 36 L.Ed. 869 (1892); Heim v. McCall, 239 U.S. 175, 188, 36 S.Ct. 78, 82, 60 L.Ed. 206 (1915); See also United States v. Maurice, 2 Brook., 96, 109, 26 F.Cas. 1211 (CC Va.1821) (Marshall, C.J.) ("The United States is a government, and, consequently, a body politic and corporate"); Van Brocklin v. Tennessee, 117 U.S. 151, 154, 30 L.Ed. 672, 29 L.Ed. 543 (1886) (same). Indeed, the very legislators who passed § 1 referred to States in these terms. See, e.g., Cong. Globe, 42d Cong., 1st Sess., 661-662 (1871) (Sen. Vickers) ("What is a State? Is *79 it not a body politic and corporate?"); id., at 696 (Sen. Edmunds) ("A State is a corporation.")

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, “[i]f the 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.”

While it is certainly true that the phrase “bodies politic and corporate” referred to private and public corporations, see ante, at 2311, and n. 9, this fact does not draw into question the conclusion that this phrase also applied to the States. Phrases may, of course, have multiple referents. Indeed, each and every dictionary cited by the Court accords a broader realm-one **2317 that comfortably, and in most cases explicitly, includes the sovereign-to this phrase than the Court gives it today. See 1B. Abbott, Dictionary of Terms and Phrases Used in American or English Jurisprudence 155 (1879) ("[T]he term body politic is often used in a general way, as meaning the state or the sovereign power, or the city government, without implying any distinct express
The “State of Texas” does not include your PRIVATE property, real or tangible, unless you have done any of the following and thereby donated said property to a “public use” by availing yourself of the “benefits” of a government franchise:

1. Registered it with the “State of Texas”.
2. Incorporated within the “State of Texas”.
3. Held title to the property as an officer of the government by associating a government issued identification number with the title holder.

For further evidence of this corporate federal state we will now consider the document that annexed Texas into the Union and see how it coincides perfectly with our interpretation of Article 4, Sect. 3, Cl. 1.

**Joint Resolution**

**Annexing Texas to the United States**

Source: Peters, Richard, ed., The Public Statutes at Large of the United States of America, v.5, pp. 797-798, Boston, Chas. C. Little and Jas. Brown, 1850

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That Congress doth consent that the territory properly included within and rightfully belonging to the Republic of Texas, may be erected into a new State to be called the State of Texas, with a republican form of government adopted by the people of said Republic, by deputies in convention assembled, with the consent of the existing Government in order that the same may be admitted as one of the States of this Union.

2. And be it further resolved, That the foregoing consent of Congress is given upon the following conditions, to wit: First, said state to be formed, subject to the adjustment by this government of all questions of boundary that may arise with other government, --and the Constitution thereof, with the proper evidence of its adoption by the people of said Republic of Texas, shall be transmitted to the President of the United States, to be laid before Congress for its final action on, or before the first day of January, one thousand eight hundred and forty-six. Second, said state when admitted into the Union, after ceding to the United States all public edifices, fortifications, barracks, ports and harbors, navy and navy yards, docks, magazines and armaments, and all other means pertaining to the public defense, belonging to the said Republic of Texas, shall retain funds, debts, taxes and dues of every kind which may belong to, or be due and owing to the said Republic; and shall also retain all the vacant and unappropriated lands lying within its limits, to be applied to the payment of the debts and liabilities of said Republic of Texas, and the residue of said lands, after discharging said debts and liabilities, to be disposed of as said State may direct; but in no event are said debts and liabilities to become a charge upon the Government of the United States. Third -- New States of convenient size not exceeding four in number, in addition to said State of Texas and having sufficient population, may, hereafter by the consent of said State, be formed out of the territory thereof, which shall be entitled to admission under the provisions of the Federal Constitution; and such states as may be formed out of the territory lying south of thirty-six degrees thirty minutes north latitude, commonly known as the Missouri Compromise Line, shall be admitted into the Union, with or without slavery, as the people of each State, asking admission shall desire; and in such State or States as shall be formed out of said territory, north of said Missouri Compromise Line, slavery, or involuntary servitude (except for crime) shall be prohibited.

3. And be it further resolved, That if the President of the United States shall in his judgment and discretion deem it most advisable, instead of proceeding to submit the foregoing resolution of the Republic of Texas, as an overture on the part of the United States for admission, to negotiate with the Republic; then,

Be it resolved, That a State, to be formed out of the present Republic of Texas, with suitable extent and boundaries, and with two representatives in Congress, until the next appointment of representation, shall be admitted into the Union, by virtue of this act, on an equal footing with the existing States, as soon as the terms and conditions of such admission, and the cession of the remaining Texian territory to the United States shall be agreed upon by the governments of Texas and the United States: And that the sum of one hundred thousand dollars be, and the same is hereby, appropriated to defray the expenses of missions and negotiations, to agree upon the terms of said admission and cession, either by treaty to be submitted to the Senate, or by articles to be submitted to the two houses of Congress, as the President may direct.

Approved, March 1, 1845.
Let’s analyze and interpret the first paragraph by inserting the definitions above after the key words which have been capitalized.

“...That Congress doth consent that the TERRITORY [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 officers appointed by the president, (Blk’s Law, 2nd Ed.)] which Congress shall have Power to exercise exclusive Legislation in all Cases whatsoever. • • • and to exercise like Authority over all Places purchased by the Consent of the Legislature of the State in which the Same shall be, for the Erection of Forts, Magazines, Arsenals, dock-Yards, and other needful Buildings; (Art. 1, Sect. 8, Cl. 17)] properly included within and rightfully belonging to the Republic of Texas, may be ERECTED [incorporated as united with or blended indistinguishably into something already in existence (Am. Heritage Dict. 2nd Ed.)] and To declare that another document shall be taken as part of the document in which the declaration is made as much as if it were set out at length therein. [Blk’s Law, 2nd Ed.] into a NEW [contrasting the date, origin, or character of one thing with the corresponding attributes of another thing of the same kind or class. (Black’s Law Dictionary, 2nd Ed.)] State to be called the State of Texas, with a republican form of government adopted by the people of said Republic, by deputies in convention assembled, with the consent of the existing Government in order that the same may be admitted as one of the States of this Union.

Can you see how this document corresponds beautifully with Art. 4, Sect. 3, Cl. 1 of the Constitution. These TRAITORS were geniuses! Also, take notice that the word “State” is capitalized in this joint resolution and refers to the corporate or federal State since it is the congress who is authoring this document. (Rules of capitalization and Statutory construction.) The word “state,” in blue represents the republic since it is the foreign state in this federal document. These roles will be reversed when you are reading the Texas Constitution because the sovereign authoring that document (Texas Constitution) is the people of the Republic of Texas.

To verify that the government has actually combined the two constitutions, download a copy of the Texas Constitution and Statutes at

http://www.constitution.legis.state.tx.us/

..then type in the find box the word “state.” As you click on “Find next” you will notice that the word state is sometimes capitalized and other times it is written with a small “s.” According to the rules of grammar the capital “S” denotes the sovereign who is writing the document which would be the Republic, and the small “s” denotes the foreign state, the corporate or federal state.

The following is a highlighted example from Article 5, Section 3 of the Texas Constitution. You will notice even the Republic’s Supreme Court is capitalized and not the supreme court of the Statutory State. The de jure state (republic) is in blue and the de facto state (corporation) is in red. You will find this anomaly throughout the entire Texas Constitution.

TEXAS CONSTITUTION
ARTICLE 5, JUDICIAL DEPARTMENT

Sec. 3-b. APPEAL FROM ORDER GRANTING OR DENYING INJUNCTION. The Legislature shall have the power to provide by law, for an appeal direct to the Supreme Court of this State from an order of any trial court granting or denying an interlocutory or permanent injunction on the grounds of the constitutionality or unconstitutionality of any statute of this State, or on the validity or invalidity of any administrative order issued by any state agency under any statute of this State.

(Added Nov. 5, 1940.)

Sec. 3-c. JURISDICTION TO ANSWER QUESTIONS OF STATE LAW CERTIFIED FROM FEDERAL APPELLATE COURT. (a) The supreme court and the court of criminal appeals have jurisdiction to answer questions of state law certified from a federal appellate court.

(b) The supreme court and the court of criminal appeals shall promulgate rules of procedure relating to the review of those questions.

(Added Nov. 5, 1985.)
Sec. 4. COURT OF CRIMINAL APPEALS; JUDGES. (a) The Court of Criminal Appeals shall consist of eight Judges and one Presiding Judge. The Judges shall have the same qualifications and receive the same salaries as the Associate Justices of the Supreme Court, and the Presiding Judge shall have the same qualifications and receive the same salary as the Chief Justice.

The conclusion (for the moment) to this story is, THE STATE OF TEXAS IS A STATE OF THE UNION UNDER THE CONSTITUTION, BUT IT IS NOT SOVEREIGN! IT IS A CORPORATION! THE CONSTITUTION IS THEIR CORPORATE CHARTER. THE REPUBLIC OR SOVEREIGN state OF TEXAS IS SOVEREIGN AND IS ONE OF THE STATES OF THE UNITED STATES OF AMERICA UNDER THE ARTICLES OF CONFEDERATION! PLEASE UNDERSTAND THE DIFFERENCE.

For conclusive proof that the “State of Texas” is a corporate federal state please see the Statutes at Large of the United States of America from Dec. 1, 1845 to March 3, 1851 Volume IX. It states in pertinent part:

“Chapter I - An Act to extend the Laws of the United States over the State of Texas, and for other Purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That all the laws of the United States are hereby declared to extend to and over, and to have full force and effect within the State of Texas, admitted at the present session of Congress into the Confederacy AND Union of the United States. (emphasis added)"

[Statutes at Large of the United States of America from Dec. 1, 1845 to March 3, 1851 Volume IX]

Note the language above “into the Confederacy AND Union”. The Confederacy they are talking about is that established under the Articles of Confederation, which identify themselves as “perpetual” and continue to this day. The “Union” they are referring to is that established by the USA Constitution.

We have been deceived by what is called “words of art.” The men involved in creating the United States Constitution committed treason and were traitors. That would especially include George Washington. We believe Benjamin Franklin was quoted as saying: “We have given you a republic if you can keep it.” We don’t know about you folks, but we think he knew what was going on also! The American people were deceived from the beginning. But that doesn’t matter now because our Constitutions and our Declaration of Independence say we can abolish our government any time we want.

I believe being armed with this information we can now challenge each and every public official in our government to either represent our republic, resign or be prosecuted as an enemy of our state. Their choice!

. . . “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 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]

Remember both of our Constitutions, U.S. and Texas, guarantee us a republican form of government and the common law. The Texas constitution: Article 1, Sec.2. says:

“INHERENT POLITICAL POWER; REPUBLICAN FORM OF GOVERNMENT.

All political power is inherent in the people, and all free governments are founded on their authority, and instituted for their benefit. The faith of the people of Texas stands pledged to the preservation of a republican form of government, and, subject to this limitation only, they have at all times the inalienable right to alter, reform or abolish their government in such manner as they may think expedient.”

[Texas Constitution: Article 1, Sec.2]

and the Declaration of Independence says:

“WE hold these Truths to be self-evident, that all Men are created equal, that they are endowed by their Creator with certain inalienable 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 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]
All good things come from God. He is the only one you owe allegiance to. Put him first and the rest will fall in place, including government. I have provided you with the evidence. It is now up to you to change your circumstances. No one can do it for you. That is the whole concept of being self governing and keeping or getting back your Liberty. Those of you who enjoy the subsidies of the U.S. or State governments and remain statutory “U.S. Citizens” cannot complain about paying taxes or the unfairness of the laws and regulations. You can only be governed by your consent as evidenced in the Declaration of Independence.

9.4 Territories formed AFTER the ratification of the Constitution (“Territory of _____”)

Subsequent to the ratification of the USA Constitution, lands to the west of the colonies were organized into territories by act of Congress. While in the status of being a “territory”, they are regarded as corporations:

At common law, a "corporation" was an "artificial person[ ] 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 J 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 1893 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"); J 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"). [Ngrainangas v. Sanchez, 495 U.S. 182 (1990)]

The big question is WHICH of the TWO TYPES of corporations are they in relation to the general/national government?:

1. FEDERAL corporation under the USA Constitution.
2. NATIONAL corporation under the exclusive jurisdiction of Congress, Article 1, Section 8, Clause 17.

In fact, they are the latter: NATIONAL and not FEDERAL corporations. Here is a hint:

"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 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)]

AFTER territories organized and voted themselves to statehood:

1. They changed from NATIONAL corporations to FEDERAL corporations.
2. They changed from legislatively “DOMESTIC” to legislatively “FOREIGN” in relation to the national government.
3. They gained EXCLUSIVE jurisdiction over their own INTERNAL affairs.
4. They transitioned from being EXTERNALLY governed by the District of Columbia to be INTERNALLY governed by their own elected representatives.
5. Federal courts within the territories went from courts of GENERAL/EXCLUSIVE jurisdiction to that of SUBJECT MATTER (SPECIFIC) jurisdiction only.
6. State courts were erected within the territories having EXCLUSIVE jurisdiction.
7. Those who were “citizens” within territories went from STATUTORY “nationals and citizens at birth” under 8 U.S.C. §1401 to:
7.3. Constitutional “Citizens” as mentioned in Article I, Section 2, Clause 2 of the United States Constitution.
7.4. Constitutional “citizen of the United States” per the Fourteenth Amendment.

The following reference from the Corpus Juris Secundum (CJS) legal encyclopedia confirms that above conclusions and the proper legal relationship between a Territory (“Territory of ___”) and a Constitutional State (“State of ___”) by identifying a FEDERAL/CONSTITUTIONAL “State” as a legislatively “foreign state” in relation to both “territories” AND ordinary acts of Congress (the “national government”). By “ordinary act of Congress” is meant the Internal Revenue Code, for instance:

"§1. Definitions, Nature, and Distinctions

"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 outgoing 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)]

The U.S. Supreme Court also identified the territories as NOT being included geographically within the “United States” as used in the USA Constitution OR within the meaning of “State” as used in the USA Constitution:

It is sufficient to observe in relation to these three fundamental instruments [Articles of Confederation, the United States Constitution, and the Treaty of Peace with Spain], that it can nowhere be inferred that the 251 territories were considered a part of the United States. The Constitution was created by the people of the United States, as a union of states, to be governed solely by representatives of the states; and even the provision relied upon here, that all duties, imposts, and excises shall be uniform 'throughout the United States,' is explained by subsequent provisions of the Constitution, that 'no tax or duty shall be laid on articles exported from any state,' and 'no preference shall be given by any regulation of commerce or revenue to the ports of one state over those of another; nor shall vessels bound to or from one state be obliged to enter, clear, or pay duties in another.' In short, the Constitution deals with states, their people, and their representatives.

[...]

"The earliest case is that of Hepburn v. Ellincy, 2 Cranch, 445, 2 L.Ed. 332, in which this court held that, under that clause of the Constitution limiting the jurisdiction of the courts of the United States to controversies between citizens of different states, a citizen of the District of Columbia could not maintain an action in the circuit court of the United States. It was argued that the word 'state,' in that connection, was used simply to denote a distinct political society. 'But,' said the Chief Justice, 'as the act of Congress obviously used the word 'state' in reference to that term as used in the Constitution, it becomes necessary to inquire whether Columbia is a state in the sense of that instrument. The result of that examination is a conviction that the members of the American confederacy only are the states contemplated in the Constitution, . . . , and excludes from the term the designation attached to it by writers on the law of nations.' This case was followed in Barney v. Baltimore, 6 Wall. 290, 18 L.Ed.
9.5 State corporations are NOT federal corporations or “persons” under federal law

Another very important concept we wish to emphasize is that a state chartered corporation is NOT a “person” or a “corporation” under federal law. This limitation is imposed by the constitutional separation of powers between the state and national governments.

"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 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)]

Only those domiciled on federal territory can be “persons” under federal civil law. This fact is recognized within Federal Rule of Civil Procedure 17(b). Note that it says in the case of an individual, the individual’s DOMICILE determines the laws under which he or she can be sued:

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, 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.

The important thing to remember about the above rule is:

1. ALL law that is cited in civil court MUST derive from the domicile of the parties.
2. You can only be domiciled in ONE place at a time. This means that you cannot SIMULTANEOUSLY be domiciled within FEDERAL jurisdiction and STATE jurisdiction at the same time.
3. If one is acting in a representative capacity on behalf of an entity incorporated in a legislatively foreign jurisdiction, the civil law which applies is that of the domicile of the entity and not the person REPRESENTING the entity.
4. The only way that a human being NOT domiciled on federal territory can be subject to federal law is to VOLUNTARILY REPRESENT a federal corporation which itself is domiciled on federal territory and created under FEDERAL and not STATE law. Such is the case of those engaging in a statutory “trade or business” per 26 U.S.C.
§7701(a)(26), which is a public office within the FEDERAL and not STATE government. All “taxpayers” are, in fact, such public officers under Internal Revenue Code, Subtitles A and C. This is covered 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](http://sedm.org/Forms/FormIndex.htm)

If you would like to know more about the subject of domicile, please consult the following:

Why Domicile and Becoming a “Taxpayer” Require Your Consent, Form #05.002
[http://sedm.org/Forms/FormIndex.htm](http://sedm.org/Forms/FormIndex.htm)

9.6 Summary and conclusions

Based on the preceding subsections, we have proven that:

1. “Republic of” means the sovereign state under the Articles of Confederation. The Articles of Confederation have never been repealed and refer to themselves as “perpetual”. They preceded the U.S.A. Constitution.
2. “State of” is a federal (NOT “national”, but “federal”) corporation under the corporate charter, the United States Constitution.
3. The “State of” constitutional corporations are “foreign corporations” in relation to the national government. Another way of stating this is that they are legislatively but not constitutionally foreign.
   
   "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)]
4. The property held in public trust and managed by the Constitutional federal corporations consists of:
   
   4.1. The authority and powers delegated by the Constitution.
   
   4.2. The community chattel property and land held in trust and on behalf of the national government.
5. The provisions of Art. 4, Section 3, Clause 1 prohibiting the creation of a “State within a State” refers to GEOGRAPHICAL states rather than VIRTUAL CORPORATIONS, or statutory “States” (under federal law).
6. It is a violation of fiduciary duty and a violation of the separation of powers for the officers of the constitutional state corporations to ALSO serve as public officers within the national government. Hence, these public corporations may not be regulated by the national government. Only when individual officers exceed their authority may they be brought within a federal court under the authority of the Fourteenth Amendment and 42 U.S.C. §1983.
7. There are 3 states of Texas, as there are 3 states of all of the original 13 states. The other states came up the commercial side into statehood as commercial territories and therefore never had a sovereign nation statehood.
   
   7.1. The state called “the state of Texas” is the dirt within the outer borders of Texas and the people sojourning on top of the land who came from God in Heaven.
   
   7.2. The state called “the State of Texas” is the people collectively operating in their sovereign commercial capacity through their lawfully elected house, senate, Secretary of State, Department of Treasury, and governor. Today we only have “comptrollers” which are only commercial fascist corporate bean counters of “this state.”
   
   7.3. The state called “this state” is a legal subdivision of “the state of Texas” and of “the United States” called “THE STATE OF TEXAS” and is a communitarian welfare benefit plantation subsidiary of “the United States,” a “district,” as defined on the CIA website, and the benefits are administered through the Texas State Department of Labor, as are the benefits administered in all other states for their respective legal subdivisions, because the benefits of “the United States” delivered are in relationship to the labor of the people/employees/slaves and their ability to be taxed for the payment of the tribute and the interest on the debt of “the United States”, which unapportioned debt service is applied to statutory “U.S. citizens”/“persons”/“employees”/slaves and collected through the clause of the 14th Amendment.
8. The three states, “state of _____”, “State of _____”, and “this state”, are NOT equivalent or the same legal “person” because they have different capitalization. It is a maxim of law that nothing similar is the same. Therefore, each is a DIFFERENT entity with different properties, jurisdictions, courts, and officers.

"Quando duo juro concurrent in und person, aequal est ac si essent in diversis."

When two [OR MORE] rights concur in one person, it is the same as if they were in two separate persons. 4 Co. 118."

[Bouvier’s Maxims of Law, 1856;]

9. The several counties of this state are “legal” subdivisions of the state as defined in the Texas Constitution of 1876 at Article 11, Section 1.

10. There can be no sovereign Texas judiciary in Article 5 of the Texas Constitution, because on November 5, 1985 the people amended out of the constitution at Article 5, Section 12, the right of the judiciary to issue writs and process in the name of the lawful collective of the people commercial state called “the State of Texas.” All law now moves only by private contract.

11. Writs and process are now only issued out of the federal commercial state district called “this state,” “THE STATE OF TEXAS.” The writs and process from the state called “this state” only apply to people who have become U.S. persons/citizens by applying for and accepting membership into the Social Security Administration and who have voluntarily become deemed employees of the government and therefore subject to benefits. See Ashwander v. TVA, 297 U.S. 288.

12. This analysis has examined the corporatization of Texas. Similar techniques were employed in all the other states. The reader is encouraged to perform a similar analysis for his/her state and submit their research to us for publication.

For those who are VISUAL learners, we have constructed the following table to show the CORPORATE relationships WITHIN each state that have just documented.
### Table 3: State corporate entities

<table>
<thead>
<tr>
<th>#</th>
<th>Description</th>
<th>“Territory of___”</th>
<th>“Republic of___”</th>
<th>“State of___”</th>
<th>“United States of America”</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Created by</td>
<td>Act of Congress</td>
<td>Articles of Confederation</td>
<td>United States Constitution</td>
<td>Articles of Confederation</td>
</tr>
<tr>
<td>2</td>
<td>Constitution</td>
<td>None</td>
<td>State constitution</td>
<td>USA Constitution</td>
<td>Articles of Confederation</td>
</tr>
<tr>
<td>3</td>
<td>Area of concern</td>
<td>INTERNAL affairs</td>
<td>INTERNAL affairs</td>
<td>Federal affairs</td>
<td>EXTERNAL affairs (international relations)</td>
</tr>
<tr>
<td>4</td>
<td>Land consists of</td>
<td>Federal territory specified in act of Congress</td>
<td>Property not owned by the national government</td>
<td>None. A virtual entity.</td>
<td>Federal territories and possessions</td>
</tr>
<tr>
<td>5</td>
<td>Civil law system</td>
<td>Civil statutory law</td>
<td>Common law</td>
<td>Civil statutory law</td>
<td>Civil statutory law</td>
</tr>
<tr>
<td>7</td>
<td>A “government”?</td>
<td>Yes</td>
<td>Yes</td>
<td>No. No body politic.</td>
<td>No. Does not govern people INTERNALLY. Handles only EXTERNAL affairs.</td>
</tr>
<tr>
<td>9</td>
<td>Public officers of its own?</td>
<td>Yes. Appointed by the President and Congress.</td>
<td>Yes. Voted into Office by electors.</td>
<td>No. FORBIDDEN To have public officers because no one can serve SIMULTANEOUSLY in a NATIONAL office and a STATE office without a conflict of interest.</td>
<td>Yes.</td>
</tr>
</tbody>
</table>
It is important to note WHICH of the corporations you are operating within. The way to easily determine which it is would be to examine the CONTENT of the perjury statement on the government form you are filling out and submitting to JOIN the program or system.

1. If the perjury statement says “under the laws of the State of ___” as the voter registration or driver’s license forms in California currently do, then:
   1.1. You have surrendered the protection of the common law.
   1.2. You have DIVORCED yourself from the Republic and surrendered your right to have or to own EXCLUSIVELY PRIVATE property.
   1.3. You have agreed to become a public officer within the “State of ___. Since the “State of __” has no TERRITORY of its own but only chattel property, it is a VIRTUAL entity that one can only become subject to the LAWS of by contracting into it.
2. The only kind of perjury statement you can sign if you want to maintain your EXCLUSIVELY PRIVATE, legislatively “foreign”, and “alien” status is:
   2.1. “under the laws of the REPUBLIC OF _____ and NOT STATE OF _____”.
   2.2. From WITHOUT the “United States” and from WITHIN the “United States of America” per 28 U.S.C. §1746(1).

10 How CONSTITUTIONAL states illegally convert to STATUTORY states in violation of the Constitution

This section will demonstrate the process by which CONSTITUTIONAL states illegally convert to impersonate STATUTORY states.

10.1 It is unconstitutional for states of the Union to bargain away or delegate any of their powers to the federal government or to act as federal territories

Next, we examine whether 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:


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)]

"The determination of the Framers Convention and the ratifying conventions to preserve complete and unimpaired state [and personal] 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 despotic 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."

[Carter v. Carter Coal Co., 298 U.S. 238 (1936)]

In other words, federalism requires:

1. Strict, unchanging separation of powers between the states and the federal government.

2. That no state may delegate any of its reserved powers to the federal government.

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.

[...]

"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."

[New York v. United States, 505 U.S. 144 (1992)]

3. That the federal government may not delegate any of its powers to the states.

Therefore, the states of the Union mentioned in the Constitution are FORBIDDEN from entering into franchises with the national government or in delegating any of their powers, and especially their police powers:

"Whatever differences of opinion, 'said the court, 'in the case of Beer Co. v. Massachusetts, 97 U.S. 281, 'may exist as to the extent and boundaries of the police power, and however difficult it may be to render a satisfactory definition of it, there seems to be no doubt that it does extend to the protection of the lives, health, and property of the citizens, and to the preservation of good order and public morals. The legislature cannot by any contract (including any FRANCHISE CONTRACT) divest itself of the power to provide for these objects. They belong emphatically to that class of objects which demand the application of the maxim, salus populi suprema lex, and they are to be attained and provided for by such appropriate means as the legislative discretion may devise.

That discretion can no more be bargained away than the power itself.'"

...
midst. We think it cannot: 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 legislative discretion is allowed, and the discretion cannot be parted with any more than the power itself."

[Butcher’s Union Co. v. Crescent City Co., 111 U.S. 746 (1884)]

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 I, Section 8, Clause 1]

“No Tax or Duty shall be laid on Articles exported from any State."

[United States Constitution, Article I, 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)]

“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. 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)]

Consequently, states of the Union and the people domiciled therein may NOT participate in any federal franchise or license, because doing so would be a re-delegation of powers that are expressly reserved within the Constitution to the states and the people under the Tenth Amendment:

“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)]

The only “States” that can enter into federal franchises are federal territories and possessions that are the equivalent of corporate subdivisions of the national government, over which the national government has absolute and exclusive sovereignty, and which do not enjoy the protections of the Bill of Rights because they are not the “States” mentioned in the United States Constitution. These federal “States” are defined below:

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.
We allege that because the restrictions upon the states documented in this section have not been enforced by the courts, the de jure sovereign 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](http://sedm.org/Forms/FormIndex.htm)

### 10.2 How STATE corporations are ILLEGALLY turned into FEDERAL corporations

The federal income tax system is an excise and a franchise upon public offices within the U.S. government. This is exhaustively proven in:

**The “Trade or Business” Scam, Form #05.001**
[http://sedm.org/Forms/FormIndex.htm](http://sedm.org/Forms/FormIndex.htm)

The separation of powers doctrine forbids the enforcement of federal civil law within states of the Union OR the enforcement of any federal franchise within the borders of a constitutional state. This is exhaustively proven in:

**Government Conspiracy to Destroy the Separation of Powers, Form #05.023**
[http://sedm.org/Forms/FormIndex.htm](http://sedm.org/Forms/FormIndex.htm)

The only way that a corporation chartered under the laws of a constitutional state can ALSO be treated as a “corporation” under FEDERAL law is to misrepresent their status on a government form or to apply for federal “benefit” or franchises that they aren’t legally allowed to participate in. The reason they are not legally allowed to participate is because:

1. The U.S. government may not lawfully offer or enforce any national franchise within the borders of a constitutional state, as held by 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)]

2. Congress has no civil legislative jurisdiction within the borders of a state.

“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.”

[Carver v. Carter Coal Co., 298 U.S. 438, 56 S.Ct. 655 (1936)]

3. It is often and crime AND a violation of the state constitution for any STATE officer, such as an officer of a STATE corporation, to SIMULTANEOUSLY act as an officer of the federal government.

“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.”

[Matt. 6:23-25, Bible, NKJV]

This type of crime is called a financial conflict of interest and it applies not only to officers of a STATE corporation, but the JUDGES in both state and federal court as well. This means that judges ALSO cannot simultaneously be “taxpayers” and FEDERAL “taxpayers” if the activity subject to tax is a public office in BOTH governments. See 18 U.S.C. §208, 28 U.S.C. §455, 28 U.S.C. §144, and the state laws listed in:

The “Trade or Business” Scam, Form #05.001, Section 10.2

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

4. Even to this day, there is NO definition of “State” within any national franchise which EXPRESSLY includes a CONSTITUTIONAL state or anything other than a federal territory or possession. Therefore, by the rules of statutory construction, CONSTITUTIONAL states are PURPOSEFULLY excluded.

“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.”


“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 describes 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 [550 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)]

Consequently, it is ILLEGAL and a criminal impersonation of a public office in the U.S. government pursuant to 18 U.S.C. §912 for a STATE chartered corporation to apply for, use, or receive the “benefits” of use of any national identifying number. All such numbers function as the equivalent of a what we call “a de facto license to represent a federal public office”. At the point when it commits this crime, it will be treated AS IF it were ALSO a federal corporation and from that point, will serve TWO government masters rather than only their STATE grantor.

10.3 How states of the Union have unconstitutionally colluded to enforce national income
taxation within their exclusive jurisdiction

Under the Buck Act, only federal “States” as defined in 4 U.S.C. §110(d) may lawfully participate in the federal income taxation scheme. These federal “States” include ONLY territories and possessions of the United States and exclude the states of the Union mentioned in the United States constitution:
States of the Union have colluded with the federal government to plunder from the citizens under their protection and care by unlawfully entering inter Agreement on Coordination of Tax Administration (A.C.T.A.) with the federal government to enforce the federal income tax in federal enclaves located within their exterior limits. As pointed out in the previous section, this corruption is a clear violation of the separation of powers doctrine because states of the Union are not allowed to surrender their sovereignty, delegate or bargain away any of their powers to the federal government, act like federal territories or possessions, or participate in any federal franchises that might make them unequal in relation to any other state.

Every federal state of the Union that has personal income tax depends on federal liability before a state liability can accrue. This must be so, because:

1. Income taxes are based on legal domicile. See:
   - Why Domicile and Becoming a “Taxpayer” Require Your Consent, Form #05.002
   - http://sedm.org/Forms/FormIndex.htm
2. You can only have a legal domicile in one place at a time.
3. Federal and Constitutional State legislative jurisdictions are mutually exclusive, foreign, and separate from each other. Therefore, you can only owe income taxes to EITHER the Federal government OR the Constitutional State but not both at the same time. This is a natural consequence of the Separation of Powers Doctrine that is the heart of the United States Constitution. See:
   - Separation of Powers Doctrine
   - http://famguardian.org/Subjects/LawAndGovt/Articles/SeparationOfPowersDoctrine.htm

To overcome the above straight-jacket limitations imposed by the separation of powers doctrine between the states and the federal government under the Constitution, states of the Union conspiring together with corrupted federal lawmakers have employed the following devious, treasonous, illegal, and unconstitutional means to impose federal income taxation within the Constitutional States:

1. The federal government passed the Trust Indenture Act of 1939, now codified in 15 U.S.C. Chapter 2A. This act was used to turn Social Security into a trust and the participants into “trustees” by virtue of receiving government benefits. For details, see:
   - Resignation of Compelled Social Security Trustee, Form #06.002
   - http://sedm.org/Forms/FormIndex.htm
2. The federal government passed the Public Salary Tax Act of 1939 and thereby consented to state income tax jurisdiction within federal areas within the exterior limits of the state. The tax was upon “public officers”, and these public officers are federal “trustees” and fiduciaries:

“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.  

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)]

3. The Internal Revenue Code was enacted for the first time in 1939, which incorporated the Public Salary Tax Act of 1939. This tax is a tax upon salaries of “public officials”, which Subtitle A of the current I.R.C. calls a “trade or business”. The act repealed itself, but your public servants “conveniently” forgot to tell everyone. Now we just follow it like a religion. See 53 Stat. 1 below:

53 Stat. 1, Section 4, Exhibit #05.027
http://sedm.org/Exhibits/ExhibitIndex.htm


5. States of the Union have “incorporated” the federal areas within their borders and called this new jurisdiction by the name “State of ___” preceding the statename. These areas are called “government corporations” in 5 U.S.C. §103 in the previous section.

6. The federal government also passed 5 U.S.C. §5517 authorizing the Statutory States to tax federal “public officials” within federal areas.

7. Starting in 1940, the federal government then authorized ONLY federal “States” (territories and possessions and EXCLUDING states of the Union) through the Buck Act to enter into Agreements on Coordination of Tax Administrations (A.C.T.A.) with the federal government pursuant to the now repealed versions of 26 U.S.C. §6361-6365. These repealed statutes are still codified in the Treasury Regulations found at 26 C.F.R. §1.6361-1 and 26 C.F.R. §§301.6361-1 through 301.6361-5.

8. Tempted by the irresistible lure of “revenues”, all but nine of the then 49 states of the Union illegally and unconstitutionally entered into these agreements. States that did not join in this FRAUD included:

8.1. Alaska
8.2. Florida
8.3. Nevada
8.4. New Hampshire
8.5. Tennessee
8.6. Texas
8.7. South Dakota
8.8. Washington

⁵ United States v. Holzer, 816 F.2d. 304 (CA7 Ill) 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, 898 F.2d. 230, 29 Fed.Rules.Evid.Serv. 1223 (CA1 Mass) ).

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9. Beyond the unconstitutional and illegal signing of the ACTA agreements by states of the Union:

9.1. States were bribed with vast illegal income tax enforcement revenues to “keep quiet” about their new gravy train of plunder and about the illegal nature of their participation in the ACTA agreements. Participation was illegal because they were not federal “States” described in 4 U.S.C. §110(d).

9.2. States of the Union who signed up illegally were incentivized to illegally enforce the federal income outside of the federal areas within the state by creating confusion over the terms “State” (federal “State” pursuant to 4 U.S.C. §110(d)), “United States” (the United States government and NOT any part of a Constitutional State), “employee” (federal public officer), “citizen” (person domiciled on federal territory and not within any Constitutional State). This confusion and absence of clear definition on government forms is no accident, but simply a deceptive plan to sign you up for government slavery as a presumed “U.S. person” domiciled on federal territory with no constitutional rights. They want you to abandon the republic and become a corporate serf to the Statutory State.

9.3. States who signed up started a conflict of interest in the courts and the government of these states because now the state government had two jurisdictions to legislate and enforce for. They could imitate the uspurations of the federal government by refusing to disclose which of the two specific jurisdictions any law pertained to, and thereby deceive and fool citizens of the Constitutional State into participating in the activities of the Statutory State illegally.

10. Pursuant to the delegated authority of the Agreement on Coordination of Tax Administration (A.C.T.A.) and the Buck Act, states of the Union added income taxes to their revenue codes and began legislating for TWO jurisdictions: the Constitutional State and the Statutory State. They wrote these codes deceptively so that you could not tell which of the two jurisdictions that the tax applied to, the Constitutional State (nonfederal territory) or the Statutory State (federal territory). They did this in order to deceive and entrap innocent persons into unknowingly and illegally participating in federal franchises such as a “trade or business”.

“...it is clear that Congress [and now their corporate subdivisions called “States” under the Buck Act], 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)/

11. Emulating their corrupt parents patriae and benefactor, the U.S. government, states of the Union then began transforming almost all the government services they offer to the Constitutional State into federal franchises available only to domiciliaries of the Statutory State and which require the use of federal identifying numbers. This forced everyone to participate in Social Security and become “taxpayers” and “U.S. persons” domiciled on federal territory. These corrupted states then used the plunder illegally collected from persons domiciled outside the Statutory State to pay for these franchises.

See:

Government Instituted Slavery Using Franchises, Form #05.030
http://sedm.org/Forms/FormIndex.htm

Of the above FRAUD, the U.S. Supreme Court has said it is ILLEGAL to abuse the authority to write law to make an innocent person called a “nontaxpayer” into a guilty person called a “taxpayer” using such things as presumption and vague laws:

“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 in a [nontaxpayer] into guilt [a “taxpayer”]; or punish innocence [refusal to pay illegally enforced taxes] as a crime, or violate the right of the 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 (1888)/

We must also remember what the Bible says about the above “scheme” to entrap, enslave, and destroy the rights of those domiciled within the Constitutional State and replace them with privileges, excises, and franchises:

“Getting treasures by a lying [or deceptive] tongue

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Is the fleeting fantasy of those who seek death."

[Prov. 21:6, Bible, NKJV]

"If a ruler pays attention to lies [of his tax collectors],
All his [public] servants become wicked."

[Prov. 29:12]

To give you an example of how this process of theft and deception works in California, the California Revenue and Taxation Code imposes the personal income tax within the “State of California”, which is then defined in California Revenue and Taxation Code, §17018 as follows:

California Revenue and Taxation Code
Division 2: Other Taxes
Part 10: Personal Income Tax

17018. “State” includes the District of Columbia, and the possessions of the United States.

Similar provisions apply to the state sales tax:

California Revenue and Taxation Code
Division 2: Other Taxes
Part 1: Sales and Use Taxes

6017. In this State or in the State means within the exterior limits of the State of California and includes all territory within these limits owned by or ceded to the United States of America.

When the California Franchise Tax Board mails you a tax collection notice, the title at the top of the notice says “State Of California” and refund checks are also paid by the “State of California”. The state flag, however, says “Republic of California”. Typically, all privileged or licensed activities are deemed effectively to occur on federal territory within the state. This includes:

1. Marriage licenses. See the California Family Code.
2. Driver’s licenses. See the California Vehicle Code.
4. Professional licenses. See the California Business and Professions Code.

The reason that licensed and regulated activities must be treated in law on as occurring on federal territory is because:

1. The Constitutional State has no authority to interfere with the exercise of rights, including the right to marry, to travel, to start and run a business, or to engage in any profession. Their whole purpose of existence is to PROTECT private rights, not to entice those who have them to give them up in exchange for privileges.


2. Federal areas are not protected by the Constitution or the Bill of Rights. Rights have been replaced with “statutory privileges” in these areas.

"Indeed, the practical interpretation put by Congress upon the Constitution has been long continued and uniform to the effect [382 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)]

3. The only place that licensing statutes can therefore apply is in areas where there are no constitutional rights or protections,
which includes ONLY the federal areas within the exterior limits of the state.

The state government can therefore ONLY enforce the provisions of the state revenue code in federal areas within the exterior
limits of the Constitutional State. The state therefore has taken great pains to move all the inhabitants of the Constitutional
State into the federal state by:

1. Obfuscating their voter registration, jury summons, and other forms in order to deceive inhabitants of the Constitutional
State into claiming they are statutory “U.S. citizens” domiciled on federal territory pursuant to 8 U.S.C. §1401. For
details on this SCAM, read:

   Why You are a “National”, “State National”, and Constitutional but not Statutory Citizen, Form #05.006
   http://sedm.org/Forms/FormIndex.htm

2. Referring to these persons as “residents”, which is defined in the Internal Revenue Code at 26 U.S.C. §7701(b)(1)(A) as
an “alien” with a domicile in the federal zone or federal areas. If you admit to being a “resident” on any “State” or
federal form, you will be treated as a privileged alien with a domicile on federal territory in respect to both the federal
and state governments.

3. Referring to EVERYONE as “taxpayers” in order to fool them into believing they are “liable” to pay federal income
taxes and are subject to the Internal Revenue Code.

4. Refusing to accept as jurors or “registered voters” anyone who maintains a domicile in the Constitutional State instead
of the Statutory State.

5. Refusing to acknowledge that anyone is a “nontaxpayer” not subject to the Internal Revenue Code.

6. Ignoring correspondence from innocent persons who have been victimized by false information returns. This causes
them to become the subject of paper terrorism and relentless persecution by computers until the basically succumb to
sending bribes to keep the terrorists away.

7. Refusing to enforce a common law remedy to those who have been wronged by the illegal enforcement of the state
revenue codes outside of the Statutory State. An example is the California Anti-Injunction Act found in the California
Constitution, Article 13, Section 32, which reads:

   California Constitution
   Article 13
   Section 32

   SEC. 32. No legal or equitable process shall issue in any proceeding in any court against this State or any officer
   thereof to prevent or enjoin the collection of any tax. After payment of a tax claimed to be illegal, an action may
   be maintained to recover the tax paid, with interest, in such manner as may be provided by the Legislature.

All of the above devious machinations are intended to destroy the sovereignty of those domiciled in the Constitutional State
by causing them to surrender sovereign immunity pursuant to 28 U.S.C. §1603(b)(3), which says that those who are statutory
federal “U.S. citizens” pursuant to 8 U.S.C. §1401 cannot be an agency or instrumentality of a “foreign state”. The
Constitutional State, incidentally, is such a “foreign state”.

“Foreign states. Nations which are outside the United States. Term may also refer to another state; i.e. a sister
state.”

The California Anti-Injunction Act, Constitution Article 13, Section 32 mentioned above, as well as all other state anti-
injunction acts, by the way, does NOT apply to “nontaxpayers”, who are persons not domiciled on federal territory and who
are not engaged in privileged “public office”, which is called a “trade or business” in the Internal Revenue Code. The estates
of “nontaxpayers”, as a matter of fact, are referred to as a “foreign estate” in the Internal Revenue Code:

   TITLE 26 > Subtitle E > CHAPTER 72 > § 7701
   § 7701. Definitions

(a) When used in this title, where not otherwise distinctly expressed or manifestly incompatible with the intent
thereof—
(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 above was confirmed by the U.S. Supreme Court in South Carolina v. Reagan, 465 U.S. 367 (1984). The reason is clear:

1. No legislative enactment of the state or federal legislatures may undermine the protection or enforcement of Constitutional rights.

“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] institute 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, 542, 550 S., 55 S.Ct. 837, 97 A.L.R. 947. “[Carter v. Carter Coal Co., 298 U.S. 238 (1936)]

2. “taxpayers” have no rights because they maintain a legal domicile on federal territory. where there are no rights. See: “Taxpayer” v. “Nontaxpayer”: Which One Are You?, Family Guardian Fellowship http://famguardian.org/Subjects/Taxes/Articles/TaxpayerVNontaxpayer.htm

3. “nontaxpayers” retain all their rights and the state can therefore not legislatively divest themselves of the responsibility to protect rights, which was the very reason governments were created to begin with. To wit:

“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...”

“The distinction between persons and things within the scope of the revenue laws and those without is vital.” [Long v. Rasmussen, 281 F. 236, 238 (1922)]

10.4 Agreements on Coordination of Tax Administration (ACTA)

Each state of the Union which has an income tax maintains what is called an Agreement on Coordination of Tax Administration (A.C.T.A.) between the governor and attorney general of the State and the Treasury. Facts about these agreements:

1. States cannot lawfully be coerced or compelled to enter into an Agreement on Coordination of Tax Administration (A.C.T.A.).

2. The Agreement on Coordination of Tax Administration (A.C.T.A.) creates a fiduciary duty and “trusteeship” on the part of the state officials in the context of their dealings with the inhabitants of federal areas within their exterior borders. This fiduciary relationship is described in:

2.1. The agreement itself.

2.2. 26 U.S.C. §§6361-6365.

2.3. The regulations that implement 26 U.S.C. §§6361-6365 found at 26 C.F.R. §§301.6361-1 through 301.6361-5. The reason the regulations continue in force even though the underlying statutes have been repealed is that these agreements are contracts, and the terms and conditions of these contracts are documented in the content of the states when the state signed them. After the states signed them, the documentation of the existence of the contract in the laws of the United States is removed from the code, but the contract itself continues into perpetuity.

3. States may not enforce the collection of state income taxes within federal areas or the Statutory State without entering into an Agreement on Coordination of Tax Administration (A.C.T.A.).

4. These agreements cannot and do not enlarge federal taxing or legislative powers within the Constitutional State. They only affect or expand state taxing and legislative powers within the Statutory State, consisting of the federal areas or...
possessions within the exterior limits of the state. The U.S. Supreme Court held, in fact, that no state can even consent to an enlargement of federal powers within its border, including for the purposes of income tax:

"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." "" (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. [505 U.S. 144, 182] 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, 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 as 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)]

An example of an Agreement on Coordination of Tax Administration (A.C.T.A.) is found in our Tax Fraud Prevention Manual, Form #06.008, Section 3.7.2 and following below:

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Tax Fraud Prevention Manual, Form #06.008

You can also find example Agreement on Coordination of Tax Administration (A.C.T.A.) at the address below:

http://supremelaw.org/rsrsc/acta/index.htm

States of the Union and the federal government collude in keeping the existence of these Agreement on Coordination of Tax Administration (A.C.T.A.) secret by not mentioning them anywhere on their websites or in their publications. If you live in a state that has an income tax, you can get a copy of the Agreement on Coordination of Tax Administration (A.C.T.A.) for your state by sending a Freedom of Information Act (FOIA) to an IRS Disclosure Office and asking them for a copy of it.

The Founding Fathers predicted that federal tax collection might be implemented through such agreements when they said the following in the Federalist Papers:

"It is true, that the Confederacy is to possess, and may exercise, the power of collecting internal as well as external taxes throughout the States; but it is probable that this power will not be resorted to, except for supplemental purposes of revenue; that an option will then be given to the States to supply their quotas by previous collections of their own; and that the eventual collection, under the immediate authority of the Union, will generally be made by the officers, and according to the rules, appointed by the several States. Indeed it is
extremely probable, that in other instances, particularly in the organization of the judicial power, the officers of the States will be clothed with the correspondent authority of the Union."

"Should it happen, however, that separate collectors of internal revenue should be appointed under the federal government, the influence of the whole number would not bear a comparison with that of the multitude of State officers in the opposite scale."

"Within every district to which a federal collector would be allotted, there would not be less than thirty or forty, or even more, officers of different descriptions, and many of them persons of character and weight, whose influence would lie on the side of the State. The 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 former will be exercised principally on external objects, as war, peace, negotiation, and foreign commerce; with which last the power of taxation will, for the most part, be connected. The powers reserved to the several States will extend to all the objects which, in the ordinary course of affairs, concern the lives, liberties, and properties of the people, and the internal order, improvement, and prosperity of the State. The operations of the federal government will be most extensive and important in times of war and danger; those of the State governments, in times of peace and security. As the former periods will probably bear a small proportion to the latter, the State governments will here enjoy another advantage over the federal government. The more adequate, indeed, the federal powers may be rendered to the national defense, the less frequent will be those scenes of danger which might favor their ascendency over the governments of the particular States."

[Federalist Paper No 45 (Jan. 1788), James Madison]

The method described by the Founding Fathers in the Federalist Papers above of “clothing officers of the states with the authority of the Union” the combination of the following:

1. The ACTA agreement.

The part that neither the Courts nor the IRS will admit, even though it is true, is that the “State” they are talking about is ONLY a federal territory and cannot lawfully be a state of the Union mentioned in the Constitution without violating the separation of powers doctrine and causing officers of the state to have a conflict of interest and allegiance.

10.5 How to prove that states are illegally applying enclave statutes extraterritorially

In responding to state tax collection notices, it is important to be able to recognize when the state is illegally and unconstitutionally applying statutes intended only for federal enclaves to areas under their exclusive jurisdiction. Below are some methods you can use to prove this:

1. Correspondence they write you quotes only cases from federal district of circuit courts and no state cases. The only people subject to federal civil statutes are those domiciled on federal territory per Federal Rule of Civil Procedure 17(b).
2. If you initiate non-statutory common law litigation to effect a return of funds unlawfully paid to the government, they will illegally try to wrongfully remove it to a federal district court. The Ninth and Tenth Amendments, 28 U.S.C. §1652, and Federal Rule of Civil Procedure 17(b) forbid applying federal statutes against state domiciled parties so their attempt amounts to criminal identity theft, as documented in:

   Government Identity Theft, Form #05.046
   http://sedm.org/Forms/FormIndex.htm

3. They use words that are defined in the Internal Revenue Code or which have the same definitions as the internal revenue code. Nearly all states of the Union incorporate the definitions from the Internal Revenue Code within their own revenue codes. This means that tax is upon the same legal “person”, the same activity (“trade or business”), and in the same physical place as the national government, which means federal territory not within the exclusive jurisdiction of any state. You can see a summary of the state revenue codes in the following document:

   SEDM Jurisdictions Database, Litigation Tool #09.003
   http://sedm.org/Litigation/LitIndex.htm

4. Their collection letters use the phrase “State of ___” in front of the state they are collecting for. That means the Statutory State as described in section 9.1 earlier.
5. They describe themselves as a “State” under the Internal Revenue Code. All “States” in the Internal Revenue Code are
federal territories or possessions, and not CONSTITUTIONAL States. It is illegal and unconstitutional for a constitutional state to claim or act like a federal territory. See section 9.5 earlier and the following:

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.

TITLE 26 > Subtitle F > CHAPTER 72 > § 7701
§ 7701. Definitions
(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.

6. They use the word “income”, which means earnings of a federal office or officer on official business, and yet wrongly PRESUME that it means ALL earnings of people physically situated outsider of federal territory and under the exclusive jurisdiction of the constitutional state. See:

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

11 State government destruction of the separation of powers 12

Illegal enforcement of national taxation within the exclusive jurisdiction of constitutional states is only one of many ways the states have destroyed the separation of powers. The following subsections deal with ways that this separation has been undermined in areas other than taxation. All such efforts are implemented by abuse of franchises enforced outside of federal territory. If you would like to know how this abuse is effected, see:

Government Instituted Slavery Using Franchises, Form #05.030
http://sedm.org/Forms/FormIndex.htm

11.1 Doing Business as a Federal Corporation/Territory

The U.S. Supreme Court has held that a federal territory is a federal corporation, when it said:

At common law, a “corporation” was an “artificial pers[on] 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”); J. 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. 192, 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)(States is “a corporation”), See generally Trustees of Dartmouth College v. Woodward, 4 Wheat. 518, 561-562 (1819) (explaining history of term “corporation”).

A corporation that is not also a “body politic” constitutes the equivalent of a private business that is not a government. This subtle distinction is important, because a “body politic AND corporate” is a government, while a “body corporate” with

12 Source: Government Conspiracy to Destroy the Separation of Powers, Form #05.023, Section 11; http://sedm.org/Forms/FormIndex.htm.
the phrase “politic” removed is simply a private corporation that is NOT a “government”. The U.S. Supreme Court confirmed this conclusion when it held the following:

Both before and after the time when the Dictionary Act and §1883 were passed, the phrase “bodies politic and corporate” was understood to include the governments of the States. See, e.g., J. Bouvier, A Law Dictionary Adapted to the Constitution and Laws of the United States of America 185 (11th ed. 1866); W. Shumaker & G. Longsdorf, Cyclopaedic Dictionary of Law 104 (1901); Chisholm v. Georgia, 2 U.S. (2 Dall.) 419, 447, 1 L.Ed. 440 (1793) (Iredell, J.); id., at 468 (Cashing, J.); Cutton v. United States, 52 U.S. (11 How.) 229, 231-13 L.Ed. 675 (1851) (“Every sovereign State is of necessity a body politic, or artificial person”); Poindexter v. Greenhow, 114 U.S. 270, 288, 5 S.Ct. 903, 29 L.Ed. 185 (1885); McPherson v. Blacker, 146 U.S. 1, 24, 13 S.Ct. 3, 6, 26 L.Ed. 609 (1892); Heim v. McCall, 239 U.S. 175, 188, 36 S.Ct. 78, 82, 60 L.Ed. 206 (1915). See also United States v. Maurice, 2 Brock. 96, 109, 26 F.Cas. 1211 (CC Va.1823) (Marshall, C.J.) (“The United States is a government, and, consequently, a body politic and corporate”); Van Brocklin v. Tennessee, 117 U.S. 151, 154, 6 S.Ct. 670, 672, 29 L.Ed. 845 (1886) (same). Indeed, the very legislators who passed §1 referred to States in these terms. See, e.g., Cong. Globe, 42d Cong., 1st Sess., 661-662 (1871) (Sen. Vickers) (“What is a State? Is ‘79 it not a body politic and corporate?”); id., at 696 (Sen. Edmunds) (“A State is a corporation”).

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) (“Body politic or corporate”: “A social compact by which the whole people covenant 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.”

While it is certainly true that the phrase “bodies politic and corporate” referred to private and public corporations, see ante, at 2311, and n. 9, this fact does not draw into question the conclusion that this phrase also applied to the States. Phrases may, of course, have multiple referents. Indeed, each and every dictionary cited by the Court accords a broader realm-one **2317 that comfortably, and in most cases explicitly, includes the sovereign-to this phrase than the Court gives it today. See IB. Abbott, Dictionary of Terms and Phrases Used in American or English Jurisprudence 155 (1879) (“The term body politic is often used in a general way, as meaning the state or the sovereign power, or the city government, without implying any distinct express incorporation”); W. Anderson, A Dictionary of Law 127 (1893) (“Body politic”: “The governmental, sovereign power: a city or a State”); Black’s Law Dictionary 143 (1891) (“Body politic”: “It is often used, in a rather loose way, to designate the state or nation or sovereign power, or the government of a country or municipality, without distinctly connoting any express and individual corporate charter”); IA. Barrill, A Law Dictionary and Glossary 212 (2d ed. 1871) (“Body politic”: “A body to take in succession, framed by policy”, “[t]pically applied, in the old books, to a Corporation sole”); id., at 383 (“Corporation sole” includes the sovereign in England).


The U.S. Supreme Court also held that the formation of a corporation alone does not “confer political power or political character”, which is to say, form a “body politic”. The creation of a “body politic” within any act of Congress therefore requires an express declaration:

“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 by the government 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?”


The protections of the Bill of Rights, extended to each state of the Union through the Fourteenth Amendment enacted in 1868, make it very difficult for the state to interfere with the exercise of any of your many constitutionally guaranteed rights. A brief enumeration of these rights appears below:

Enumeration of Inalienable Rights, Form #06.004
http:// sedm.org/Forms/FormIndex.htm

State Income Taxes
Copyright Sovereignty Education and Defense Ministry, http:// sedm.org
Form 05.031, Rev. 05-31-2017
EXHIBIT:
Over the years since the Civil War, which ended in 1865, states of the Union have gradually, one by one, attempted to circumvent these “straight jacket” restrictions on their actions to undermine the sovereignty of the people by effecting the following types of legal transformations in their civil law systems. This was accomplished by creating a parallel, private corporation that operates side by side with the de jure government and which has a similar name and then slowly transitioning all government services over to this private, for profit federal corporation that is a subsidiary of the federal government. For example, the de jure republic of California is a government while the “State of California” is a private, for profit corporation that is NOT a government. Specific techniques to accomplish this transition include the following:

1. By writing a new Constitution, which excludes the geographical boundaries of the state. For instance, California has TWO constitutions: The 1849 Constitution and the 1879 Constitution. Both of these constitutions are in full force and effect. The first one is for the de jure Republic, and the second one is for the corporate “State of California”, which is:
   1.1. A corporation
   1.2. An instrumentality of the federal government.
   1.3. Functions in the capacity as a “territory” or “State” of the United States as defined in 4 U.S.C. §110(d).
2. By implementing Article IV legislative franchise, rather than Article III Constitutional, courts which may not operate in equity or common law to defend or protect the rights of the people. See:
   *What Happened to Justice?*, Form #06.012
   [http://sedm.org/Forms/FormIndex.htm](http://sedm.org/Forms/FormIndex.htm)
3. By rewriting their statutory law so that states are acting in *two* capacities and by making it very difficult for the average person to discern which of the two separate jurisdictions a particular statute is referring to:
   3.1. The de facto federal corporate “territory”.
   3.2. The de jure Republic.
4. By introducing all kinds of new franchises which:
   4.1. Are implemented as “private law”.
   4.2. Are available only to “public officers” within the corporation.
   4.3. Have the ultimate effect of making you into a “public officer” when you sign up for them.
   4.4. Change the effective domicile of the participants to federal territory pursuant to Federal Rule of Civil Procedure 17(b).
   4.5. Require consent of the participants to enforce. See:
   *Requirement for Consent*, Form #05.003
   [http://sedm.org/Forms/FormIndex.htm](http://sedm.org/Forms/FormIndex.htm)
6. Are falsely portrayed by the government and legal profession as “public law” so that everyone will falsely believe they are subject.
7. Compel you to join yet more franchises to spread the slavery. For instance, driver’s licenses are used to:
   7.1. Create a false presumption of domicile on federal territory.
   7.2. Compel participation in Social Security by mandating SSNs on driver’s license applications.
   7.3. Compel participation in the federal income tax system by sharing driver’s license data with the revenue agencies of the state.
8. Behave as adhesion contracts because no way is provided to lawfully terminate participation and the government lies to you about your ability to quit. See:
   *Resignation of Compelled Social Security Trustee*, Form #06.002
   [http://sedm.org/Forms/FormIndex.htm](http://sedm.org/Forms/FormIndex.htm)

All of the above techniques are the central theme of the “New Deal” socialists who took power in the 1930’s. These techniques have resulted in a continual erosion of the rights of Americans by replacing rights with privileges and franchises as documented in the memorandum below:

*Government Instituted Slavery Using Franchises*, Form #05.030
[http://sedm.org/Forms/FormIndex.htm](http://sedm.org/Forms/FormIndex.htm)

5. By gradually moving most state services over to the “corporate” side of the government and then compelling everyone who wants to avail themselves of these “privileges” to declare that they are “residents”, who in fact are “aliens” with a domicile on federal territory within the exterior limits of the state. This is true of the following types of services:
   5.1. Resident tuition at state schools.
   5.2. Registering to vote. After the corporatization of the state governments, “electors” became “voters”. You must have a legal domicile in the corporate “State”, which is on federal territory, in order to become a “voter”. In the California Election Code, all registered voters agree to be surety for the debts of the government. This type of “poll tax” has been declared unconstitutional by the U.S. Supreme Court, but it is perfectly legal in the federal zone, where there are no rights, but only “privileges”.
6. By signing onto the federal Buck Act, 4 U.S.C. §105-111, as “territories” under what are called Agreements on Coordination of Tax Administration (ACTA).

6.1. These agreements are made between the United States Secretary of the Treasury and the Governor and Attorney General of a “State”.

6.2. The term “State” is then defined as a territory or possession of the “United States” in 4 U.S.C. §110(d). None of the state constitutions authorize a de jure state to operate as a federal territory, and doing so is an unconstitutional breakdown of the separation of powers.

6.3. The agreements are made under the authority of 4 U.S.C. §106, which is part of the Buck Act, and 5 U.S.C. §5517, in which the federal government consented to the taxation of “public officials” within federal areas and enclaves within a state of the Union.

6.4. The agreements are highly secretive and the IRS or the State will avoid talking about them. The reason is that if Americans understood that they are the basis for all state income taxes, and that federal liability as a domiciliary of the federal zone was a prerequisite for both federal and state liability, most people would balk at paying this fraudulent tax.

6.5. These ACTA agreements simply provide an excuse to levy an income tax in the federal zone only, but the states deliberately and unlawfully misapply it to places not within the federal zone in order to maximize their revenues.

The result is racketeering and extortion on a grand scale and the biggest fraud in the history of the country.

Some examples of how the above types of abuses are facilitated include:

1. In California, sales taxes only apply on federal territory. The Revenue and Taxation Code, section 6017, imposes the tax only with the “State”, which is defined as federal territory.

   California Revenue and Taxation Code

   6017. “In this State” or “in the State” means within the exterior limits of the State of California and includes all territory within these limits owned by or ceded to the United States of America.

2. In California, the state income tax is imposed only on earnings within federal territory. The Revenue and Taxation Code, Section 17018, imposes the tax only within the “State”, which is defined as federal territory.

   California Revenue and Taxation Code


3. In California, you must be a “resident” in order to obtain a state driver’s license. The code then defines a “resident” as a person with a domicile in the “State”. This is the same “State” as above.

   California Vehicle Code

   (a) (1) For purposes of this division only and notwithstanding Section 516, residency shall be determined as a person’s state of domicile. "State of domicile" means the state where a person has his or her true, fixed, and permanent home and principal residence and to which he or she has manifested the intention of returning whenever he or she is absent.

Examples of the above types of abuses are rampant in every state of the Union. These examples illustrate the following facts which we welcome you to investigate and confirm for yourself:

1. Whenever the state makes receipt of any benefit contingent on “domicile” or “residence” within the “State”, it is not engaging in a “public purpose”, but private business activity.
   1.1. The “taxes” collected to pay for these contractual private services also amount to private business activity implemented voluntarily through your unlimited and private right to contract.
   1.2. You may lawfully avoid paying for these services that you don’t want by not availing yourself of the services and by switching your domicile to be outside of the “State”. See:

   Why Domicile and Becoming a “Taxpayer” Require Your Consent, Form #05.002
   http://sedm.org/Forms/FormIndex.htm

2. Income taxes, sales taxes, vehicle licenses, and marriage licenses in your state are all “voluntary” and may not be enforced against anyone who does not maintain a domicile on federal territory within the exterior limits of a state.
3. If you fill out any forms volunteering to participate in any of the above programs, you establish a prima facie presumption that you live on federal territory within the state, and have no constitutional rights because you live there.

4. Any state service or program which prescribes a penalty without a court hearing:

   4.1. Constitutes an unconstitutional Bill of Attainder. See:
   
   4.1.1. Constitution, Article 1, Section 9, Clause 3.
   
   4.1.2. The following article: http://famguardian.org/TaxFreedom/CitesByTopic/BillOfAttainder.htm

   4.2. Is unconstitutional if instituted within the de jure Republic, but lawful within the “Corporate” state, which is not protected by the Bill of Rights.

   4.3. The only way that non-judicial penalties can be lawful is if you consent to them. A Bill of Attainder is a penalty instituted WITHOUT your consent. Consequently, all state programs that enforce compliance enforced using non-judicial penalties can only apply within the federal zone and the corporate “State”.

5. If you want to preserve and protect your rights, you can’t have a domicile on federal territory or:

   5.1. Have a vehicle registered in your name in the “State”.

   5.2. Get a marriage license from the “State”. See

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

   5.3. Pay income taxes in the “State”. See:

   Great IRS Hoax, Form #11.302
   http://sedm.org/Forms/FormIndex.htm

   5.4. Pay sales taxes in the “State”.

   5.5. Tolerate or allow information returns, such as IRS Forms 1042-S, 1098, 1099, or K-1 to be filed against your name. All such “information returns” create a prima facie presumption that you are engaged in a “trade or business” on federal territory in your state, which is a federal franchise or privilege that is taxable. See:

   The “Trade or Business” Scam, Form #05.001
   http://sedm.org/Forms/FormIndex.htm

   5.6. Use a Social Security Number in any interaction with the government. This creates a prima facie presumption that you are the “public official” who is the subject of the Buck Act. See:

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

The U.S. Supreme Court warned about the above types of abuses and mischief on the part of the states and the federal government, and has become accessory after the fact to such abuses by denying appeals to correct these kinds of abuses:

“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... 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... 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)]

The Court’s predictions above have come true. The de jure Republic we once enjoyed has been replaced by the “administrative state”, which is a totalitarian democracy devoid of rights. This “administrative state” does everything through “administrative law” which abuses and disregards the rights of everyone. See the following for details on how this massive fraud upon the public operates:

Understanding Administrative Law, Ron Branson
http://famguardian.org/Subjects/LawAndGovt/AdminLaw/UnderstandingAdministrativeLaw.htm

In effect, corrupt and covetous lawyers and politicians, when they want to invade an area of private business and commerce, expand their revenues and control over the populace, and compete with private industry in the “social insurance business”, have chosen to do it only in the federal zone, which they then enforce as private contract law conducted in a geographical area not protected by the Bill of Rights or the Constitution. If you avail yourselves of the “privileges” of these voluntary private business “services”, then you are presumed implicitly to be bound by the remainder of the “contract” that governs their operation:

State Income Taxes
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.

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)]

Below is what the U.S. Supreme Court said about the abuse of “privileges” in order to manipulate constitutional rights out of existence and thereby undermine the Constitution:


“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)]

If you would like to learn more about the subjects in this section, we refer you to the following additional resources:

1. Corporatization and Privatization of the Government, Form #05.024
   http://sedm.org/Forms/Form1Index.htm
2. Highlights of American Legal and Political History CD, Form #11.202
   http://sedm.org/ItemInfo/Disks/HOALPH/HOALPH.htm

11.2 Attorney licensing

Attorney licensing is an important method for breaking down the separation of powers between private individuals and the state. Licensing of attorneys:

1. Makes attorneys into fiduciaries and officers of the state.
2. Causes a person to surrender their right to challenge jurisdiction of the court.

“In propria persona. In one’s own proper person. It was formerly a rule in pleading that pleas to the jurisdiction of the court must be plead in propria persona, because if pleaded by attorney they admit the jurisdiction, as an attorney is an officer of the court, and he is presumed to plead after having obtained leave, which admits the jurisdiction.” [Black’s Law Dictionary, Sixth Edition, p. 792]

3. Causes all those who form artificial entities such as corporations, trusts, LLC’s, etc. to have to employ “officers of the state” and “officers of the court” to defend their lawful status. This prejudices the management of artificial entities in
favor of the state, because “officers of the court” are always regulated to favor the state and will lose their license if they don’t.

In actual practice, there is no such thing formally and officially called a “attorney license”. What this “licensing” process amounts to is the following:

1. Taking the state bar exam, created and administered by the American Bar Association (ABA).
2. Passing the bar by correctly answering the required minimum number of questions.
3. Receiving a certificate from the state Supreme Court signed by the clerk or a justice of the supreme court of your state. This certificate is viewed as your meal ticket to represent clients in your state.

In order to rescind the “license” of an attorney to practice law, a complaint must be registered with the state bar association of the state in which he has credentials. The state bar association is a private, quasi-government organization which takes responsibility for investigating complaints and for disciplining attorneys. They set standards of professional and ethical conduct and have their own rules of conduct. See: http://www.abanet.org/cpr.

A lawyer who has received too many complaints will be investigated by the state bar and eventually have his “license” (certificate) revoked. Below is an example of a ruling in which the “license” of an attorney was rescinded, so you can see for yourself:

When the investigation commences in which a license may be terminated, the bar association sends a request to the attorney to supply all client records for those who complained. This, of course, is illegal violation of the attorney-client privilege. If he continues to practice law beyond the point that his license is revoked, the local ABA comes into his office with the county sheriff, confiscates his client files, and notifies the clients that they may no longer seek his services.

We must remember that a license is legally defined as “permission from the state to do that which is otherwise illegal”, and the implication of attorney licensing is that it is illegal for an unlicensed attorney to talk in front of a judge or jury. Common sense tells us that this violates the First Amendment guarantee of free speech. As reasonable men, we must therefore conclude that the American Bar Association (ABA) is nothing but a lawyer union that wants to jack up its own salaries by restricting the supply of lawyers and which is in bed with federal judges to help illegally expand their jurisdiction in return for the privilege of having those inflated salaries.

The following supreme Court cases held that a State may not pass statutes prohibiting the unauthorized practice of law or to interfere with the Right to freedom of speech, secured in the First Amendment:

   “We start with the premise that the rights to assemble peaceably and to petition for a redress of grievances are among the most precious of the liberties safeguarded by the Bill of Rights. These rights, moreover, are intimately connected, both in origin and in purpose, with the other First Amendment rights of free speech and free press.
   “All these, though not identical, are inseparable.” Thomas v. Collins, 323 U.S. 516, 530 (1945). See De Jonge v. Oregon, 299 U.S. 353, 364 (1937). The First Amendment would, however, be a hollow promise if it left government free to destroy or erode its guarantees by indirect restraints so long as no law is passed that prohibits free speech, press, petition, or assembly as such. We have therefore repeatedly held that laws which actually affect the exercise of these vital rights cannot be sustained merely because they were enacted for the purpose of dealing with some evil within the State's legislative competence, or even because the laws do in fact provide a helpful means of dealing with such an evil. Schneider v. State, 308 U.S. 147 (1939); Cantwell v. Connecticut, 310 U.S. 296 (1940).”

3. Railroad Trainmen v. Virginia State Bar, 377 U.S. 1 (1964): U.S. Supreme Court ruled that an injunction issued by a state court, prohibiting, as the unlawful solicitation of litigation and the unauthorized practice of law, a labor union from advising injured members or their dependents to obtain legal assistance before settling claims and recommending specific lawyers to handle such claims, infringes rights guaranteed by the First and Fourteenth Amendments. NAACP v. Button, 371 U.S. 415, followed.

Virginia undoubtedly has broad powers to regulate the practice of law within its borders: 10 but we have had occasion in the past to recognize that in regulating the practice of law a State cannot ignore the rights of individuals secured by the Constitution. 11 For as we said in NAACP v. Button, supra, 371 U.S., at 429, “a State cannot foreclose the exercise of constitutional rights by mere labels.” Here what Virginia has sought to halt is not a commercialization of the legal profession which might threaten the moral and ethical fabric of the administration of justice. It is not “ambulance chasing.” The railroad workers, by recommending competent lawyers to each other, obviously are not themselves engaging in the practice of law, nor are they or the lawyers whom [377 U.S. 1, 7] they select parties to any soliciting of business. It is interesting to note that in Great Britain unions do not simply recommend lawyers to members in need of advice; they retain counsel, paid by the union, to represent members in personal lawsuits. 12 A practice similar to that which we upheld in NAACP v. Button, supra.

A State could not, by invoking the power to regulate the professional conduct of attorneys, infringe in any way the right of individuals and the public to be fairly represented in lawsuits authorized by Congress to effectuate a basic public interest. Laymen cannot be expected to know how to protect their rights when dealing with practiced and carefully counseled adversaries, cf. Gideon v. Wainwright, 372 U.S. 335, and for them to associate together to help one another to preserve and enforce rights granted them under federal laws cannot be condemned as a threat to legal ethics. 13 The State can no more keep these workers from using their cooperative plan to advise one another than it could use more direct means to bar them from resorting to the courts to vindicate their legal rights. The right to petition the courts cannot be so handicapped.

Railroad Trainmen v. Virginia State Bar, 377 U.S. 1 (1964)

Nevertheless, states and judges continue to unlawfully insist that they have the right to license attorneys and institute what amounts to “privilege-induced slavery” against anyone who wants to practice law. In so doing, all they are doing in the process is regulating “private conduct”, because:

1. All federal courts are Article IV, legislative, territorial courts that have no jurisdiction over persons domiciled in the exclusive jurisdiction of a state of the Union. Consequently, the only way they can end up in front of a federal judge, in most cases, is to involve themselves in voluntary franchises of the federal government. See: What Happened to Justice?, Form #06.012 http://sedm.org/Forms/FormIndex.htm

2. Most state statutory law is private law that only applies in the federal areas within the exterior limits of the state. Consequently, the only way a person domiciled in other than the federal zone to come within their jurisdiction is to exercise his private right to contract. For further details, see section 11.1 earlier.

If you would like to know how to practice law as a pro per or lawyer without a state-issued license, see the following article on our website:

Unlicensed Practice of Law, Form #05.029 http://sedm.org/Forms/FormIndex.htm

11.3 Dumbing down our children in the public school on legal subjects

We said earlier in section 4 that the founders originally gave us separation of school and state. Over the years, that separation has eroded to the point where now, the vast majority of Americans are a commodity that is “manufactured” in public schools by the government. The state and local governments have deliberately dumbed down the populace on legal subjects by refusing to teach any kind of legal subjects in public school. This results in a population of Americans who:

1. Lack the legal means to hold their government accountable to the Constitution and to stay within the bounds of their delegated authority.
2. Cannot defend themselves in Court.
3. Have become slaves to the legal profession and the Courts because they are easily hoodwinked and manipulated by unscrupulous judges and lawyers.
4. If they serve as jurists, will injure their fellow Americans because of their legal ignorance, and their inability to read or study the law. Most criminal tax convictions occur without the jurists ever seeing or reading the tax law for themselves.

State Income Taxes

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They are prompted by the judge to act as an angry lynch mob rather than an objective finder of fact. Thomas Jefferson said that when judges are biased, which is the case on tax matters because the judge is a “taxpayer” and a benefit recipient from the taxes, then the jury must judge BOTH the facts AND the law:

"It is left... to the juries, if they think the permanent judges are under any bias whatever in any cause, to take on themselves to judge the law as well as the fact. They never exercise this power but when they suspect partiality in the judges; and by the exercise of this power they have been the firmest bulwarks of English liberty." ~Thomas Jefferson to Abbe Arnoux, 1789, ME 7:423, Papers 15:283

[SOURCE: http://theguardian.org/Subjects/Politics/ThomasJefferson/jeff1520.htm]

This “dumbing down” of America is not an accident. It is a deliberate, systematic plan to transition our republican heritage of individual rights and liberties towards a socialist, collectivist, totalitarian democratic state devoid of rights. The nature of that state is documented in the free publication below:

Socialism: The New American Civil Religion, Form #05.016
http://sedm.org/Forms/FormIndex.htm

11.4 Driver’s licensing

Every state of the Union issues driver’s licenses. The prerequisite for getting a driver’s license is to apply. a “domicile” within the “State”. The “State” they are referring to is the federal zone and does not include any part of the land under exclusive state jurisdiction.

California Vehicle Code

12500. (a) A person may not drive a motor vehicle upon a highway, unless the person then holds a valid driver’s license issued under this code, except those persons who are expressly exempted under this code.

12505. (a) (1) For purposes of this division only and notwithstanding Section 516, residency shall be determined as a person’s state of domicile. "State of domicile" means the state where a person has his or her true, fixed, and permanent home and principal residence and to which he or she has manifested the intention of returning whenever he or she is absent. Prima facie evidence of residency for driver’s licensing purposes includes, but is not limited to, the following:
(A) Address where registered to vote.
(B) Payment of resident tuition at a public institution of higher education.
(C) Filing a homeowner’s property tax exemption.
(D) Other acts, occurrences, or events that indicate presence in the state is more than temporary or transient.

[SOURCE: http://www.leginfo.ca.gov/cgi-bin/waisgate?WAISdocID=32316329954+0+0+0&WAISaction=retrieve]

In addition to the above, the driver’s license application in many states also requires the applicant to certify that they are “within the United States” and the “United States” they mean is the federal zone as defined in 26 U.S.C. §7701(a)(9) and (a)(10) . This is the case on the back of the driver’s license application in California, for instance. This causes them to surrender all constitutional protections for their rights, because the federal zone is not protected by any part of the Bill of Rights and also subjects them to exclusive jurisdiction and plenary power of the federal government. This, in most cases, is how they become “taxpayers” under federal law who have no rights.

If you would like to know details more about the driver’s license scam, see the following book:

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

12 Completing tax forms so as not to be confused with a “resident” of the Statutory State/enclave

Let’s now examine the practical implications of this document in relation to how or if you would file a state or federal ax return and what status you would need to file under. Here are some facts we know so far about what a “taxpayer” is under both the Internal Revenue Code AND state income taxes:
1. All “individuals” are STATUTORY “aliens”. 26 C.F.R. §1.1441-1(c)(3).

2. To be a statutory “taxpayer” or to have any civil status under any act of Congress, you must be domiciled on federal territory AND a “resident” abroad under 26 U.S.C. §911. Civil status has domicile as a prerequisite:

§ 29. Status

It may be laid down that the ‘status’- or, as it is sometimes called, civil status, in contradistinction to political status - of a person depends largely, although not universally, upon domicile. The older jurists, whose opinions are fully collected by Story I and Burge, maintained, with few exceptions, the principle of the ubiquity of status, conferred by the lex domicilii with little qualification. Lord Westbury, in Udn v. Udny, thus states the doctrine broadly: “The civil status is governed by one single principle, namely, that of domicile, which is the criterion established by law for the purpose of determining civil status. For it is on this basis that the personal rights of the party - that is to say, the law which determines his majority and minority, his marriage, succession, testacy, or intestacy-must depend.” Gray, C. J., in the late Massachusetts case of Ross v. Ross, speaking with special reference to capacity to inherit, says: “It is a general principle that the status or condition of a person, the relation in which he stands to another person, and by which he is qualified or made capable to take certain rights in that other’s property, is fixed by the law of the domicil; and that this status and capacity are to be recognized and upheld in every other State, so far as they are not inconsistent with its own laws and policy.”


3. All “residents” are “aliens” per 26 U.S.C. §7701(b)(1)(A).

4. The “citizen” mentioned in 26 U.S.C. §1 and 26 C.F.R. §1.1-1(c) is someone born on federal territory under 8 U.S.C. §1401 and does not include those born in CONSTITUTIONAL states. We call this type of citizen a STATUTORY “U.S. citizen”. See:

4.1. Citizenship Status v. Tax Status, Form #10.001
http://sedm.org/Forms/10-Emancipation/CitizenshipStatusTaxStatus/CitizenshipTaxStatus.htm

4.2. Why You are a “national”, “state national”, and Constitutional but not Statutory Citizen, Form #05.006
http://sedm.org/Forms/FormIndex.htm

5. You cease to be a STATUTORY citizen if you change your domicile to abroad or don’t consent to receive the “benefits” of being such a citizen.

5.1. The term “citizen”, after all, implies CONSENT.

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. Udoras na Gaeltachta, D.C.N.Y., 549 F.Supp. 1094, 1116.


The term “reside” above has been interpreted to mean DOMICILE, which is VOLUNTARY. Anderson v. Watt, 138 U.S. 694 (1891). Domicile is voluntary, and therefore being a STATUTORY “citizen” is also voluntary.

[Why Domicile and Becoming a “Taxpayer” Require Your Consent, Form #05.002
http://sedm.org/Forms/FormIndex.htm]

5.2. When you withdraw your consent, you revert to a STATUTORY NATIONAL under 8 U.S.C. §1101(a)(21) who is NOT a statutory “citizen” under 8 U.S.C. §1401. That withdrawal of consent is also effected by removing your
domicile from federal territory. In that capacity, you can still get a passport, because the ONLY thing you need is ALLEGIANCE.

"No passport shall be granted or issued to or verified for any other persons than those owing allegiance, whether citizens or not, to the United States."
[22 U.S.C. §212]

The only status under Title 8 that carries with it ONLY “allegiance” is that of a “national” under 8 U.S.C. §1101(a)(21).

6. The federal and state income taxes are indirect excise taxes upon a “trade or business”, which is defined in 26 U.S.C. §7701(a)(26) as “the functions of a public office”. The tax is upon the OFFICE, not the OFFICER voluntarily and consensually filling said office. This “OFFICE” is called a “person”, “citizen”, “resident”, “taxpayer” in the Internal Revenue Code. See Why Your Government is Either a Thief or You are a “Public Officer” for Income Tax Purposes, Form #05.008. If you are not in fact and in deed engaged in a “public office”, then:

6.1. You are a “nontaxpayer” whose estate is a “foreign estate” not subject to the Internal Revenue Code:

TITLE 26 > SUBTITLE E > CHAPTER 79 > § 7701
§ 7701. Definitions
(a) When used in this title, where not otherwise distinctly expressed or manifestly incompatible with the intent thereof—
(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.

6.2. You are not required to file a federal income tax return, even if you are domiciled on federal territory.

7. You can’t have a state income tax liability without a federal liability.

7.1. State revenue codes borrow the definitions from the Internal Revenue Code.

7.2. Taxes are upon STATUTORY “income”, which means earnings in connection with the excise taxable activity called a “trade or business”, which is defined as “the functions of a public office” in 26 U.S.C. §7701(a)(26).

7.3. States with income taxes have an Agreement on Coordination of Tax Administration (ACTA) agreement between the national government and themselves. It is ILLEGAL for them to enter such an agreement because it creates a criminal financial conflict of interest towards the protection of PRIVATE rights by citizens of their state. See the previous section.

8. All law is prima facie territorial. The separation of powers doctrine makes states of the Union legislatively foreign with the national government.

8.1. State and federal jurisdiction to tax can therefore only exist where the two jurisdictions overlap.

8.2. The ONLY place where state and federal jurisdictions overlap is in federal enclaves or federal areas.

9. Based on the above, the only place state and federal income tax can SIMULTANEOUSLY be owed is on those who:

9.1. Are domiciled in a federal enclave AND

9.2. Are engaged in a public office and therefore in receipt of STATUTORY “income”. This STATUTORY “income” is also called excise taxable “trade or business” activity earnings. AND

9.3. Are STATUTORY “residents”, meaning foreign nationals and “aliens”.

9.4. Are abroad and interface to the Internal Revenue Code as a STATUTORY alien under a tax treaty with a foreign country under 26 U.S.C. §911.

10. If a human is domiciled or physically present in the nonfederal areas of his or her state and NOT abroad under 26 U.S.C. §911, then he or she must be considered:

10.1. A “non-resident non-person” for the purposes of income tax. See Non-Resident Non-Person Position, Form #05.020.

10.2. “Not subject” but not STATUTORILY “exempt”. To be exempt you must FIRST be subject. See: Non-Resident Non-Person Position, Form #05.020, Section 10.2.5.

11. The IRS Form 1040 is ONLY for use by “residents”, who are STATUTORY “aliens” with a domicile on federal territory. This is confirmed by IRS Document 7130, the IRS Published Products Catalog.

12. Those fitting any one or more of the following would be committing perjury to file a “resident” tax form such as IRS Form 1040;
12.1. Those who are NOT abroad under 26 U.S.C. §911 while domiciled on federal territory.
12.2. Those not LAWFULLY engaged in an elected or appointed office within the national government.
12.3. Those who are not domiciled on federal territory and therefore “nonresident” to the STATUTORY “United States” per 26 U.S.C. §7701(a)(9) and (a)(10).

The table below summarizes the civil status of people in various conditions. It is particularized for California but works for any other state as well.
Table 4: Federal and California state income tax filing requirements for natural persons by residency and citizenship.

<table>
<thead>
<tr>
<th>#</th>
<th>Location of domicile but not workplace</th>
<th>“Constitutional State” domicile</th>
<th>“Statutory State” income tax liability</th>
<th>United States (federal territories) residency status (see 26 U.S.C. §7701 definition of “United States”)</th>
<th>U.S.(the country) citizenship</th>
<th>Federal income tax liability and correct form(s) to file</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Nonfederal areas of any state of the Union</td>
<td>Inhabitant (not “resident”)</td>
<td>Nonresident</td>
<td>File California Franchise Tax Board 540NR for refunds of any state taxes erroneously withheld on income from other than the District of Columbia</td>
<td>Nonresident</td>
<td>“National” per 8 U.S.C. §1101(a)(21) but not Statutory “US citizen” per 8 U.S.C. §1401. File IRS Form 1040NR and include only “gross income” from the District of Columbia that is “effectively connected with a trade or business”</td>
</tr>
<tr>
<td>2</td>
<td>Federal areas inside of California</td>
<td>Nonresident</td>
<td>Nonresident</td>
<td>Not required to file. Only “aliens” with a domicile in the Statutory State are required to file</td>
<td>Nonresident</td>
<td>Statutory “U.S. Citizen” (see 8 U.S.C. §1401) Excludes people born in states on land not under exclusive federal jurisdiction No form they can legally file. IRS Form 1040 is only for “residents” and “individuals”. See Note 12 preceding list.</td>
</tr>
<tr>
<td>3</td>
<td>Outside of United States of America (the country and not the federal areas)</td>
<td>Nonresident</td>
<td>Nonresident</td>
<td>File California Franchise Tax Board 540 on all gross income from District of Columbia sources only that is “effectively connected with a “trade or business”</td>
<td>Resident</td>
<td>“Alien” (see 26 U.S.C. §7701(b)(1)(A)) File IRS Form 1040 and include only federal source income but not income from nonfederal parts of California.</td>
</tr>
</tbody>
</table>

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## NOTES:

1. A statutory “U.S.** citizen” shown above is one who is a statutory federal citizen born or naturalized in the federal zone and described in [8 U.S.C. §1401](https://www.law.cornell.edu/uscode/text/8/section-1401). This is NOT the same as a person who is a U.S.* national. The Internal Revenue Code only applies to statutory “U.S.** citizens” and is municipal/special law that does not apply to state citizens in the 50 Union states who do not engaged in a “trade or business” and who receive no payments from the federal government or its instrumentalities.

2. You can read the California Revenue and Taxation Code (R&TC) for yourself on the web at [http://www.leginfo.ca.gov/cgi-bin/calawquery?codesection=rtc&codebody=&hits=20](http://www.leginfo.ca.gov/cgi-bin/calawquery?codesection=rtc&codebody=&hits=20)

3. Why don’t the state and federal income tax publications reflect the above considerations? We can only assume that it is because they want to simplify these publications because they want to maximize revenues from income taxation.
13 **Patriot myths about federal enclaves**

There is much disinformation in the freedom community about the relationship of CONSTITUTIONAL states to the federal enclaves within them. Below are a few articles containing or exposing such disinformation:

   [http://supremelaw.org/authors/mcdonald/bucknews.htm](http://supremelaw.org/authors/mcdonald/bucknews.htm)
2. *Debunking “The Story of the Buck Act”*, Roger Wilcox

Below is a summary of our policy on specific claims made in the above articles:

1. **Zip Codes**: We don’t believe that the use of zip codes in mailing addresses invokes the legislative jurisdiction of the national government. We have seen no evidence proving this claim, and the national government never uses a zip code to prove they have jurisdiction. Therefore, this issue is IRRELEVANT and should not be raised. Those who raise it will make themselves look stupid.
2. **Two-Letter State Abbreviations**: We don’t believe that the use of two-letter state abbreviations invokes the legislative jurisdiction of the national government. We have seen no evidence proving this claim, and the national government never uses a two letter abbreviation to prove they have jurisdiction. Therefore, this issue is IRRELEVANT and should not be raised. Those who raise it will make themselves look stupid.
3. **Buck Act**: Yes, the Buck Act extended state taxing power into federal enclaves. Income taxation of most states ONLY applies in these areas. Those who fill out “resident” income tax forms who are not physically present or domiciled in federal areas but are instead domiciled in the exclusive jurisdiction of a constitutional state of the Union are, in fact committing perjury under penalty of perjury. The California Revenue and Taxation Code, Sections 6017 and 17018 indicate that the term “this State” is limited exclusively to these federal areas for the purposes of both sales taxes and income taxes respectively. Sales taxes and income taxes therefore do not apply OUTSIDE these areas.
4. **Internal Revenue Code not being Positive Law**: We agree with the claim that the Internal Revenue Code is not “positive law”, and therefore is merely a statutory presumption. All presumptions which impair constitutionally protected rights are impermissible. Therefore, it cannot be cited as law for those who are on land protected by the Constitution. The Constitution identifies itself as “the law of the land” and therefore attached to the land, rather than the civil status of the people ON that land. It can be cited ONLY in the case of those who avail themselves of its “benefits” and who are physically domiciled on federal territory, as required by Federal Rule of Civil Procedure 17(b) and U.S. v. Babcock, 250 U.S. 328, 39 S.Ct. 464 (1919). Any attempt to abuse presumption to impair constitutional rights not only is a violation of due process of law and a tort, but also serves the legal equivalent of establishing an unconstitutional state sponsored religion as we prove in Form #05.017. See the following for proof:

   **Requirement for Consent**, Form #05.003, Section 10.6
   [http://sedm.org/Forms/FormIndex.htm](http://sedm.org/Forms/FormIndex.htm)

5. **Social Security Creating a Contractual Nexus**: We believe that Social Security does NOT create a “contractual nexus”, strictly speaking. The U.S. Supreme Court in Flemming v. Nestor, 363 U.S. 603 in fact said that Social Security is NOT a contract. HOWEVER, we do believe that:

   5.1. Social security is a franchise that conveys “benefits”. See:

   **Government Instituted Slavery Using Franchises**, Form #05.030
   [http://sedm.org/Forms/FormIndex.htm](http://sedm.org/Forms/FormIndex.htm)

   5.2. He who willingly and voluntarily and LAWFULLY invokes said “benefits” agrees:

   5.2.1. To be bound by ALL of the statutes that create or enforce the benefit.

   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:

   [...]

---

13 See: *Presumption: Chief Weapon for Unlawfully Enlarging Federal Jurisdiction*, Form #05.017; [http://sedm.org/Forms/FormIndex.htm](http://sedm.org/Forms/FormIndex.htm).

14 “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)]
5.2.2. To the exclusive remedy provided in statute that govern disputes. That means they WAIVE their constitutional right to litigate in state court or even in an Article III court. See:

“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. 459, 21 L.Ed. 696; Gordon v. United States, 7 Wall. 188, 195, 19 L.Ed. 35; De Groot v. United States, 3 Wall. 419, 431, 433, 18 L.Ed. 700; Comegys v. Vasse, 1 Pet. 193, 212, 7 L.Ed. 108.


5.3. Social Security may NOT lawfully be offered or enforced or used as a means to impose any kind of tax within a constitutional state. It can ONLY be offered or enforced on federal territories. See:

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

5.3.2. Why It Is Illegal For Me to Request or Use a Taxpayer Identification Number, Form #04.205
http://sedm.org/Forms/FormIndex.htm

5.4. Because the Declaration of Independence says our rights are “inalienable”, that means we aren’t allowed BY LAW to consent to give them away. Therefore any so-called “government” that makes a profitable business or franchise out of alienating rights that are unalienable:

5.4.1. Is undermining the purpose of its creation, which is the protection of PRIVATE property. You don’t protect PRIVATE property by converting it to PUBLIC property and placing the original owner at the whim of the government.


5.4.3. Is a de facto government a described in:

De Facto Government Scam, Form #05.043
http://sedm.org/Forms/FormIndex.htm

6. People as corporations: We don’t believe that people as individuals are corporations. We do, however, believe that all statutory statuses one could adopt under any act of the national legislature is unavoidably an agent or officer of some kind of the national government. The reason is because the ability to regulate or tax PRIVATE rights or PRIVATE property is repugnant to the constitution. We prove this with extensive evidence in the following memorandums of law:

6.1. Proof That There Is a “Straw Man”, Form #05.042

6.2. Why Statutory Civil Law is Law for Government and Not Private Persons, Form #05.037

6.3. Why Your Government is Either a Thief or You are a “Public Officer” for Income Tax Purposes, Form #05.008

7. Federal Jurisdiction Outside of Federal Territory: Congress DOES have limited or subject matter jurisdiction outside of federal territory. All such jurisdiction is enumerated in Article 1, Section 8 of the United States Constitution.

8. Abuse of “includes” to unlawfully extend jurisdiction: We agree that the word “includes” DOES NOT allow the reader to imply or infer ANYTHING THEY want is included in a statutory definition. To do so is a violation of the rules of

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statutory construction and interpretation that unlawfully enlarges federal jurisdiction outside of federal territory. See:

8.1. **Flawed Tax Arguments to Avoid**, Form #08.004, Section 8.14
    http://sedm.org/Forms/FormIndex.htm

8.2. **Legal Deception, Propaganda, and Fraud**, Form #05.014, Section 15.2
    http://sedm.org/Forms/FormIndex.htm

14 **Rebutted false arguments against this memorandum**

14.1 **Statutory and Constitutional Citizens are Equivalent**

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<td>Corrected Alternative Argument: This confusion results from a misunderstanding about the meaning of the word “United States”, which, like most other words, changes meaning based on the context in which it is used. The term “United States” within the Constitution includes states of the Union and excludes federal territory, while the term “United States” within federal statutory law includes federal territory and excludes states of the Union. People born within states of the Union are constitutional “citizens of the “United States” under the Fourteenth Amendment but not statutory “citizens of the United States” under any federal statute, including 8 U.S.C. §1401 because the term “United States” has an entirely different meaning within these two contexts.</td>
</tr>
</tbody>
</table>

**Further Information:**
1. **Great IRS Hoax**, Form #11.302, Section 4.12.3
    http://sedm.org/Forms/FormIndex.htm
2. **Why You are a “national”, “state national”, and Constitutional but not Statutory Citizen**, Form #05.006
    http://sedm.org/Forms/FormIndex.htm
3. **Legal Notice of Change in Domicile/Citizenship Records and Divorce from the United States**, Form #10.001
    http://sedm.org/Forms/FormIndex.htm

The most important aspect of tax liability is whether you are a member of “the club” called a STATUTORY “citizen” who is therefore liable to pay “club dues” called “taxes”. The Constitution, in fact, establishes TWO separate “clubs” or political and legal communities, each of which is separated from the other by what is called the Separation of Powers Doctrine. One can only have a domicile in ONE of these two jurisdictions at a time, and therefore can be a “taxpayer” in only one of the two jurisdictions at a time. The U.S. Supreme Court admitted this when it held the following:

> “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?”  
> [Coben v. Virginia, 19 U.S. 264, 6 Wheat. 265; 5 L.Ed. 257 (1821)]

The main purpose of this separation of powers is to protect your constitutional rights from covetous government prosecutors and judges who want to get into your back pocket or enlarge their retirement check:

> “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.  

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16 Adapted from: **Flawed Tax Arguments to Avoid**, Form #08.004, Section 8.1; http://sedm.org/Forms/FormIndex.htm.
This separation is necessary because people domiciled on federal territory HAVE NO RIGHTS, but only Congressionally granted statutory “privileges” as tenants on the king’s land. That “king” or “emperor” is the President, who is the Julius Caesar for 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 do 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)]

We’ll give you a hint: States of the Union are NOT “federal territory”, and therefore “Caesar” has no jurisdiction there. Caesar is nothing more than a glorified facility or property manager for the community property of the states of the Union, not the pagan deity he pretends to be. As an emperor, he has no clothes after you point out the truth to him:

‘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)]

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.”

Foreign Laws: “The laws of a foreign country or sister state. In conflicts of law, the legal principles of jurisdiction which are part of the law of a sister state or nation. Foreign laws are additions to our own laws, and in that respect are called ‘jus receptum’.”

This flawed argument of confusing constitutional citizens with statutory citizens is self-servingly perpetuated mainly by the federal courts and government prosecutors in order to unlawfully enlarge their jurisdiction and importance by destroying the separation of powers between these two political communities and thereby compressing us into one mass as Thomas Jefferson warned they would try to do:

“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]

“Our government is now taking so steady a course as to show by what road it will pass to destruction; to wit: by consolidation first and then corruption, its necessary consequence. The engine of consolidation will be the Federal judiciary; the two other branches the corrupting and corrupted instruments.”
[Thomas Jefferson to Nathaniel Macon, 1821. ME 15:541]

“The [federal] judiciary branch is the instrument which, working like gravity, without intermission, is to press us at last into one consolidated mass.”
[Thomas Jefferson to Archibald Theat, 1821. ME 15:307]

“There is no danger I apprehend so much as the consolidation of our government by the noiseless and therefore unalarming instrumentality of the Supreme Court.”
[Thomas Jefferson to William Johnson, 1823. ME 15:421]
"I wish... to see maintained that wholesome distribution of powers established by the Constitution for the limitation of both [the State and General governments], and never to see all offices transferred to Washington where, further withdrawn from the eyes of the people, they may more secretly be bought and sold as at market."

[Thomas Jefferson to William Johnson, 1823. ME 15:450]

"What an augmentation of the field for jobbing, speculating, plundering, office-building and office-hunting would be produced by an assumption of all the State powers into the hands of the General Government!"

[Thomas Jefferson to Gideon Granger, 1800. ME 10:168]

"I see... and with the deepest affliction, the rapid strides with which the federal branch of our government is advancing towards the usurpation of all the rights reserved to the States, and the consolidation in itself of all powers, foreign and domestic; and that, too, by constructions which, if legitimate, leave no limits to their power... It is but too evident that the three ruling branches of [the Federal government] are in combination to strip their colleagues, the State authorities, of the powers reserved by them, and to exercise themselves all functions foreign and domestic."

[Thomas Jefferson to William Branch Giles, 1825. ME 16:146 ]

"We already see the [judiciary] power, installed for life, responsible to no authority (for impeachment is not even a scare-crow), advancing with a noiseless and steady pace to the great object of consolidation. The foundations are already deeply laid by their decisions for the annihilation of constitutional State rights and the removal of every check, every counterpoise to the engulfing power of which themselves are to make a sovereign part."

[Thomas Jefferson to William T. Barry, 1822. ME 15:388 ]

If you would like to know more about all the devious word games that this emperor with no clothes and his henchmen in the courts have pulled over the years to destroy the separation of powers that is the main protection of your rights, please read the following fascinating analysis:

Government Conspiracy to Destroy the Separation of Powers. Form #05.023
http://sedm.org/Forms/FormIndex.htm

The Bible warned us that the corruption of man would lead us to destroy this separation of power and that confusion and delusion by the courts and legal profession would be the vehicle when God said:

"Who is wise and understanding among you? Let him show by good conduct that his works are done in the meekness of wisdom. But if you have bitter envy and self-seeking in your hearts, do not boast and lie against the truth. This wisdom does not descend from above, but is earthly, sensual, demonic. For where envy and self-seeking exist, confusion and every evil thing are there. But the wisdom that is from above is first pure, then peaceable, gentle, willing to yield, full of mercy and good fruits, without partiality and without hypocrisy. 18 Now the fruit of righteousness is sown in peace by those who make peace.”

[James 3:13-18, Bible, NKJV]

Some examples of this phenomenon of deliberate confusion of citizenship terms by the judiciary and the government appear in the following statements, which create unnecessary complexity and confusion about citizenship and domicile in order to purposefully complicate and obfuscate challenges to the government’s or the court’s jurisdiction.

"The term 'citizen', as used in the Judiciary Act with reference to the jurisdiction of the federal courts, is substantially synonymous with the term 'domicile'. Delaware, L. & W.R. Co. v. Petrowsky, 2 Cir., 250 F. 554, 557."


‘Citizenship and domicile are substantially synonymous. Residency and inhabitance are too often confused with the terms and have not the same significance. Citizenship implies more than residence. It carries with it the idea of identification with the state and a participation in its functions. As a citizen, one sustains social, political, and moral obligation to the state and possesses social and political rights under the Constitution and laws thereof. Harding v. Standard Oil Co. et al. (C.C.) 182 F. 421; Baldwin v. Franks, 120 U.S. 678, 7 S.Ct. 763, 32 L.Ed. 766; Scott v. Sanford, 19 How. 393, 476, 15 L.Ed. 691.”


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Based on the above:

1. “Domicile”, “residence”, “citizenship”, “inhabitance”, and “residency” are all synonymous in federal courts.
2. “Citizens”, “residents”, and “inhabitants” in the context of federal court have in common a domicile in the “United States” as used in federal statutory law. That “United States”, in turn, includes federal territory and excludes states of the Union or the “United States” mentioned in the constitution in every case we have been able to identify.

This matter is easy to clarify if we start with the definition of the “United States” provided by the U.S. Supreme Court in Hooven and Allison v. Evatt. In that case, the Court admitted that there are at least three definitions of the term “United States”.

"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 5: Meanings assigned to "United States" by the U.S. Supreme Court in Hooven & Allison v. Evatt

<table>
<thead>
<tr>
<th>#</th>
<th>U.S. Supreme Court Definition of “United States” in Hooven</th>
<th>Context in which usually used</th>
<th>Referred to in this article as</th>
<th>Interpretation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>“It may be merely the name of a sovereign occupying the position analogous to that of other sovereigns in the family of nations.”</td>
<td>International law</td>
<td>“United States***”</td>
<td>“These United States,” 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.</td>
</tr>
<tr>
<td>2</td>
<td>“It may designate the territory over which the sovereignty of the United States extends, or”</td>
<td>“National government” Federal law Federal territory ONLY and no part of any state of the Union</td>
<td>“United States***”</td>
<td>“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).</td>
</tr>
<tr>
<td>3</td>
<td>“...as the collective name for the states which are united by and under the Constitution.”</td>
<td>“Federal government” States of the Union and NO PART of federal territory Constitution of the United States</td>
<td>“United States***”</td>
<td>“The several States which is the united States of America.” Referring to the 50 sovereign States, which are united under the Constitution of the United States of America. The federal areas within these states are not included in this definition because the Congress does not have exclusive legislative authority over any of the 50 sovereign States within the Union of States. Rights are retained by the States in the 9th and 10th Amendments, and you are a “Citizen of these United States.” 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.</td>
</tr>
</tbody>
</table>

The U.S. Supreme Court helped to clarify which of the three definitions above is the one used in the U.S. Constitution, when it ruled the following. Note they are implying the THIRD definition above and not the other two:

"The earliest case is that of Hepburn v. Ellzey, 2 Cranch, 445, 2 L.Ed. 332, in which this court held that, under that clause of the Constitution limiting the jurisdiction of the courts of the United States to controversies between..."
citizens of different states, a citizen of the District of Columbia could not maintain an action in the circuit court of the United States. It was argued that the word ‘state,’ in that connection, was used simply to denote a distinct political society. ‘But,’ said the Chief Justice, ‘as the act of Congress obviously used the word ‘state’ in reference to that term as used in the Constitution, it becomes necessary to inquire whether Columbia is a state in the sense of that instrument. The result of that examination is a conviction that the members of the American confederacy only are the states contemplated in the Constitution, . . . and excludes from the term the signification attached to it by writers on the law of nations.’ This case was followed in Barney v. Baltimore, 6 Wall. 280, 18 L.Ed. 525, and quite recently in Howe v. Jamieson, 166 U.S. 395, 41 L.Ed. 1049, 17 Sup.Ct.Rep. 596. The same rule was applied to citizens of territories in New Orleans v. Winter, 1 Wheat. 91, 4 L.Ed. 44, in which an attempt was made to distinguish a territory from the District of Columbia. But it was said that ‘neither of them is a state in the sense in which that term is used in the Constitution.’ In Scott v. Jones, 5 How. 343, 12 L.Ed. 181, and in Miners’ Bank v. Iowa ex rel. District Prosecuting Attorney, 12 How. 1, 13 L.Ed. 867, it was held that under the judiciary act, permitting writs of error to the supreme court of a state in cases where the validity of a state statute is drawn in question, an act of a territorial legislature was not within the contemplation of Congress.”

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

Lower courts have held similarly by agreeing that “United States” in the Constitution means states of the Union.

“... the Supreme Court in the Insular Cases17 provides authoritative guidance on the territorial scope of the term ‘the United States’ in the Fourteenth Amendment. The Insular Cases were a series of Supreme Court decisions that addressed challenges to duties on goods transported from Puerto Rico to the continental United States. Puerto Rico, like the Philippines, had been recently ceded to the United States. The Court considered the territorial scope of the term ‘the United States’ in the Constitution and held that this term as used in the uniformity clause of the Constitution was territorially limited to the states of the Union. U.S. Const. art. I, § 8 (‘[A]ll Duties, Imposts and Excises shall be uniform throughout the United States.’ (emphasis added)); see Downes v. Bidwell, 182 U.S. 244, 251, 21 S.Ct. 770, 773, 45 L.Ed. 1088 (1901) (‘[I]t can nowhere be inferred that the territories were considered a part of the United States. The Constitution was created by the people of the United States, as a union of States, to be governed solely by representatives of the States; ... In short, the Constitution deals with States, their people, and their representatives.’); Rabang, 35 F.3d at 1452. Puerto Rico was merely a territory “appurtenant and belonging to the United States, but not a part of the United States within the revenue clauses of the Constitution.” Downes, 182 U.S. at 287, 21 S.Ct. at 787.

The Court’s conclusion in Downes was derived in part by analyzing the territorial scope of the Thirteenth and Fourteenth Amendments. The Thirteenth Amendment prohibits slavery and involuntary servitude “within the United States, or any place subject to their jurisdiction.” U.S. Const. amend. XIV, § 1 (emphasis added). The Fourteenth Amendment states that 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. amend XIV, § 1 (emphasis added). The disjunctive “or” in the Thirteenth Amendment demonstrates that “there may be places within the jurisdiction of the United States that are not [i]n part of the Union” to which the Thirteenth Amendment would apply. Downes, 182 U.S. at 251, 21 S.Ct. at 773 (emphasis added); see also id. at 263, 21 S.Ct. at 777 (“The dealing with foreign sovereignties, the term ‘United States’ has a broader meaning than when used in the Constitution, and includes all territories subject to the jurisdiction of the Federal government, wherever located.”).18

[Valmonte v. I.N.S., 136 F.3d. 914 (C.A.2, 1998)]

The Supreme Court further clarified that the Constitution implies the third definition above, which is the United States when they ruled the following. Notice that they say “not part of the United States within the meaning of the Constitution” and that the word “the” implies only ONE rather than multiple meanings:

"As the only judicial power vested in Congress is to create courts whose judges shall hold their offices during good behavior, it necessarily follows that, if Congress authorizes the creation of courts and the appointment of judges for limited time, it must act independently of the Constitution upon territory which is not part of the United States within the meaning of the Constitution."

[O’Donoghue v. United States, 289 U.S. 516, 53 S.Ct. 740 (1933)]

The U.S. Supreme Court has also held that territorial citizens, such as those STATUTORY “U.S. citizens” mentioned in 8 U.S.C. §1401 are not CONSTITUTIONAL or Fourteenth Amendment citizens. By the way, STATUTORY “U.S. citizens”


18 Congress, under the Act of February 21, 1871, ch. 62, § 34, 16 Stat. 419, 426, expressly extended the Constitution and federal laws to the District of Columbia. See Downes, 182 U.S. at 261, 21 S.Ct. at 777 (stating that the "mere cession of the District of Columbia" from portions of Virginia and Maryland did not "take [the District of Columbia] out of the United States or from under the aegis of the Constitution.").
under 8 U.S.C. §1401 are the ONLY “citizens” mentioned in the entire internal revenue code, as indicated by 26 C.F.R. §1.1-1(c):

The Court today holds that the Citizenship Clause of the Fourteenth Amendment has no application to Bellei

[on 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)]

Another important distinction needs to be made. Definition 1 above refers to the country “United States”, but this country is not a “nation”, in the sense of international law. This very important point was made clear by the U.S. Supreme Court in 1794 in the case of Chisholm v. Georgia, 2 Dall. (U.S.) 419, 1 L.Ed. 440 (1793), when it said:

This is a case of uncommon magnitude. One of the parties to it is a State; certainly respectable, claiming to be
sovereign. The question to be determined is, whether this State, so respectable, and whose claim soars so high,
is amenable to the jurisdiction of the Supreme Court of the United States? This question, important in itself,
will depend on others, more important still; and, may, perhaps, be ultimately resolved into one, no less radical
than this 'do the people of the United States form a Nation?'

A cause so conspicuous and interesting, should be carefully and accurately viewed from every possible point of
sight. I shall examine it; 1st. By the principles of general jurisprudence. 2nd. By the laws and practice of
particular States and Kingdoms. From the law of nations little or no illustration of this subject can be expected. By that law the several States and Governments spread over our globe, are
considered as forming a society, not a NATION. It has only been by a very few comprehensive minds, such as those of Elizabeth and the Fourth Henry, that this last great idea has been
even contemplated. 3rdly. and chiefly, shall examine the important question before us, by the Constitution of the
United States, and the legitimate result of that valuable instrument.
[Chisholm v. Georgia, 2 Dall. (U.S.) 419, 1 L.Ed. 440 (1793)]

Black’s Law Dictionary further clarifies the distinction between a “nation” and a “society” by clarifying the differences between a national government and a federal government, and keep in mind that the government in this country is called “federal government”:

State Income Taxes
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Form 05.031, Rev. 05-31-2017
EXHIBIT:_______
"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. Knowl, 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 true state or nation, possessing sovereignty both external and internal, while the administration of national affairs is directed, and its effects felt, not by the separate states deliberating as units, but by the people of all, in their collective capacity, as citizens of the nation. The distinction is expressed, by the German writers, by the use of the two words 'Staatenbund' and 'Bundesstaat;' the former denoting a league or confederation of states, and the latter a federal government, or state formed by means of a league or confederation." [Black's Law Dictionary, Revised Fourth Edition, 1968, p. 740]

We would like to clarify that last quote above from Black's Fourth, p. 740. They use the phrase “possessing sovereignty both external and internal.” The phrase “internal”, in reference to a constitutional state of the Union, means that federal jurisdiction is limited to the following subject matters and NO OTHERS:

1. Postal fraud. See Article I, Section 8, Clause 7 of the U.S. Constitution.
2. Counterfeiting under Article I, Section 8, Clause 6 of the U.S. Constitution.
3. Treason under Article I, Section 2, Clause 3 of the U.S. Constitution.
4. Interstate commercial crimes under Article I, Section 8, Clause 3 of the U.S. Constitution.
5. Jurisdiction over naturalization and exportation of Constitutional aliens.

"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)]

So the “United States**” country is a “society” and a “sovereignty” but not a “nation” under the law of nations, by the Supreme Court’s own admission. Because the Supreme Court has ruled on this matter, it is now incumbent upon each of us to always remember it and to apply it in all of our dealings with the Federal Government. If not, we lose our individual Sovereignty by default and the Federal Government assumes jurisdiction over us. So, while a sovereign Citizen will want to be the third type of Citizen, which is a “Citizen of the United States***” and on occasion a “citizen of the United States*”, he would never want to be the second, which is a “citizen of the United States***”. A person who is a “citizen” of the second is called a statutory “U.S. citizen” under 8 U.S.C. §1401, and he is treated in law as occupying a place not protected by the Bill of Rights, which is the first ten amendments of the United States Constitution. Below is how the U.S. Supreme Court, in a dissenting opinion, described this “other” United States, which we call the “federal zone”:

"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, 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
mischiefous 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. 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)]

The second definition of “United States**” above is also a federal corporation. This corporation was formed in 1871. It is

TITLE 28 » PART VI » CHAPTER 176 » SUBCHAPTER A » Sec. 3002.
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.

The above corporation was a creation of Congress in which the District of Columbia was incorporated for the first time. It is
this corporation, in fact, that the Uniform Commercial Code (U.C.C.) recognizes as the “United States” in the context of the
above statute:

CHAP. LXII. – An Act to provide a Government for the District of Columbia

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,
That all that part of the territory of the United States included within the limits of the District of Columbia be,
and the same is hereby, created into a government of the name of the District of Columbia, by which name it
is hereby constituted a body corporate for municipal purposes, and may contract and be contracted with, sue
and be sued, plead and be imploed, have a seal, and exercise all other powers of a municipal corporation not
inconsistent with the Constitution and laws of the United States and the provisions of this act.
[Statutes at Large, 16 Stat. 419 (1871);
SOURCE: http://famguardian.org/Subjects/Taxes/16Amend/SpecialLaw/DCCorpStatuesAtLarge.pdf]

Uniform Commercial Code (U.C.C.)
§ 9-307. LOCATION OF DEBTOR.

(h) Location of United States.

The United States is located in the District of Columbia.


The U.S. Supreme Court, in fact, has admitted that all governments are corporations when it said:

'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 [the Constitution is the corporate charter]. 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, politque 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 diseised,'
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, 36 U.S. 420 (1837)]
If we are acting as a federal “public officer” or contractor, then we are representing the “United States** federal corporation” known also as the “District of Columbia”. That corporation is a statutory but not constitutional “U.S. citizen” under 8 U.S.C. §1401 which is completely subject to all federal law. In fact, it is officers of THIS corporation who are the only real “U.S. citizens” who can have a liability to file a tax return mentioned in 26 C.F.R. §1.6012-1(a). Human beings cannot fit into this category without engaging in involuntary servitude and violating the Thirteenth Amendment.

“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)]

Federal Rule of Civil Procedure 17(b) says that when we are representing that corporation as “officers” or “employees”, we therefore become statutory “U.S. citizens” completely subject to federal territorial law:

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.

[Federal Rule of Civil Procedure 17(b)]

Yet on every government (any level) document we sign (e.g. Social Security, Marriage License, Voter Registration, Drivers License, BATF 4473, etc.) they either require you to be a “citizen of the United States” or they ask “are you a resident of Illinois?”, and they very deliberately don’t tell you which of the three “United States” they mean because:

1. They want to encourage people to presume that all three definitions are equivalent and apply simultaneously and in every case, even though we now know that is NOT the case.
2. They want to see if they can trick you into surrendering your sovereign immunity pursuant to 28 U.S.C. §1603(b)(3). A person who is a statutory and not constitutional citizen cannot be a “foreign sovereign” or an instrumentation of a “foreign state” called a state of the Union.
3. They want to ask you if you will voluntarily accept an uncompensated position as a “public officer” within the federal corporation “United States**”. Everyone within the “United States**” is a statutory creation and “subject” of Congress. Most government forms, and especially “benefit applications”, therefore serve the dual capacity of its original purpose PLUS an application to ILLEGALLY become a “public officer” within the government. The reason this must be so, is that they are not allowed to pay “benefits” to private citizens and can only lawfully pay them to public employees. Any other approach makes the government into a thief. See the article below for details on this scam:

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

4. They want you to describe yourself with words that are undefined so that THEY and not YOU can decide which of the three “citizens of the United States” they mean. We’ll give you a hint, they are always going to pick the second one because people who are domiciled in THAT United States are serfs with no rights:

“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 habeus corpus, as well as other privileges of the bill of rights."

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

Most deliberately vague government forms that ask you whether you are a “U.S. citizen” or “citizen of the United States” therefore are in effect asking you to assume or presume the second definition, the “United States***” (federal zone), but they don’t want to tell you this because then you would realize they are asking you:

2. To commit perjury on a government form under penalty of perjury by identifying yourself as a statutory “citizen of the United States” (8 U.S.C. §1401) even though you can’t be as a person born within and domiciled within a state of the Union.
3. To become a slave of their usually false and self-serving presumptions about you without any compensation or consideration.

Based on the preceding deliberate and self-serving misconceptions by the courts and the legal profession, some people mistakenly believe that:

1. They are not constitutional “citizens of the United States” under the Fourteenth Amendment.
2. The term “United States” as used in the Constitution Fourteenth Amendment has the same meaning as that used in the statutory definitions of “United States” appearing in 8 U.S.C. §1101(a)(38) and 26 U.S.C. §7701(a)(9) and (a)(10) and as used in 8 U.S.C. §1401.
3. That a statutory “citizen of the United States” under the Internal Revenue Code, 26 C.F.R. §1.1-1(c) and under 8 U.S.C. §1401 is the same thing as a “citizen of the United States” under the Fourteenth Amendment.

The Supreme Court settled issue number one above in Boyd v. Nebraska, 143 U.S. 135 (1892), the U.S. Supreme Court, when it held that all persons born in a state of the Union are constitutional citizens, meaning citizens of the THIRD “United States***” above.

"Mr. Justice Story, in his Commentaries on the Constitution, says: ’Every citizen of a state is ipso facto a citizen of the United States.’ Section 1693. And this is the view expressed by Mr. Rawle in his work on the Constitution. Chapter 9, pp. 85, 86. Mr. Justice Curtis, in Dred Scott v. Sandford, 19 How. 393, 576, expressed the opinion that under the constitution of the United States ’every free person, born on the soil of a state, who is a citizen of that state by force of its constitution or laws, is also a citizen of the United States.’ And Mr. Justice Swayne, in The Slaughter-House Cases, 16 Wall. 36, 126, declared that ’a citizen of a state is ipso facto a citizen of the United States.’"

[Boyd v. Nebraska, 143 U.S. 135 (1892)]

See also Minor v. Happersett, 88 U.S. 162 (1875).

As far as misconception #2 above, the term “United States”, in the context of statutory citizenship found in Title 8 of the U.S. Code, includes only federal territory subject to the exclusive or plenary jurisdiction of the general government and excludes land under exclusive jurisdiction of states of the Union. This is confirmed by the definition of “United States”, “State”, and “continental United States”. Below is a definition of “United States” in the context of federal statutory citizenship:

TITLE 8 - ALIENS AND NATIONALITY
CHAPTER 12 - IMMIGRATION AND NATIONALITY
SUBCHAPTER 1 - GENERAL PROVISIONS
Sec. 1101 - Definitions

(a)(38) The term "United States", except as otherwise specifically herein provided, when used in a geographical sense, means the continental United States, Alaska, Hawaii, Puerto Rico, Guam, and the Virgin Islands of the United States.

Below is a definition of the term “continental United States” which reveals the dirty secret about statutory citizenship:

TITLE 8-ALIENS AND NATIONALITY CHAPTER 1--IMMIGRATION AND NATURALIZATION SERVICE, DEPARTMENT OF JUSTICE
PART 215--CONTROLS OF ALIENS DEPARTING FROM THE UNITED STATES
Section 215.3- Definitions
The term “States”, which is suspiciously capitalized and is then also defined elsewhere in Title 8 as follows:

As far as misconception #3 above, the term “United States” appearing in the statutory definition of term “citizen of the United States” found in 8 U.S.C. §1401 includes only the federal zone and excludes states of the Union. On the other hand, the term “United States” as used in the Constitution refers to the collective states of the Union and excludes federal territories and possessions. Therefore, a constitutional “citizen of the United States” as defined in the Fourteenth Amendment is different than a statutory “citizen of the United States” found in 8 U.S.C. §1401. The two are mutually exclusive, in fact. The U.S. Supreme Court agreed when it held:

“A man or woman born within and domiciled within the states of the Union mentioned in the Constitution therefore is:

1. A “citizen of the United States” under the Fourteenth Amendment.
3. A “national of the United States of AMERICA” rather than the “United States”.
4. NOT a statutory “citizen of the United States” under 8 U.S.C. §1401 or under the Internal Revenue Code.
5. NOT born within the federal “States” (territories and possessions pursuant to 4 U.S.C. §110(d)) mentioned in federal statutory law or the Internal Revenue Code.
6. NOT A “U.S. national” or “national of the United States” pursuant to 8 U.S.C. §1101(a)(22)(B) or 8 U.S.C. §1408. These people are born in American Samoa or Swains Island, because the statutory “United States” as used in this phrase is defined to include only federal territory and exclude states of the Union mentioned in the Constitution.

Consequently, you can’t be a citizen of a state of the Union if you don’t want to be a constitutional “citizen of the United States***” under the Fourteenth Amendment, because the two are synonymous. The Supreme Court affirmed this fact when it held the following:

“It is impossible to construe the words ‘subject to the jurisdiction thereof,’ in the opening sentence, as less comprehensive than the words ‘within its jurisdiction,’ in the concluding sentence of the same section, or to hold that persons ‘within the jurisdiction’ of one of the states of the Union are not ‘subject to the jurisdiction of the United States[***].’

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

To help alleviate further misconceptions about citizenship, we have prepared the following tables and diagrams for your edification:
### Table 6: “Citizenship status” vs. “Income tax status”

<table>
<thead>
<tr>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>3.1</td>
<td>“U.S.<em><strong>national” or “state national” or “Constitutional but not statutory U.S.</strong></em> citizen”</td>
<td>Constitutional Union state</td>
<td>State of the Union (ACTA agreement)</td>
<td>NA</td>
<td>8 U.S.C. §1101(a)(21); 14th Amend. Sect.1</td>
<td>No No No Yes</td>
</tr>
<tr>
<td>3.2</td>
<td>“U.S.<em><strong>national” or “state national” or “Constitutional but not statutory U.S.</strong></em> citizen”</td>
<td>Constitutional Union state</td>
<td>Foreign country</td>
<td>Yes</td>
<td>8 U.S.C. §1101(a)(21); 14th Amend. Sect.1</td>
<td>No No Yes No</td>
</tr>
<tr>
<td>3.3</td>
<td>“U.S.<em><strong>national” or “state national” or “Constitutional but not statutory U.S.</strong></em> citizen”</td>
<td>Constitutional Union state</td>
<td>Foreign country</td>
<td>No</td>
<td>8 U.S.C. §1101(a)(21); 14th Amend. Sect.1</td>
<td>No No No Yes</td>
</tr>
<tr>
<td>---</td>
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<td>----------------------------------------------------------------------------</td>
<td>----------------------------------------</td>
</tr>
<tr>
<td>3.4</td>
<td>Statutory “citizen of the United States**” or Statutory “U.S. citizen”</td>
<td>Constitutional Union state</td>
<td>Puerto Rico, Guam, Virgin Islands, Commonwealth of Northern Mariana Islands</td>
<td>NA (ACTA agreement)</td>
<td>8 U.S.C. §1101(a)(21); 14th Amend. Sect.1</td>
<td>No</td>
</tr>
<tr>
<td>4.1</td>
<td>“alien” or “Foreign national”</td>
<td>Foreign country</td>
<td>Puerto Rico, Guam, Virgin Islands, Commonwealth of Northern Mariana Islands</td>
<td>NA</td>
<td>8 U.S.C. §1101(a)(21); 8 U.S.C. §1101(a)(3)</td>
<td>No</td>
</tr>
<tr>
<td>4.2</td>
<td>“alien” or “Foreign national”</td>
<td>Foreign country</td>
<td>State of the Union</td>
<td>Yes</td>
<td>8 U.S.C. §1101(a)(21); 8 U.S.C. §1101(a)(3)</td>
<td>No</td>
</tr>
<tr>
<td>4.3</td>
<td>“alien” or “Foreign national”</td>
<td>Foreign country</td>
<td>State of the Union</td>
<td>No</td>
<td>8 U.S.C. §1101(a)(21); 8 U.S.C. §1101(a)(3)</td>
<td>No</td>
</tr>
<tr>
<td>4.4</td>
<td>“alien” or “Foreign national”</td>
<td>Foreign country</td>
<td>Foreign country</td>
<td>Yes</td>
<td>8 U.S.C. §1101(a)(21)</td>
<td>No</td>
</tr>
<tr>
<td>4.5</td>
<td>“alien” or “Foreign national”</td>
<td>Foreign country</td>
<td>Foreign country</td>
<td>No</td>
<td>8 U.S.C. §1101(a)(21)</td>
<td>No</td>
</tr>
</tbody>
</table>

NOTES:
1. Domicile is a prerequisite to having any civil status per Federal Rule of Civil Procedure 17. One therefore cannot be a statutory "alien" under 8 U.S.C. §1101(a)(3) without a domicile on federal territory. Without such a domicile, you are a transient foreigner and neither an "alien" nor a "nonresident alien".
2. A "nonresident alien individual" who has made an election under 26 U.S.C. §6013(g) and (h) to be treated as a “resident alien” is treated as a “nonresident alien” for the purposes of withholding under I.R.C. Subtitle C but retains their status as a “resident alien” under I.R.C. Subtitle A. See 26 C.F.R. §1.1441-1(c)(3)(ii).
3. A "non-person" is really just a transient foreigner who is not "purposefully availing themselves" of commerce within the legislative jurisdiction of the United States on federal territory under the Foreign Sovereign Immunities Act, 28 U.S.C. Chapter 97. The real transition from a "NON-person" to an "individual" occurs when one:
   3.1. "Purposefully avails himself" of commerce on federal territory and thus waives sovereign immunity. Examples of such purposeful availing are the next three items.
   3.2. Lawfully and consensually occupying a public office in the U.S. government and thereby being an “officer and individual” as identified in 5 U.S.C. §2105(a).
   Otherwise, you are PRIVATE and therefore beyond the civil legislative jurisdiction of the national government.
   3.3. Voluntarily files an IRS Form 1040 as a citizen or resident abroad and takes the foreign tax deduction under 26 U.S.C. §911. This too is essentially an act of "purposeful availing". Nonresidents are not mentioned in section 911. The upper left corner of the form identifies the filer as a “U.S. individual”. You cannot be an “U.S. individual” without ALSO being an “individual”. All the "trade or business" deductions on the form presume the applicant is a public officer, and therefore the "individual" on the form is REALLY a public officer in the government and would be committing FRAUD if he or she was NOT.
   3.4. VOLUNTARILY fills out an IRS Form W-7 ITIN Application (IRS identifies the applicant as an "individual") AND only uses the assigned number in...

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Form 05.031, Rev. 05-31-2017
EXHIBIT:________
connection with their compensation as an elected or appointed public officer. Using it in connection with PRIVATE earnings is FRAUD.

4. What turns a “non-resident NON-person” into a “nonresident alien individual” is meeting one or more of the following two criteria found in 26 C.F.R. §1.1441-1(c)(3)(ii):
   4.1. Residence/domicile in a foreign country under the residence article of an income tax treaty and 26 C.F.R. §301.7701(b)-7(a)(1).
   4.2. Residence/domicile as an alien in Puerto Rico, Guam, the Commonwealth of Northern Mariana Islands, the U.S. Virgin Islands, or American Samoa as determined under 26 C.F.R. §301.7701(b)-1(d).

5. All “taxpayers” are STATUTORY “aliens” or “nonresident aliens”. The definition of “individual” found in 26 C.F.R. §1.1441-1(c) does NOT include “citizens”. The only occasion where a “citizen” can also be an “individual” is when they are abroad under 26 U.S.C. §911 and interface to the I.R.C. under a tax treaty with a foreign country as an alien pursuant to 26 C.F.R. §301.7701(b)-7(a)(1)

And when he had come into the house, Jesus anticipated him, saying, “What do you think, Simon? From whom do the kings [governments] of the earth [lawfully] take customs or taxes from their sons [citizens and subjects] or from strangers [“aliens”, which are synonymous with “residents” in the tax code, and exclude “citizens”]?”

Peter said to Him, "From strangers ["aliens"/"residents"] ONLY. See 26 C.F.R. §1.1-1(a)(2)(ii) and 26 C.F.R. §301.6109-1(d)(3)."

Jesus said to him, “Then the sons ["citizens"] of the Republic, who are all sovereign "nationals" and "nonresident aliens" under federal law are free [sovereign over their own person and labor, e.g. SOVEREIGN IMMUNITY].”  
[Matt. 17:24-27, Bible, NKJV]
### Table 7: Effect of domicile on citizenship status

<table>
<thead>
<tr>
<th>Description</th>
<th>CONDITION</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Location of domicile</strong></td>
<td><strong>Dominate WITHIN the FEDERAL ZONE and located in FEDERAL ZONE</strong></td>
</tr>
<tr>
<td><strong>Physical location</strong></td>
<td>“United States” per 26 U.S.C. §§7701(a)(9) and (a)(10), 7701(a)(39), 7408(d)</td>
</tr>
<tr>
<td><strong>Tax Status</strong></td>
<td>Federal territories, possessions, and the District of Columbia</td>
</tr>
<tr>
<td><strong>Tax form(s) to file</strong></td>
<td>IRS Form 1040</td>
</tr>
</tbody>
</table>

NOTES:
1. “United States” is defined as federal territory within 26 U.S.C. §§7701(a)(9) and (a)(10), 7701(a)(39), and 7408(d), and 4 U.S.C. §110(d). It does not include any portion of a Constitutional state of the Union.
2. The “District of Columbia” is defined as a federal corporation but not a physical place, a “body politic”, or a de jure “government” within the District of Columbia Act of 1871, 16 Stat. 419, 426, Sec. 34. See: Corporatization and Privatization of the Government, Form #05.024; http://sedm.org/Forms/FormIndex.htm.
3. “nationals” of the United States of America who are domiciled outside of federal jurisdiction, either in a state of the Union or a foreign country, are “nationals” but not “citizens” under federal law. They also qualify as “nonresident aliens” under 26 U.S.C. §7701(b)(1)(B). See sections 4.11.2 of the Great IRS Hoax for details.
4. Temporary domicile in the middle column on the right must meet the requirements of the “Presence test” documented in IRS publications.
5. “FEDERAL ZONE”=District of Columbia and territories of the United States in the above table.
6. The term “individual” as used on the IRS Form 1040 means an “alien” engaged in a “trade or business”. All “taxpayers” are “aliens” engaged in a “trade or business”. This is confirmed by 26 C.F.R. §1.1441-1(c)(3), 26 C.F.R. §1.1-1(a)(2)(ii), and 5 U.S.C. §552a(a)(2). Statutory “U.S. citizens” as defined in 8 U.S.C. §1401 are not “individuals” unless temporarily abroad pursuant to 26 U.S.C. §911 and subject to an income tax treaty with a foreign country. In that capacity, statutory “U.S. citizens” interface to the I.R.C. as “aliens” rather than “U.S. citizens” through the tax treaty.
Figure 2: Citizenship and domicile options and relationships

NONRESIDENTS
Domiciled within States of the Union or Foreign Countries WITHOUT the "United States**"

- "Nonresident alien" 26 U.S.C. §7701(b)(1)(B) if PUBLIC
- "non-resident non-person" if PRIVATE

Foreign Nationals
Constitutional and Statutory "aliens" born in Foreign Countries

DOMESTIC "nationals of the United States**"

- 8 U.S.C. §1408
- 8 U.S.C. §1452 (born in U.S.** possessions)

- Fourteenth Amendment (born in States of the Union)

INHABITANTS
Domiciled within Federal Territory within the "United States**" (e.g. District of Columbia)


Statutory "Residents" (aliens)
26 U.S.C. §7701(b)(1)(A)
- (born in Foreign Countries)

- Naturalization 8 U.S.C. §1421
- Expatriation 8 U.S.C. §1481

- Change Domicile to within the "United States***"
  IRS Form 1040 and W-4

Statutory "national and citizen of the United States** at birth"
8 U.S.C. §1401
26 C.F.R. §1.1141-1(c)(3)
(born in unincorporated U.S.** Territories or abroad)

Statutory "citizen of the United States**"


NOTES:
1. Changing domicile from "foreign" on the left to "domestic" on the right can occur EITHER by:
   - 1.1. Physically moving to the federal zone.
1.2. Being lawfully elected or appointed to political office, in which case the OFFICE/STATUS has a domicile on federal territory but the OFFICER does not.

2. Statutes on the right are civil franchises granted by Congress. As such, they are public offices within the national government. Those not seeking office should not claim any of these statutes.

On the subject of citizenship, the Department of Justice Criminal Tax Manual, Section 40.05[7] says the following:

40.05[7] Defendant Not A "Person" or "Citizen"; District Court Lacks Jurisdiction Over Non-Persons and State Citizens

40.05[7][a] Generally

Another popular protester argument is the contention that the protester is not subject to federal law because he or she is not a citizen of the United States, but a citizen of a particular "sovereign" state. This argument seems to be based on an erroneous interpretation of 26 U.S.C. §3121(e)(2), which states in part: "The term 'United States' when used in a geographical sense includes the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa." The "not a citizen" assertion directly contradicts the Fourteenth Amendment, which states "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." The argument has been rejected time and again by the courts.

See United States v. Cooper, 170 F.3d 691, 691(7th Cir. 1999) (imposed sanctions on tax protester defendant making "frivolous squared" argument that only residents of Washington, D.C. and other federal enclaves are citizens of United States and subject to federal tax laws); United States v. Mundh, 29 F.3d 233, 237 (6th Cir. 1994) (rejected "patently frivolous" argument that defendant was not a resident of any "federal zone" and therefore not subject to federal income tax laws); United States v. Higeford, 7 F.3d 1340, 1342 (7th Cir. 1993) (rejected "shop worn" argument that defendant is a citizen of the "Indian State Republic" and therefore an alien beyond the jurisdictional reach of the federal courts); United States v. Gerads, 999 F.2d, 1255, 1256-57 (8th Cir. 1993) (imposed $1500 sanction for frivolous appeal based on argument that defendants were not citizens of the United States but instead "Free Citizens of the Republic of Minnesota" not subject to taxation); United States v. Silevan, 985 F.2d, 962, 970 (8th Cir. 1993) (rejected as "plainly frivolous" defendant's argument that he is not a "federal citizen"); United States v. Jagim, 978 F.2d, 1032, 1036 (9th Cir. 1992) (rejected "imaginative" argument that defendant cannot be punished under the tax laws of the United States because he is a citizen of the "Republic" of Idaho currently claiming "asylum" in the "Republic" of Colorado) United States v. Masat, 948 F.2d. 923, 934 (5th Cir. 1991); United States v. Sloan, 939 F.2d. 499, 500-01 (7th Cir. 1991) ("strange argument" that defendant is not subject to jurisdiction of the laws of the United States because he is a "freeborn natural individual" citizen of the State of Indiana rejected); United States v. Price, 798 F.2d, 111, 113 (5th Cir. 1986) (citizens of the State of Texas are subject to the provisions of the Internal Revenue Code).

Notice the self-serving and devious "word or art" games and "word tricks" played by the Dept. of Injustice in the above:

1. They deliberately don't show you the WHOLE definition in 26 U.S.C. §3121(e), which would open up a HUGE can of worms that they could never explain in a way that is consistent with everything that people know other than the way it is explained here.

2. They FALSELY and PREJUDICALLY "presume" that there is no separation of powers between federal territory and states of the Union, which is a violation of your rights and Treason punishable by death. The separation of powers is the very foundation of the Constitution, in fact. See:

Government Conspiracy to Destroy the Separation of Powers, Form #05.023
http://sedm.org/Forms/FormIndex.htm

3. They deliberately refuse to recognize that the context in which the term "United States" is used determines its meaning.

4. They deliberately refuse to recognize that there are THREE definitions of the term "United States" according to the U.S. Supreme Court.

5. They deliberately refuse to reconcile which of the three mutually exclusive and distinct definitions of "United States" applies in each separate context and WHY they apply based on the statutes they seek to enforce.

6. They deliberately refuse to recognize or admit that the term "United States" as used in the Constitution includes states of the Union and excludes federal territory.

7. They deliberately refuse to apply the rules of statutory construction to determine what is "included" within the definition of "United States" found in 26 U.S.C. §3121(e)(2). They don’t want to admit that the definition is ALL inclusive and limiting, because then they couldn’t collect any tax, even though it is.

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. [WHERE are the states of the Union?]

(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. [WHERE are the states of the Union?]

“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.” [Steinberg v. Carhart, 350 U.S. 914 (2000)]

“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. As judges, it is our duty [431 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)]

“As a rule, ‘a definition which declares what a term “means” . . . excludes any meaning that is not stated”’ [Colautti v. Franklin, 439 U.S. 379 (1979), n. 10]

Therefore, if you are going to argue citizenship in federal court, we STRONGLY suggest the following lessons learned by reading the Department of Justice Criminal Tax Manual article above:

1. Include all the language contained in Flawed Tax Arguments to Avoid, Form #08.004, Sections 11.1 through 11.3 in your pleadings. That language is also incorporated in the following pre-made form that you can attach to your pleadings:

Rules of Presumption and Statutory Interpretation, Litigation Tool #01.006

http://sedm.org/Litigation/Lit1Index.htm

2. If someone from the government asks you whether you are a “citizen of the United States” or a “U.S. citizen”:

2.1. Cite the three definitions of the “United States” explained by the Supreme Court and then ask them to identify which of the three definitions of “U.S.” they mean in the Table 5 earlier. Tell them they can choose ONLY one of the definitions.

2.1.1. The COUNTRY “United States***”.

2.1.2. Federal territory and no part of any state of the Union “United States***”

2.1.3. States of the Union and no part of federal territory “United States***”

2.2. Ask them WHICH of the three types of statutory citizenship do they mean in Title 8 of the U.S. Code and tell them they can only choose ONE:

2.2.1. 8 U.S.C. §1401 statutory “citizen of the United States***”. Born in and domiciled on a federal territory and possession NOT a state of the Union.


2.2.3. 8 U.S.C. §1101(a)(21) “national” of the “United States***”. Born in and domiciled in a state of the Union and no subject to federal legislative jurisdiction but only subject to political jurisdiction.

2.3. Hand them the following short form printed on double-sided paper and signed by you. Go to section 7 and point to the “national” status in diagram. Tell them you want this in the court record or administrative record and that they agree with it if they can’t prove it wrong with evidence.

Citizenship, Domicile, and Tax Status Options, Form #10.003

http://sedm.org/Forms/FormIndex.htm
If you want more details on how to field questions about your citizenship, fill out government forms describing your citizenship, or rebut arguments that you are wrong about your citizenship, we recommend sections 11 through 13 of the:

**Why You are a “national”, “state national”, and Constitutional but not Statutory Citizen, Form #05.006**

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

3. If your opponent won’t answer the above questions, then forcefully accuse him of engaging in TREASON by trying to destroy the separation of powers that is the foundation of the United States Constitution. Tell them you won’t help them engage in treason or undermine the main protection for your constitutional rights, which the Supreme Court said comes from the separation of powers. Then direct them at the following document that proves the existence of such TREASON.

**Government Conspiracy to Destroy the Separation of Powers, Form #05.023**

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

4. Every time you discuss citizenship with a government representative, emphasize the three definitions of the “United States” explained by the Supreme Court and that respecting and properly applying these definitions consistently is how we respect and preserve the separation of powers.

5. Admit to being a constitutional “citizen of the United States***” but not a statutory “citizen of the United States***”. This will invalidate almost all the case law they cite and force them to expose their presumptions about WHICH “United States” they are trying to corn-hole you into.

6. Emphasize that the context in which the term “United States” is used determines WHICH of the three definitions applies and that there are two main contexts.

“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, 5 Wheat. 265: 5 L.Ed. 257 (1821)]

6.1. The Constitution: states of the Union and no part of federal territory. This is the “Federal government”

6.2. Federal statutory law: Community property of the states that includes federal territory and possession that is no party of any state of the Union. This is the “National government”.

7. Emphasize that you can only be a “citizen” in ONE of the TWO unique jurisdictions above at a time because you can only have a domicile in ONE of the two places at a time. Another way of saying this is that you can only have allegiance to ONE MASTER at a time and won’t serve two masters, and domicile is based on allegiance.

“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.”


“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 status 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) ]

8. Emphasize that it is a violation of due process of law and an injury to your rights for anyone to PRESUME anything about which definition of “United States” applies in a given context or which type of “citizen” you are. EVERYTHING must be supported with evidence as we have done here.

(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.


[Federal Civil Trials and Evidence, Rutter Group, paragraph 8:4993, p. 8K-341]
9. Emphasize that applying the CORRECT definition is THE MOST IMPORTANT JOB of the court, as admitted by the U.S. Supreme Court, in order to maintain the separation of powers between the federal zone and the states of the Union, and thereby protect your rights:

“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. 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. 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)]

10. Emphasize that anything your opponent does not rebut with evidence under penalty of perjury is admitted pursuant to Federal Rule of Civil Procedure 8(b)(6) and then serve them with a Notice of Default on the court record of what they have admitted to by their omission in denying.

11. Focus on WHICH “United States” is implied in the definitions within the statute being enforced.

12. Avoid words that are not used in statutes, such as “state citizen” or “sovereign citizen” or “natural born citizen”, etc. because they aren’t defined and divert attention away from the core definitions themselves.

13. Rationally apply the rules of statutory construction so that your opponent can’t use verbicide or word tricks to wiggle out of the statutory definitions with the word “includes”. See:

   Legal Deception, Propaganda, and Fraud, Form #05.014
   http://sedm.org/Forms/FormIndex.htm

14. State that all the cases cited in the Criminal Tax Manual are inapposite, because:

   14.1. You aren’t arguing whether you are a “citizen of the United States”, but whether you are a STATUTORY “citizen of the United States”.

   14.2. They don’t address the distinctions between the statutory and constitutional definitions nor do they consistently apply the rules of statutory construction.

15. Emphasize that a refusal to stick with the legal definitions and include only what is expressly stated and not “presume” or read anything into it that isn’t there is an attempt to destroy the separation of powers and engage in a conspiracy against your Constitutionally protected rights.

    “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.]

The subject of citizenship is covered in much more detail in the following sources, which agree with this section:

1. Why You are a “national”, “state national”, and Constitutional but not Statutory Citizen, Form #05.006:
   http://sedm.org/Forms/FormIndex.htm
2. Great IRS Hoax, Form #11.302, Sections 4.12 through 4.12.19.
3. Tax Deposition Questions, Form #03.016, Section 14:
   http://sedm.org/Forms/FormIndex.htm
14.2 States of the Union are NOT Legislatively “foreign” or “alien” in relation to the “national” government

False Argument: States of the Union are NOT legislatively “foreign” and alien in relation to the “national” government. Instead, they are domestic.

Corrected Alternative Argument: States of the Union are legislatively “foreign” and “alien” in relation to the national government because of the Separation of Powers Doctrine, U.S. Supreme Court that is the foundation of the United States Constitution. That separation of powers was put there exclusively for the protection of your sacred constitutional rights. Anyone who claims otherwise is a tyrant, a communist, and intends to commit a criminal conspiracy against your private rights.

Further information:
1. Government Conspiracy to Destroy the Separation of Powers, Form #05.023
   http://sedm.org/Forms/FormIndex.htm
2. Federal Jurisdiction, Form #05.018
   http://sedm.org/Forms/FormIndex.htm

A favorite tactic abused by covetous judges and prosecutors is to claim that the states of the Union are not legislatively “foreign” or “alien” in relation to the national government. The motivation for this FRAUD is to unlawfully and unconstitutionally expand the jurisdiction and importance of judges and bureaucrats. It is most frequently used in courts across the land and Thomas Jefferson predicted it would be attempted, when he said:

“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 [federal] judiciary branch is the instrument which, working like gravity, without intermission, is to press us at last into one consolidated mass.”
[Thomas Jefferson to Archibald Thweat, 1821. ME 15:307]

“There is no danger I apprehend so much as the consolidation of our government by the noiseless and therefore unalarming instrumentality of the Supreme Court.”
[Thomas Jefferson to William Johnson, 1823. ME 15:421]

“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]

This FRAUDULENT argument also takes the following additional forms:

1. There is no civil legislative separation between the states of the Union and the national government.
2. A “citizen” or “resident” under federal law has the same meaning as that under state of the Union law.
3. Statutory words have the same meaning under federal law as they have under state law.
4. The context in which geographical or political “words of art” are used is unimportant. For instance, there is no difference in meaning between the STATUTORY and the CONSTITUTIONAL meaning of words.

Like every other type of deception perpetrated on a legally ignorant American public, this fraudulent claim relies on a deliberate confusion about the CONTEXT in which specific geographical and political “words of art” are used. What they are doing is confusing the STATUTORY and the CONSTITUTIONAL contexts, and trying to deceive the hearer into believing the false presumption that they are equivalent.

The following subsections dissect this argument and expose it as a MASSIVE fraud upon the American public.

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19 Adapted from: Flawed Tax Arguments to Avoid, Form #08.004, Section 8.3; http://sedm.org/Forms/FormIndex.htm.
14.2.1 The two contexts: Constitutional v. Statutory

The terms “foreign” and “domestic” are opposites. There are two contexts in which these terms may be used:

1. **Constitutional:** The U.S. Constitution is a political document, and therefore this context is also sometimes called “political jurisdiction”.
2. **Statutory:** Congress writes statutes or “acts of Congress” to manage property dedicated to their care. This context is also called “legislative jurisdiction” or “civil jurisdiction”.

Any discussion of the terms “foreign” and “domestic” therefore must start by identifying ONE of the two above contexts. Any attempt to avoid discussing which context is intended should be perceived as an attempt to confuse, deceive, and enslave you by corrupt politicians and lawyers:

“For where envy and self-seeking exist, confusion and every evil thing are there.”

[James 3:16, Bible, NKJV]

The separation of powers makes states of the Union STATUTORILY/LEGISLATIVELY FOREIGN and sovereign in relation to the national government but CONSTITUTIONALLY/POLITICALLY DOMESTIC for nearly all subject matters of legislation. Every occasion by any court or legal authority to say that the states and the federal government are not foreign relates to the CONSTITUTIONAL and not STATUTORY context. Below is an example of this phenomenon, where “sovereignty” refers to the CONSTITUTIONAL/POLITICAL context rather than the STATUTORY/LEGISLATIVE context:

“The United States is not a foreign sovereignty as regards the several states, but is a concurrent, and, within its jurisdiction, paramount sovereignty.”

[Clay v. Houseman, 93 U.S. 130, 136 (1876)]

14.2.2 Evidence in support

Thomas Jefferson, our most revered founding father, had the following to say about the relationship between the states of the Union and the national government:

The extent of our country was so great, and its former division into distinct States so established, that we thought it better to confederate [U.S. government] as to foreign affairs only. Every State retained its self-government in domestic matters, as better qualified to direct them to the good and satisfaction of their citizens, than a general government so distant from its remote citizens and so little familiar with the local peculiarities of the different parts.”

[Thomas Jefferson to A. Coray, 1823. ME 15:483 ]

“I believe the States can best govern our home concerns, and the General Government our foreign ones.”

[Thomas Jefferson to William Johnson, 1823. ME 15:450 ]

“My general plan [for the federal government] would be, to make the States one as to everything connected with foreign nations, and several as to everything purely domestic.”

[Thomas Jefferson to Edward Carrington, 1787. ME 6:227 ]

“Distinct States, amalgamated into one as to their foreign concerns, but single and independent as to their internal administration, regularly organized with a legislature and governor resting on the choice of the people and enlightened by a free press, can never be so fascinated by the arts of one man as to submit voluntarily to his usurpation. Nor can they be constrained to it by any force he can possess. While that may paralyze the single State in which it happens to be encamped, [the] others, spread over a country of two thousand miles diameter, rise up on every side, ready organized for deliberation by a constitutional legislature and for action by their governor, constitutionally the commander of the militia of the State, that is to say, of every man in it able to bear arms.”

[Thomas Jefferson to A. L. C. Destutt de Tracy, 1811. ME 13:19 ]

“With respect to our State and federal governments, I do not think their relations are correctly understood by foreigners. They generally suppose the former subordinate to the latter. But this is not the case. They are co-ordinate departments of one simple and integral whole. To the State governments are reserved all legislative and administration, in affairs which concern their own citizens only, and to the federal government is given whatever concerns foreigners, or the citizens of the other States; these functions alone being made federal. The one is domestic, the other the foreign branch of the same government; neither having control over the other, but within its own department.”
The several states of the Union of states, collectively referred to as the United States of America or the “freely associated compact states”, are considered to be STATUTORILY/LEGISLATIVELY “foreign countries” and “foreign states” with respect to the federal government. An example of this is found in the Corpus Juris Secundum legal encyclopedia, in which federal territory is described as being a “foreign state” in relation to states of the Union:

"§1. Definitions, Nature, and Distinctions

"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 Union 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 governmental functions under acts of congress. The term 'territories' has been defined to be political subdivisions of the outerlying 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 'territories' 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)]

Here is the definition of the term “foreign country” right from the Treasury Regulations:

26 C.F.R. §1.911-2(b): The term “foreign country” when used in a geographical sense includes any territory under the sovereignty of a government other than that of the United States**. It includes the territorial waters of the foreign country (determined in accordance with the laws of the United States**), the air space over the foreign country, and the seabed and subsoil of those submarine areas which are adjacent to the territorial waters of the foreign country and over which the foreign country has exclusive rights, in accordance with international law, with respect to the exploration and exploitation of natural resources.

Black’s Law Dictionary, Sixth Edition, p. 498 helps make the distinction clear that the 50 Union states are foreign countries:

** Dual citizenship. Citizenship in two different countries. Status of citizens of United States who reside within a state; i.e., person who are born or naturalized in the U.S. are citizens of the U.S. and the state wherein they reside.


Positive law from Title 28 of the U.S. Code agrees that states of the Union are foreign with respect to federal jurisdiction:

TITLE 28 > PART I > CHAPTER 13 > Sec. 297.
Sec. 297.- Assignment of judges to courts of the freely associated compact states

(a) The Chief Justice or the chief judge of the United States Court of Appeals for the Ninth Circuit may assign any circuit or district judge of the Ninth Circuit, with the consent of the judge so assigned, to serve temporarily as a judge of any duly constituted court of the freely associated compact states whenever an official duly authorized by the laws of the respective compact state requests such assignment and such assignment is necessary for the proper dispatch of the business of the respective court.

(b) The Congress consents to the acceptance and retention by any judge so authorized of reimbursement from the countries referred to in subsection (a) of all necessary travel expenses, including transportation, and of subsistence, or of a reasonable per diem allowance in lieu of subsistence. The judge shall report to the Administrative Office of the United States Courts any amount received pursuant to this subsection.
Definitions from Black’s Law Dictionary:

**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.”


**Foreign Laws**. “The laws of a foreign country or sister state.”


**Dual citizenship**. Citizenship in two different **countries**. Status of citizens of United States who reside within a state; i.e., person who are born or naturalized in the U.S. are citizens of the U.S. and the state wherein they reside.


The legal encyclopedia Corpus Juris Secundum says on this subject:

"Generally, the states of the Union sustain toward each other the relationship of independent sovereigns or independent foreign states, except in so far as the United States is paramount as the dominating government, and in so far as the states are bound to recognize the fraternity among sovereignties established by the federal Constitution, as by the provision requiring each state to give full faith and credit to the public acts, records, and judicial proceedings of the other states..."

[81A Corpus Juris Secundum (C.J.S.), United States, §29 (2003), legal encyclopedia]

The phrase “except in so far as the United States is paramount” refers to subject matters delegated to the national government under the United States Constitution. For all such subject matters ONLY, “acts of Congress” are NOT foreign and therefore are regarded as “domestic”. All such subject matters are summarized below. Every other subject matter is legislatively “foreign” and therefore “alien”:

1. Excise taxes upon imports from foreign countries. See Article 1, Section 8, Clause 1 of the U.S. Constitution. Congress may NOT, however, tax any article exported from a state pursuant to Article 1, Section 9, Clause 5 of the Constitution. Other than these subject matters, NO national taxes are authorized:

   "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. 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 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)]

   "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.”

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State Income Taxes

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EXHIBIT:_________
2. Postal fraud. See Article 1, Section 8, Clause 7 of the U.S. Constitution.
3. Counterfeiting under Article 1, Section 8, Clause 6 of the U.S. Constitution.
4. Treason under Article 4, Section 2, Clause 3 of the U.S. Constitution.
5. Interstate commercial crimes under Article 1, Section 8, Clause 3 of the U.S. Constitution.
6. Jurisdiction over naturalization and exportation of Constitutional aliens.

“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 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.”

[Carland v. U.S., 197 U.S. 207 (1905)]

The Courts also agrees with this interpretation:

“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, 6 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.
[Carland v. Carter Coal Co., 298 U.S. 207, 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)]

“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)]

“In determining the boundaries of apparently conflicting powers between states and the general government, the proper question is, not so much what has been, in terms, reserved to the states, as what has been, expressly or by necessary implication, granted to the people by the national government; for each state possess all the powers of an independent and sovereign nation, except so far as they have been ceded away by the Constitution. The federal government is but a creature of the people of the states, and, like an agent appointed for definite and specific purposes, must show an express or necessarily implied authority in the charter of its appointment, to give validity to its acts.”

[People ex re. Atty. Gen. v. Naglee, 1 Cal. 234 (1850)]

The motivation behind this distinct separation of powers between the state and federal government was described by the Supreme Court. Its ONLY purpose for existence is to protect our precious liberties and freedoms. Hence, anyone who tries to confuse the CONSTITUTIONAL and STATUTORY contexts for legal terms is trying to STEAL your rights.

“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.

We therefore have no choice to conclude, based on the definitions above that the sovereign 50 Union states of the United States of America are considered "foreign states", which means they are outside the legislative jurisdiction of the federal courts in most cases. This conclusion is the inescapable result of the fact that the Tenth Amendment to the U.S. Constitution reserves what is called "police powers" to the states and these police powers include most criminal laws and every aspect of public health, morals, and welfare. See section 4.9 for further details. There are exceptions to this general rule, but most of these exceptions occur when the parties involved reside in two different "foreign states" or in a territory (referred to as a "State") of the federal United States and wish to voluntarily grant the federal courts jurisdiction over their issues to simplify the litigation. The other interesting outcome of the above analysis is that We the People are "instrumentalities" of those foreign states, because we fit the description above as:

1. A separate legal person.
2. An organ of the foreign state, because we:
   2.1. Fund and sustain its operations with our taxes.
   2.2. Select and oversee its officers with our votes.
   2.3. Change its laws through the political process, including petitions and referendums.
   2.4. Control and limit its power with our jury and grand jury service.
   2.5. Protect its operation with our military service.

The people govern themselves through their elected agents, who are called public servants. Without the involvement of every citizen of every "foreign state" in the above process of self-government, the state governments would disintegrate and cease to exist, based on the way our system is structured now. The people, are the sovereigns, according to the Supreme Court: Juilliard v. Greenman, 110 U.S. 421 (1884); Perry v. U.S., 294 U.S. 330 (1935); Yick Wo v. Hopkins, 118 U.S. 356 (1886). Because the people are the sovereigns, then the government is there to serve them and without people to serve, then we wouldn't need a government! How much more of an "instrumentality" can you be as a natural person of the body politic of your state? By the way, here is the definition of "instrumentality" right from Black's Law Dictionary, Sixth Edition, page 801:

Instrumentality: Something by which an end is achieved; a means, medium, agency. Perkins v. State, 61 Wis.2d. 341, 212 N.W.2d. 141, 146.

Another section in that same Chapter 97 above says these foreign states have judicial immunity:

TITLE 28 > PART IV > CHAPTER 97 > Sec. 1602.
Sec. 1602. - Findings and declaration of purpose

The Congress finds that the determination by United States courts of the claims of foreign states to immunity from the jurisdiction of such courts would serve the interests of justice and would protect the rights of both foreign states and litigants in United States courts. Under international law, states are not immune from the jurisdiction of foreign courts insofar as their commercial activities are concerned, and their commercial property may be levied upon for the satisfaction of judgments rendered against them in connection with their commercial activities. Claims of foreign states to immunity should henceforth be decided by courts of the United States and of the States in conformity with the principles set forth in this chapter

14.2.3 Rebutted arguments against our position

A favorite tactic of members of the legal profession in arguing against the conclusions of this section is to cite the following U.S. Supreme Court cites and then to say that the federal and state government enjoy concurrent jurisdiction within states of the Union.

"The laws of the United States are laws in the several States, and just as much binding on the citizens and courts thereof as the State laws are. The United States is not a foreign sovereignty as regards the several States, but is a concurrent, and, within its jurisdiction, paramount sovereignty. Every citizen of a State is a subject of two distinct sovereignties, having concurrent jurisdiction in the State,-concurrent as to place and persons, though distinct as to subject-matter."

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The earliest case is that of Hepburn v. Ellzey, 2 Cranch, 445, 2 L.Ed. 332, in which this court held that, under that clause of the Constitution limiting the jurisdiction of the courts of the United States to controversies between citizens of different states, a citizen of the District of Columbia could not maintain an action in the circuit court of the United States. It was argued that the word 'state,' in that connection, was used simply to denote a distinct political society. 'But,' said the Chief Justice, 'as the act of Congress obviously used the word 'state' in reference to that term as used in the Constitution, it becomes necessary to inquire whether Columbia is a state in the sense of that instrument. The result of that examination is a conviction that the members of the American confederacy only are the states contemplated in the Constitution, . . . , and excludes from the term the signification attached to it by writers on the law of nations.' This case was followed in Barney v. Baltimore, 6 Wall. 280, 18 L.Ed. 525, and quite recently in Hoos v. Jamieson, 166 U.S. 395, 41 L.Ed. 1049, 17 Sup.Ct. Rep. 596. The same rule was applied to citizens of territories in New Orleans v. Winter, 1 Wheat. 91, 4 L.Ed. 44, in which an attempt was made to distinguish a territory from the District of Columbia. But it was said that 'neither of them is a state in the sense in which that term is used in the Constitution.' In Scott v. Jones, 5 How. 343, 12 L.Ed. 181, and in Miners' Bank v. Iowa ex rel. District Prosecuting Attorney, 72 How. 1, 13 L.Ed. 867, it was held that under the judiciary act, permitting writs of error to the supreme court of a state in cases where the validity of a state statute is drawn in question, an act of a territorial legislature was not within the contemplation of Congress.”

The definition of “State” for the purposes of federal income taxes confirms that states of the Union are NOT included within the definitions used in the Internal Revenue Code, and that only federal territories are. This is no accident, but proof that there really is a separation of powers and of legislative jurisdiction between states of the Union and the Federal government:

**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.

**TITLE 26 > Subtitle F > CHAPTER 79 > § 7701**

§ 7701. Definitions

(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.
We like to think of the word “sovereignty” in the context of government as the combination of “exclusive authority” with “exclusive responsibility”. The U.S. Constitution in effect very clearly divides authority and responsibility for specific matters between the states and federal government based on the specific subject matter, and ensures that the functions of each will never overlap or conflict. It delegates certain powers to each of the two sovereigns and keeps the two sovereigns from competing with each other so that public peace, tranquility, security, and political harmony have the most ideal environment in which to flourish.

If we therefore examine the Constitution and the Supreme court cases interpreting it, we find that the complex division of authority that it makes between the states and the federal government accomplishes the following objectives:

1. Delegates primarily internal matters to the states. These matters involve mainly public health, morals, and welfare and require exclusive legislative authority within the state.

   “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. 258, 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, Hasler v. Dagenhart, 289 U.S. 225, 275, 53 S. Ct. 529, 7 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 internal 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 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.”

2. Delegates primarily external matters to the federal government, including diplomatic and military and postal and commerce matters. These include such things as:

   2.1. Article 1, Section 8, Clause 3 of the constitution authorizes the fed to tax and regulate foreign commerce and interstate commerce, but not intrastate commerce.

   2.2. Article 1, Section 8, Clauses 11-16 authorize the establishment of a military and the authority to make war.

   2.3. Article 1, Section 8, Clause 4 allows the fed to determine uniform rules for naturalization and immigration from outside the country. However, it does not take away the authority of states to naturalize as well.

   2.4. Article 1, Section 8, Clause 17: Exclusive authority over community property of the states called federal “territory”. Ensures that the same criminal offense is never prosecuted or punished twice or simultaneously under two sets of laws.

   “Consequently no State court will undertake to enforce the criminal law of the Union, except as regards the arrest of persons charged under such law. It is therefore clear, that the same power cannot be exercised by a State court as is exercised by the courts of the United States, in giving effect to their criminal laws…”

   “There is no principle better established by the common law, none more fully recognized in the federal and State constitutions, than that an individual shall not be put in jeopardy twice for the same offense. This, it is
true, applies to the respective governments; but its spirit applies with equal force against a double punishment, for the same act, by a State and the federal government.

Nothing can be more repugnant or contradictory than two punishments for the same act. It would be a mockery of justice and a reproach to civilization. It would bring our system of government into merited contempt.”

[Fox v. The State of Ohio, 46 U.S. 410, 5 Howard 410, 12 L.Ed. 213 (1847)]

4. Ensures that the two sovereigns never tax the same objects or activities, because then they would be competing for revenues.

"Two governments acting independently of each other cannot exercise the same power for the same object.”

[Fox v. The State of Ohio, 46 U.S. 410, 5 Howard 410, 12 L.Ed. 213 (1847)]

As far as the last item above goes, which is that of taxation, however, the U.S. Supreme Court has stated:

"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. 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, 296 U.S. 466 (1939)]

"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)]

"The grant of the power to lay and collect taxes, is, like the power to regulate commerce, made in general terms, and has never been understood to interfere with the exercise of the same power by the State; and hence has been drawn an argument which has been applied to the question under consideration. But the two grants are not, it is conceived, similar in their terms or their nature. Although many of the powers formerly [22 U.S. 1, 199] exercised by the States, are transferred to the government of the Union, yet the State governments remain, and constitute a most important part of our system. The power of taxation is indispensable to their existence, and is a power which, in its own nature, is capable of residing in, and being exercised by, different authorities at the same time. We are accustomed to see it placed, for different purposes, in different hands. Taxation is the simple operation of taking small portions from a perpetually accumulating mass, susceptible of almost infinite division; and a power in one to take what is necessary for certain purposes, is not, in its nature, incompatible with a power in another to take what is necessary for other purposes. Congress is authorized to lay and collect taxes, and to pay the debts, and provide for the common defence and general welfare of the United States. This does not interfere with the power of the States to tax [interally] for the support of their own governments; nor is the exercise of that power by the States [to tax INTERNALLY], an exercise of any portion of the power that is granted to the United States [to tax EXTERNALLY]. In imposing taxes for State purposes, they are not doing what Congress is empowered to do. Congress is not empowered to tax for those purposes which are within the exclusive province of the States. When, then, each government exercises the power of taxation, neither is exercising the power of the other. But, when a State proceeds to regulate commerce with foreign nations, or among the several States, it is exercising the very power that is granted to Congress, [22 U.S. 1, 200] and is doing the very thing which Congress is authorized to do. There is no analogy, then, between the power of taxation and the power of regulating commerce.

" [Gibbons v. Ogden, 22 U.S. 21 (1824)]

"In Slaughter-house Cases, 16 Wall. 62, it was said that the police power is, from its nature, incapable of any exact definition or limitation; and in Stone v. Mississippi, 101 U.S. 818, that it is 'easier to determine whether particular cases come within the general scope of the power than to give an abstract definition of the power itself, which will be in all respects accurate.' That there is a power, sometimes called the police power, which has never been surrendered by the states, in virtue of which they may, within certain limits, control everything within their respective territories, and upon the proper exercise of which, under some circumstances, may depend the public health, the public morals, or the public safety, is conceded in all the cases. Gibbons v. Ogden, 9 Wheat. 203. In its broadest sense, as sometimes defined, it includes all legislation and almost every function of civil government. Barbier v. Connolly, 113 U.S. 31; S. C. 5 Sup.Ct.Rep. 357. [. . .] Definitions of the police power must, however, be taken subject to the condition that the state cannot, in its
exercise, for any purpose whatever, encroach upon the powers of the general [federal] government, or rights granted or secured by the supreme law of the land.

“Illustrations of interference with the rightful authority of the general government by state legislation—which was defended upon the ground that it was enacted under the police power—are found in cases where enactments concerning the introduction of foreign paupers, convicts, and diseased persons were held to be unconstitutional as conflicting, by their necessary operation and effect, with the paramount authority of congress to regulate commerce with foreign nations, and among the several states. In Henderson v. Mayor of New York, 92 U.S. 263, the court, speaking by Mr. Justice MILLER, while declining to decide whether in the absence of congressional action the states can, or how far they may, by appropriate legislation protect themselves against actual paupers, vagrants, criminals, [115 U.S. 650, 662] and diseased persons, arriving from foreign countries, said, that no definition of the police power, and 'no urgency for its use, can authorize a state to exercise it in regard to a subject-matter which has been confined exclusively to the discretion of congress by the constitution.' Chy Lung v. Freeman, 92 U.S. 276. And in Railroad Co. v. Husen, 95 U.S. 474, Mr. Justice STRONG, delivering the opinion of the court, said that 'the police power of a state cannot obstruct foreign commerce or interstate commerce beyond the necessity for its exercise; and, under color of it, objects not within its scope cannot be secured at the expense of the protection afforded by the federal constitution.'

[New Orleans Gas Company v. Louisiana Light Company, 115 U.S. 650 (1885)]

And the Federalist Paper # 45 confirms this view in regards to taxation:

"It is true, that the Confederacy is to possess, and may exercise, the power of collecting internal as well as external taxes throughout the States; but it is probable that this power will not be resorted to, except for supplemental purposes of revenue; that an option will then be given to the States to supply their quotas by previous collections of their own; and that the eventual collection, under the immediate authority of the Union, will generally be made by the officers, and according to the rules, appointed by the several States. Indeed it is extremely probable, that in other instances, particularly in the organization of the judicial power, the officers of the States will be clothed with the correspondent authority of the Union."

"Should it happen, however, that separate collectors of internal revenue should be appointed under the federal government, the influence of the whole number would not bear a comparison with that of the multitude of State officers in the opposite scale."

"Within every district to which a federal collector would be allotted, there would not be less than thirty or forty, or even more, officers of different descriptions, and many of them persons of character and weight, whose influence would lie on the side of the State. The 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 former will be exercised principally on external objects, as war, peace, negotiation, and foreign commerce; with which last the power of taxation will, for the most part, be connected. The powers reserved to the several States will extend to all the objects which, in the ordinary course of affairs, concern the lives, liberties, and properties of the people, and the internal order, improvement, and prosperity of the State. The operations of the federal government will be most extensive and important in times of war and danger; those of the State governments, in times of peace and security. As the former periods will probably bear a small proportion to the latter, the State governments will here enjoy another advantage over the federal government. The more adequate, indeed, the federal powers may be rendered to the national defense, the less frequent will be those scenes of danger which might favor their ascendancy over the governments of the particular States."

[Federalist Paper No. 45 (Jun. 1788), James Madison]

The introduction of the Sixteenth Amendment did not change any of the above, because Subtitle A income taxes only apply to persons domiciled within the federal United States, or federal zone, including persons temporarily abroad per 26 U.S.C. §911. Even the Supreme Court agreed in the case of Stanton v. Baltic Mining that the Sixteenth Amendment "conferred no new powers of taxation", and they wouldn't have said it and repeated it if they didn't mean it. Whether or not the Sixteenth Amendment was properly ratified is inconsequential and a nullity, because of the limited applicability of Subtitle A of the

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Internal Revenue Code primarily to persons domiciled in the federal zone no matter where resident. The Sixteenth Amendment authorized that:

**Sixteenth Amendment**

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

And in fact, the above described amendment is *exactly* what an income tax under Subtitle A that only operates against persons domiciled within the federal zone does: collect taxes on incomes *without* apportionment. Furthermore, because the federal zone is not protected by the Constitution or the Bill of Rights (see *Downes v. Bidwell*, 182 U.S. 244 (1901)), then there can be no violation of constitutional rights from the enforcement of the I.R.C. there. As a matter of fact, since due process of law is a requirement only of the Bill of Rights, and the Bill of Rights doesn’t apply in the federal zone, then technically, Congress doesn’t even need a *law* to legitimately collect taxes in these areas! The federal zone, recall, is a totalitarian socialist democracy, not a republic, and the legislature and the courts can do *anything* they like there without violating the Bill of Rights or our Constitutional rights.

With all the above in mind, let’s return to the original Supreme Court cites we referred to at the beginning of the section. The Constitution and the Bill of Rights, which are the “laws” of the United States, apply equally to both the union states AND the federal government, as the cites explain. That is why either state or federal officers both have to take an oath to support and defend the Constitution before they take office. However, the statutes or legislation passed by Congress, which are called “Acts of Congress” have much more limited jurisdiction inside the Union states, and in most cases, do not apply at all. For example:

**TITLE 18 > PART III > CHAPTER 301 > Sec. 4001.**

> Sec. 4001. - Limitation on detention; control of prisons

> (a) No citizen shall be imprisoned or otherwise detained by the United States except pursuant to an Act of Congress.

The reason for the above is because the federal government has no police powers inside the states because these are reserved by the Tenth Amendment to the state governments. Likewise, the feds have no territorial jurisdiction for most subject matters inside the states either. See *U.S. v. Bevans*, 16 U.S. 336 (1818).

Now if we look at the meaning of “Act of Congress”, we find such a definition in Rule 54(c) of the Federal Rules of Criminal Procedure prior to Dec. 2002, wherein is defined "Act of Congress.” Rule 54(c) states:

**Federal Rule of Criminal Procedure 54(c) prior to Dec. 2002**

> "Act of Congress" includes any act of Congress locally applicable to and in force in the District of Columbia, in Puerto Rico, in a territory or in an insular possession."

Keep in mind, the Internal Revenue Code is an “Act of Congress.” The reason such “Acts of Congress” cannot apply within the sovereign states is because the federal government lacks what is called “police powers” inside the union states, and the Internal Revenue Code requires police powers to implement and enforce. THEREFORE, THE QUESTION IS, ON WHICH OF THE FOUR LOCATIONS NAMED IN RULE 54(c) IS THE UNITED STATES DISTRICT COURT ASSERTING JURISDICTION WHEN THE U.S. ATTORNEY HAULS YOUR ASS IN COURT ON AN INCOME TAX CRIME? Hint, everyone knows what and where the District of Columbia is, and everyone knows where Puerto Rico is, and territories and insular possessions are defined in Title 48 United States Code, happy hunting!

The preceding discussion within this section is also confirmed by the content of 4 U.S.C. §72. Subtitle A is primarily a "privilege" tax upon a “trade or business”. A “trade or business” is defined in 26 U.S.C. §7701(a)(26) as “the functions of a public office”:

**TITLE 26 > Subtitle F > CHAPTER 79 > § 7701**

> § 7701. Definitions

> (a) Definitions
(26) Trade or business

"The term 'trade or business' includes the performance of the functions of a public office."

Title 4 of the U.S. Code then says that all “public offices” MUST exist ONLY in the District of Columbia and no place else, except as expressly provided by law:

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.

If we then search all the titles of the U.S. Code electronically, we find only one instance where “public offices” are “expressly provided” by law to a place other than the seat of government in connection with the Internal Revenue Code. That reference is found in 48 U.S.C. §1612, which expressly provides that public offices for the U.S. Attorney are extended to the Virgin Islands to enforce the provisions of the Internal Revenue Code.

Moving on, we find in 26 U.S.C. §7601 that the IRS has enforcement authority for the Internal Revenue Code only within what is called “internal revenue districts”. 26 U.S.C. §7621 authorizes the President to establish these districts. Under Executive Order 10289, the President delegated the authority to define these districts to the Secretary of the Treasury in 1952.

We then search the Treasury Department website for Treasury Orders documenting the establishment of these internal revenue districts:

http://www.ustreas.gov/regs/

The only orders documenting the existence of “internal revenue districts” is Treasury Orders 150-01 and 150-02. Treasury Order 150-01 established internal revenue districts that included federal land within states of the Union, but it was repealed in 1998 as an aftermath of the IRS Restructuring and Reform Act and replaced with Treasury Order 150-02. Treasury Order 150-02 used to say that all IRS administration must be conducted in the District of Columbia. Therefore, pursuant to 26 U.S.C. §7601, the IRS is only authorized to enforce the I.R.C. within the District of Columbia, which is the only remaining internal revenue district. That treasury order was eventually repealed but there is still only one remaining internal revenue district in the District of Columbia. This leads us full circle right back to our initial premise, which is:

1. The definition of the term “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 the federal zone, means what it says and says what it means.
2. Subtitle A of the Internal Revenue Code may only be enforced within the only remaining internal revenue district, which is the District of Columbia.
3. There is no provision of law which “expressly extends” the enforcement of the Internal Revenue Code to any land under exclusive state jurisdiction.
4. The Separation of Powers Doctrine, U.S. Supreme Court therefore does not allow anyone in a state of the Union to partake of the federal “privilege” known as a “trade or business”, which is the main subject of tax under Internal Revenue Code, Subtitle A. This must be so because it involves a public office and all public offices must exist ONLY in the District of Columbia.
5. The only source of federal jurisdiction to tax is foreign commerce because the Constitution does not authorize any other type of tax internal to a state of the Union other than a direct, apportioned tax. Since the I.R.C. Subtitle A tax is not apportioned and since it is upon a privileged “trade or business” activity, then it is indirect and therefore need not be apportioned.

Q.E.D.-Quod Erod Demonstrandum (proven beyond a shadow of a doubt)

We will now provide an all-inclusive list of subject matters for which the federal government definitely does have jurisdiction within a state, and the Constitutional origin of that power. For all subjects of federal legislation other than these, the states of the Union and the federal government are FOREIGN COUNTRIES and FOREIGN STATES with respect to each other:

1. Foreign commerce pursuant to Article 1, Section 8, Clause 3 of the United States Constitution. This jurisdiction is described within 9 U.S.C. §1 et seq.
2. Counterfeiting pursuant to Article 1, Section 8, Clause 5 of the United States Constitution.
3. Postal matters pursuant to Article 1, Section 8, Clause 7 of the United States Constitution.
4. Treason pursuant to Article 4, Section 2, Clause 2 of the United States Constitution.
5. Federal contracts, franchises, and property pursuant to Article 4, Section 3, Clause 2 of the United States Constitution.

This includes federal employment, which is a type of contract or franchise, wherever conducted, including in a state of the Union.

In relation to that last item above, which is federal contracts and franchises, Subtitle A of the Internal Revenue Code fits into that category, because it is a franchise and not a “tax”, which relates primarily to federal employment and contracts. The alleged “tax” in fact is a kickback scheme that can only lawfully affect federal contractors and employers, but not private persons. Those who are party to this contract or franchise are called “effectively connected with a trade or business”. Saying a person is “effectively connected” really means that they consented to the contract explicitly in writing or implicitly by their conduct. To enforce the “trade or business” franchise as a contract in a place where the federal government has no territorial jurisdiction requires informed, voluntary consent in some form from the party who is the object of the enforcement of the contract. The courts call this kind of consent “comity”. To wit:

"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)]

When the federal government wishes to enforce one of its contracts or franchises in a place where it has no territorial jurisdiction, such as in China, it would need to litigate in the courts in China just like a private person. However, if the contract is within a state of the Union, the Separation of Powers Doctrine, U.S. Supreme Court requires that all “federal questions”, including federal contracts, which are “property” of the United States, must be litigated in a federal court. This requirement was eloquently explained by the U.S. Supreme Court in Alden v. Maine, 527 U.S. 706 (1999). Consequently, even though the federal government enjoys no territorial jurisdiction within a state of the Union for other than the above subject matters explicitly authorized by the Constitution itself, it still has subject matter jurisdiction within federal court over federal property, contracts and franchises, which are synonymous. Since the Internal Revenue Code is a federal contract or franchise, then the federal courts have jurisdiction over this issue with persons who participate in the “trade or business” franchise.

Finally, below is a very enlightening U.S. Supreme Court case that concisely explains the constitutional relationship between the exclusive and plenary internal sovereignty of the states or the Union and the exclusive external sovereignty of the federal government:

"It will contribute to the elucidation of the question if we first consider the differences between the powers of the federal government in respect of foreign or external affairs and those in respect of domestic or internal affairs. That there are differences between them, and that these differences are fundamental, may not be doubted. The two classes of powers are different, both in respect of their origin and their nature. The broad statement that the federal government can exercise no powers except those specifically enumerated in the Constitution, and such implied powers as are necessary and proper to carry into effect the enumerated powers, is categorically true only in respect of our internal affairs. In that field, the primary purpose of the Constitution was to carve from the general mass of legislative powers then possessed by the states such portions as it was thought desirable to vest in the federal government, leaving those not included in the enumeration still in the states. Carter v. Carter Coal Co., 298 U.S. 238, 294, 56 S.Ct. 855, 865. That this doctrine applies only to powers which the states had, self-evident. And since the states severally never possessed international powers, such powers could not have been carved from the mass of state powers but obviously were transmitted to the United States from some other source. During the Colonial period, those powers were possessed exclusively by and were entirely under the control of the Crown. By the Declaration of Independence, 'the Representatives of the United States of America' declared the United (not the several) Colonies to be free and independent states, and as such to have full Power to levy War, conclude Peace, contract Alliances, establish Commerce and to do all other Acts and Things which Independent States may of right do.'

As a result of the separation from Great Britain by the colonies, acting as a unit, the powers of external sovereignty passed from the Crown not to the colonies severally, but to the colonies in their collective and corporate capacity as the United States of America. Even before the Declaration, the colonies were a unit in foreign affairs, acting through a common agency-namely, the Continental Congress, composed of delegates.
from the thirteen colonies. That agency exercised the powers of war and peace, raised an army, created a navy, and finally adopted the Declaration of Independence. Rulers come and go; governments end and forms of government change; but sovereignty survives. A political society cannot endure [299 U.S. 304, 317] without a supreme will somewhere. Sovereignty is never held in suspense. When, therefore, the external sovereignty of Great Britain in respect of the colonies ceased, it immediately passed to the Union. See Penhallow v. Doane, 3 Dall. 54, 80, 81, Fed.Cas. No. 10925. That fact was given practical application almost at once. The treaty of peace, made on September 3, 1783, was concluded between his Britannic Majesty and the 'United States of America.' 9 Stat., European Treaties, 80.

The Union existed before the Constitution, which was ordained and established among other things to form 'a more perfect Union.' Prior to that event, it is clear that the Union, declared by the Articles of Confederation to be 'perpetual,' was the sole possessor of external sovereignty, and in the Union it remained without change save in so far as the Constitution in express terms qualified its exercise. The Framers' Convention was called and exerted its powers upon the irrefutable postulate that though the states were several their people in respect of foreign affairs were one. Compare The Chinese Exclusion Case, 130 U.S. 581, 604 , 606 S., 9 S.Ct. 623. In that convention, the entire absence of state power to deal with those affairs was thus forcefully stated by Rufus King:

'The states were not 'sovereigns' in the sense contended for by some. They did not possess the peculiar features of [external] sovereignty, they could not make war, nor peace, nor alliances, nor treaties. Considering them as political beings, they were dumb, for they could not speak to any foreign sovereign whatever. They were deaf, for they could not hear any propositions from such sovereign. They had not even the organs or faculties of defence or offence, for they could not of themselves raise troops, or equip vessels, for war.' 5 Elliot's Debates, 212.1 [299 U.S. 304, 318] It results that the investment of the federal government with the powers of external sovereignty did not depend upon the affirmative grants of the Constitution. The power to declare and wage war, to conclude peace, to make treaties, to maintain diplomatic relations with other sovereignties, if they had never been mentioned in the Constitution, would have vested in the federal government as necessary concomitants of nationality. Neither the Constitution nor the laws passed in pursuance of it have any force in foreign territory unless in respect of our own citizens (see American Banana Co. v. United Fruit Co., 213 U.S. 347 , 356, 29 S.Ct. 511, 16 Ann.Cas. 1047); and operations of the nation in such territory must be governed by treaties, international understandings and compacts, and the principles of international law. As a member of the family of nations, the right and power of the United States in that field are equal to the right and power of the other members of the international family. Otherwise, the United States is not completely sovereign. The power to acquire territory by discovery and occupation ( Jones v. United States, 137 U.S. 202 , 212, 11 S.Ct. 80), the power to expel undesirable aliens (Fong Yue Ting v. United States, 149 U.S. 698 , 705 et seq., 13 S.Ct. 1016), the power to make such international agreements as do not constitute treaties in the constitutional sense (Altman & Co. v. United States, 224 U.S. 583, 600 , 601 S., 32 S.Ct. 593; Crandall, Treaties, Their Making and Enforcement (2d Ed.) p. 302 and note 1), none of which is expressly affirmed by the Constitution, nevertheless exist as inherently inseparable from the conception of nationality. This the court recognized, and in each of the cases cited found the warrant for its conclusions not in the provisions of the Constitution, but in the law of nations.

In Burnet v. Brooks, 288 U.S. 378 , 396 , 53 S.Ct. 457, 461, 86 A.L.R. 747, we said, 'As a nation with all the attributes of sovereignty, the United States is vested with all the powers of government necessary to maintain an effective control of international relations.' Cf. Carter v. Carter Coal Co. supra, 298 U.S. 238 , at page 295, 56 S.Ct. 853, 865. [299 U.S. 304, 319] Not only, as we have shown, is the federal power over external affairs in origin and essential character different from that over internal affairs, but participation in the exercise of the power is significantly limited. In this vast external realm, with its important, complicated, delicate and manifold problems, the President alone has the power to speak or listen as a representative of the nation. He makes treaties with the advice and consent of the Senate; but he alone negotiates. Into the field of negotiation the Senate cannot intrude; and Congress itself is powerless to invade it. As Marshall said in his great argument of March 7, 1800, in the House of Representatives, 'The President is the sole organ of the nation in its external relations and its sole representative with foreign nations:' Annals, 6th Cong., col. 613. The Senate Committee on Foreign Relations at a very early day in our history (February 13, 1816), reported to the Senate, among other things, as follows:

'The President is the constitutional representative of the United States with regard to foreign nations. He manages our concerns with foreign nations and must necessarily be most competent to determine when, how, and upon what subjects negotiation may be urged with the greatest prospect of success. For his conduct he is responsible to the Constitution. The committee considers this responsibility the surest pledge for the faithful discharge of his duty. They think the interference of the Senate in the direction of foreign negotiations calculated to diminish that responsibility and thereby to impair the best security for the national safety. The nature of transactions with foreign nations, moreover, requires caution and unity of design, and their success frequently depends on secrecy and dispatch.' 8 U.Sen.Reports Comm. on Foreign Relations, p. 24.
It is important to bear in mind that we are here dealing not alone with an authority vested in the President by an [299 U.S. 304, 320] exertion of legislative power, but with such an authority plus the very delicate, plenary and exclusive power of the President as the sole organ of the federal government in the field of international relations - a power which does not require as a basis for its exercise an act of Congress, but which, of course, like every other governmental power, must be exercised in subordination to the applicable provisions of the Constitution. It is quite apparent that if, in the maintenance of our international relations, embarrassment—perhaps serious embarrassment—is to be avoided and success for our aims achieved, congressional legislation which is to be made effective through negotiation and inquiry within the international field must often accord to the President a degree of discretion and freedom from statutory restriction which would not be admissible were domestic affairs alone involved. Moreover, he, not Congress, has the better opportunity of knowing the conditions which prevail in foreign countries, and especially is this true in time of war. He has his confidential sources of information. He has his agents in the form of diplomatic, consular and other officials. Secrecy in respect of information gathered by them may be highly necessary, and the premature disclosure of it productive of harmful results. Indeed, so clearly is this true that the first President refused to accede to a request to lay before the House of Representatives the instructions, correspondence and documents relating to the negotiation of the Jay Treaty— a refusal the wisdom of which was recognized by the House itself and has never since been doubted. In his reply to the request, President Washington said:

'The nature of foreign negotiations requires caution, and their success must often depend on secrecy; and even when brought to a conclusion a full disclosure of all the measures, demands, or eventual concessions which may have been proposed or contemplated would be extremely [299 U.S. 304, 321] impolitic; for this might have a pernicious influence on future negotiations, or produce immediate inconveniences, perhaps danger and mischief, in relation to other powers. The necessity of such caution and secrecy was one cogent reason for vesting the power of making treaties in the President, with the advice and consent of the Senate, the principle on which that body was formed confining it to a small number of members. To admit, then, a right in the House of Representatives to demand and to have as a matter of course all the papers respecting a negotiation with a foreign power would be to establish a dangerous precedent.' 1 Messages and Papers of the Presidents, p. 194.

The marked difference between foreign affairs and domestic affairs in this respect is recognized by both Houses of Congress in the very form of their requisitions for information from the Executive departments. In the case of every department except the Department of State, the resolution directs the official to furnish the information. In the case of the State Department, dealing with foreign affairs, the President is requested to furnish the information 'if not incompatible with the public interest.' A statement that to furnish the information is not compatible with the public interest rarely, if ever, is questioned."

[United States v. Curtiss-Wright Export Corporation, 299 U.S. 304 (1936)]

If you would like to learn more about the relationship between federal and state sovereignty exercised within states of the Union, we recommend the excellent, short, succinct book on the subject as follows:

http://west.thomson.com/product/22088447/product.asp

14.3 Word “includes” in a statutory definition allows the government to presume whatever they want is “included”\textsuperscript{20}

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

\textsuperscript{20} Adapted from: Flawed Tax Arguments to Avoid, Form #08.004, Section 8.14; http://sedm.org/Forms/FormIndex.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 E > 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)

“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.”
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)
5. "trade or business": 26 U.S.C. §7701(a)(26)

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.

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:

   "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;"
   [Steinberg v. Garhart, 530 U.S. 914 (2000)]

An example of the "enlargement" or "in addition to" context of the use of the word "includes" might be as follows, where the numbers on the left are fictitious statute number:

2.1. "110 The term "state" includes a territory or possession of the United States."
2.2. "121 In addition to the definition found in section 110 earlier, the term "state" includes a state of the Union."

3. What is not expressed in a definition somewhere shall conclusively be presumed to be purposefully excluded.

   "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, 1099. 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]

4. The definition of a word excludes unstated meanings of the term.

   "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. As judges, it is our duty to 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.”

[Steinberg v. Carhart, 530 U.S. 914 (2000)]

5. All doubts about the meaning of a term must be resolved in favor of the citizen and against the government.

“In the interpretation of statutes levying taxes, it is the established rule not to extend their provisions by implication beyond the clear import of the language used, or to enlarge their operations so as to embrace matters not specifically pointed out. In case of doubt they are construed most strongly against the government and in favor of the citizen.”

[Gould v. Gould, 345 U.S. 151, at 153 (1917)]

6. All presumptions about the meaning of a word are a violation of Constitutional rights and or due process of law.

"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. 258, 76 L.Ed. 727 (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 irrebuttable 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." Ed., 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. 63, 66 S.Ct. 1241, 1245-1246, 89 S.Ct. 1519 (1943); Leary v. United States, 395 U.S. 6, 89 S.Ct. 1532, 1544-1557, 23 L.Ed.2d 57 (1969). Cf. Turner v. United States, 396 U.S. 389, 418-419, 90 S.Ct. 642, 653-654, 24 L.Ed.2d. 610 (1970)."

[Vlandis v. Kline, 412 U.S. 441 (1973)]

"The Schlesinger Case has since been applied many times by the lower federal courts, by the Board of Tax Appeals, and by state courts, and none of them seem to have been **361 at any loss to understand the basis of the decision, namely, that a statute which imposes a tax upon an assumption of fact which the taxpayer is forbidden to controvert is so arbitrary and unreasonable that it cannot stand under the Fourteenth Amendment.”

[...]

'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)]

Presumption may not be used in determining the meaning of a statute. Doing otherwise is a violation of due process, a violation of rights, and a religious sin under Numbers 15:30 (Bible). A person reading a statute cannot be required by 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

The above rules of statutory construction were created in order to fulfill the intent of the founding fathers to avoid placing arbitrary discretion in the hands of anyone in the government, and especially the courts:
“It has been frequently remarked, with great propriety, that a voluminous code of laws is one of the
inconveniences necessarily connected with the advantages of a free government. To avoid an arbitrary discretion
in the courts, it is indispensable that they should be bound down by strict rules of statutory construction and
interpretation and precedents, which serve to define and point out their duty in every particular case that
comes before them; and it will readily be conceived from the variety of controversies which grow out of the folly
and wickedness of mankind, that the records of those precedents must unavoidably swell to a very considerable
bulk, and must demand long and laborious study to acquire a competent knowledge of them.”
[Federalist Papers No. 78, Alexander Hamilton]

If you would like to learn more about how to argue against this unscrupulous, injurious, presumptuous, and illegal tactic by
the government, see the following resources, a detailed analysis of the rules of statutory construction is contained in the
following publication on our website:

Legal Deception, Propaganda, and Fraud, Form #05.014
http://sedm.org/Forms/FormIndex.htm

If you want tools and techniques for combating the abuse of verbicide described in this section, then see:
1. Section Flawed Tax Arguments to Avoid, Form #08.004, Section 10.11.
2. The following form, which you can attach to any tax form and which defines all the terms on the form unambiguously
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
3. The following form, which you can attach to your court pleadings which provides rules of presumption and definitions
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

14.4 A STATUTORY “U.S. Person” includes state citizens or residents and is not limited to
territorial citizens or residents

False Argument: A STATUTORY “U.S. Person” described in 26 U.S.C. §7701(a)(30) includes state citizens or
residents and is not limited to territorial citizens or residents.

Corrected Alternative Argument: The STATUTORY term “U.S. Person”, like every other civil status found in Title 26,
requires a domicile on federal territory or at least physical presence there to lawfully acquire. Congress has no
legislative jurisdiction in a Constitutional state other than for the subject matters found in Article 1, Section 8. The
taxing powers found in Article 1, Section 8, Clauses 1 and 3 apply only to the geographical areas defined in 26 U.S.C.
§7701(a)(9) and (a)(10) and 4 U.S.C. §110(d). Under the rules of statutory construction, anything not EXPRESSLY
included is purposefully excluded by implication. Those areas include only federal territory and the federal enclaves
within the Constitutional states. They do NOT include areas under the EXCLUSIVE or PLENARY jurisdiction of
constitutional states.

Further information:
1. Why You are a “national”, “state national”, and Constitutional but not Statutory Citizen, Form #05.006
   http://sedm.org/Forms/FormIndex.htm
2. Great IRS Hoax, Form #11.302, Sections 3.9.1.24, 5.1.4, 5.2.12-5.2.13.
   http://sedm.org/Forms/FormIndex.htm
3. Sovereignty Forms and Instructions Online, Form #10.004, Cites by Topic: “U.S. Person”
   http://famguardian.org/TaxFreedom/CitesByTopic/USPerson.htm
4. Sovereignty Forms and Instructions Online, Form #10.004, Cites by Topic: “United States”

21 Adapted from: Flawed Tax Arguments to Avoid, Form #08.004, Section 8.24; http://sedm.org/Forms/FormIndex.htm.
We call this approach “The U.S. Person Position”. A STATUTORY “U.S. Person” is defined in 26 U.S.C. §7701(a)(30) as follows:

 TITLE 26 > Subtitle F > CHAPTER 79 > Sec. 7701. 
Sec. 7701. - Definitions 
(a)(30) United States person

The term “United States person” means -
(A) a citizen or resident of the United States,
(B) a domestic partnership,
(C) a domestic corporation;
(D) any estate (other than a foreign estate, within the meaning of paragraph (31)), and
(E) any trust if -
(i) a court within the United States is able to exercise primary supervision over the administration of the trust, and
(ii) one or more United States persons have the authority to control all substantial decisions of the trust.

The term “United States” as used in the above definition is defined in a geographical sense as follows.

 TITLE 26 > Subtitle F > CHAPTER 79 > Sec. 7701. [Internal Revenue Code] 
Sec. 7701. - Definitions 
(a) When used in this title, where not otherwise distinctly expressed or manifestly incompatible with the intent thereof—

(9) United States

The term “United States” when used in a geographical sense includes only the States and the District of Columbia.

(10) State

The term “State” shall be construed to include the District of Columbia, where such construction is necessary to carry out provisions of this title.

 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.

Those who would argue that “United States” in a geographical sense includes states of the Union have the burden of proving with “non-prima facie” evidence that the term includes states of the Union. The rules of statutory construction FORBID any adding anything to statutory definitions:

“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.”

[Steinberg v. Carhart, 550 U.S. 914 (2000)]

“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. As judges, it is our duty to [481 U.S. 4851 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.”
Adding things to statutory definitions that DO NOT expressly appear is a LEGISLATIVE and not JUDICIAL function. Allowing judges to act as legislators puts an end to ALL FREEDOM, according to the architect of our three branch system of government, Charles de Montesquieu. Note that franchise judges, such as those in U.S. Tax Court and even Article III judges presiding over Article IV franchise tax matters such as the income tax are in the Executive Branch, according to the U.S. Supreme Court in Freytag v. Commissioner, 501 U.S. 868 (1991):

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.”


Constitutional and statutory “citizens” are mutually exclusive, non-overlapping groups, as we show earlier in section 14.1 and also prove in:

Why You are a “national”, “state national”, and Constitutional but not Statutory Citizen, Form #05.006 http://sedm.org/Forms/FormIndex.htm

The “citizen” and “resident” described in 26 U.S.C. §7701(a)(30) invokes the STATUTORY context and therefore is limited to that. You are trying to abuse EQUIVOCATION to deceive the reader or hearer into falsely believing that the two contexts for the words “citizen” or “resident” are equivalent when they are not. Any attempt to confuse the two results in the following CRIMES:

2. Impersonating a public officer. 18 U.S.C. §912. All statutory fictions of law, including statutory citizens and even “taxpayers”, are public offices.

Imposing the above statuses or the civil obligations associated with them against a non-resident non-person and state citizen who does not consent is also identity theft, as described in:

Government Identity Theft, Form #05.046 http://sedm.org/Forms/FormIndex.htm

There are also strong commercial and privacy motivations and incentives to try to adopt the “U.S. Person Position”, because STATUTORY “U.S. Persons”:

1. Are not subject to withholding in most financial transactions. 26 U.S.C. Chapter 3 only dictates withholding on nonresident aliens and foreign corporations. U.S. citizens and residents are not mentioned.
2. Only have to pay income tax on foreign earned income under 26 U.S.C. §911. They do not have to deduct, report, or withhold on earnings within any constitutional state or even on federal territory, unless they are public officers of the national government on official business.

3. Include “citizens” under 26 U.S.C. §7701(a)(30), which most state citizens would falsely PRESUME they are. Unfortunately, the “citizen” they are talking about in Title 26 is NOT a human being domiciled or present within a constitutional state.

All of the above motivations are “privileges”, “immunities”, or “benefits” of a franchise. All those who “purposefully avail” themselves of such “benefits” forfeit their Constitutional rights and in-effect facilitate CRIMINAL IDENTITY THEFT by transporting their legal identity to what Mark Twain called “The District of Criminals”.


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. [Ashwander v. Tennessee Valley Authority Et Al, 297 U.S. 288, 346-348 (1936)]

Furthermore, Congress is FORBIDDEN by the License Tax Cases from offering or enforcing any national franchise within the borders of a Constitutional State:

“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)]

Notice in the above case the language “Congress cannot authorize a trade or business within a State in order to tax it.”. As we repeatedly point out the I.R.C. Subtitle A income tax is a franchise tax upon public offices in the national government, which is called a “trade or business” in the Internal Revenue Code. It is telling that the above case uses this PRECISE term to say what is FORBIDDEN within a constitutional state. “trade or business” is defined in 26 U.S.C. §7701(a)(26) as “the functions of a public office”. The nature of the income tax as a franchise tax upon public offices is exhaustively covered in:

The “Trade or Business” Scam, Form #05.001
http://sedm.org/Forms/FormIndex.htm

There are many other problems with the U.S. Person Position. In order to claim a PRIVILEGED FRANCHISE exemption from withholding as a STATUTORY “U.S. person”, you must:

1. Supply a PRIVILEGED Social Security Number or Taxpayer Identification Number, none of which apply within a state of the Union.
2. Often supply a W-9 form to the payor in financial transactions, which only applies to territorial citizens or residents WHEN they are acting as officers of the government.

3. Falsely admit or imply that you as a state citizen are a “citizen” under the laws of Congress and subject to the laws of Congress. All “citizens” under every act of Congress are territorial citizens born on and domiciled within federal territory not within any state.

4. Create the false impression that you must report all financial transactions abroad and are subject to F.A.T.C.A. See: https://www.irs.gov/businesses/corporations/foreign-account-tax-compliance-act-fatca

State citizens, on the other hand, are “non-resident non-persons” in respect to Acts of Congress and need not comply with ANY act of Congress relating to their PRIVATE compensation. Coercion and even criminal extortion by financial institutions acting under the falsely alleged but not actual authority of law is the only reason people believe otherwise. False IRS propaganda that the IRS is NOT accountable for the truth of and which courts have even said you can be FINED for relying on is the only stated reason these mis-informed financial institutions perpetuate the mis-application of the revenue franchise codes extra-territorially within states of the Union. This is covered in:

Legal Deception, Propaganda, and Fraud, Form #05.014
http://sedm.org_Forms/FormIndex.htm

It is a fact that one cannot have ANY civil status or statutory status, including “person”, “individual”, “citizen”, “resident”, “taxpayer”, or “U.S. person” under any act of Congress without as a bare minimum a domicile on federal territory. This is exhaustively proven in:

1. Why Domicile and Becoming a “Taxpayer” Require Your Consent, Form #05.002
http://sedm.org_Forms/FormIndex.htm
2. Your Exclusive Right to Declare or Establish Your Civil Status, Form #13.008
http://sedm.org_Forms/FormIndex.htm

It is also exhaustively proven that the only people who must use Social Security Numbers or Taxpayer Identification Numbers are public officers on official business, and that ONLY when people are officers of the government do they need to use such numbers, and even then only in connection with excise taxable franchise activities.

1. Who are “Taxpayers” and Who Needs a “Taxpayer Identification Number”? Form #05.013
http://sedm.org_Forms/FormIndex.htm
2. About SSNs and TINs on Government Forms and Correspondence, Form #05.012
http://sedm.org_Forms/FormIndex.htm
3. Why It Is Illegal for Me to Request or Use a Taxpayer Identification Number, Form #04.205
http://sedm.org_Forms/FormIndex.htm
14.5 Constitutional “people” and statutory “persons” are equivalent

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 4 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 11: Legal standing and status of corporations in federal court 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 offices 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.

23 Adapted from: Flawed Tax Arguments to Avoid, Form #08.004, Section 8.16; http://sedm.org/Forms/FormIndex.htm.
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 9*9 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 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 may appear, either to the legal or political apprehension, as 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, Viatet, 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 9*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 9*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 tramelled 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 herefore 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 acception of terms, or from well ascertainment 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 presumptuouness, by a
subsequent decision of this court, hereafter to be mentioned. In the former case, 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 faculy, 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 necezsity 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 subsersive 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
them, forms one objection to the proceeding, adopted by them, by which they attempted 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 unite the judicial entanglement of the Bank and Deveaux, seem to have applied it to 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 civilans as to what is import by the
term subject or citizen, and repealed, at the same time, that restriction in the Constitution which limited the
jurisdiction of the courts to controversies between "citizens of different States to citizens of the United 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
avement of the facts of its creation, and the place of transacting its business, is sufficient to give the circuit courts
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 inhabity 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 answerd. 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, 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

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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 deductible 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)]

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, §§86 (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.14

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 (1899). This conclusion was in
harmony with the earlier holding in Paul v. Virginia, 75 U.S. (18 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. 172, 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).
We also prove that statutory “citizen” and “resident” status is a franchise status that has nothing to do with the domicile of the parties, both earlier in section 14.1 and also 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 statutory law. Civil statutory law, or just 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 he 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.**


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
districts 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
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
[Paul v. Virginia, 8 Wall. 168, 19 L.Ed. 357]

It therefore ought to be obvious that any and all in the government who “benefit” from the lucrative proceeds produced by
their civil statutory law franchise has a vested financial interest to interfere with the invocation or enforcement of the common
law by those who do not want to participate in the civil statutory law as “citizens” or “residents”. That financial interest is,
indeed, a CRIME under 18 U.S.C. §208 if they receive the proceeds of the franchise and are hearing a case involving a non-
franchisee. Governments are established exclusively to protect PRIVATE rights and PRIVATE property. Any attempt to
undetermine such rights without the express written consent of the owner in each case is not only NOT a classical "government"
function, but is an ANTI-government function that amounts to a MAFIA "protection racket”. They will attempt to do this by
any of the following UNCONSTITUTIONAL, CRIMINAL, INJURIOUS, and MALICIOUS means:

1. Refusing to recognize or protect PRIVATE property or PRIVATE rights, the essence of which is the RIGHT TO
EXCLUDE anyone and everyone from using or benefitting from the use of the property.
2. PRESUMING that "a government OF THE PEOPLE, BY THE PEOPLE, and FOR THE PEOPLE" is a government in
which everyone is a public officer.
3. Refusing to recognize or allow constitutional remedies and instead substituting STATUTORY remedies available only to
public officers.
4. Interfering with introduction of evidence that the court or forum is ONLY allowed to hear disputes involving public
officers in the government.
5. PRESUMING or ASSUMING that the ownership of the property subject to dispute is QUALIFIED rather than
ABSOLUTE and that the party the ownership is shared with is the government.
6. Allowing government "benefit" recipients to be decision makers in cases involving PRIVATE rights. This is a denial
of a republican form of government, which is founded on impartial decision makers. See Sinking Fund Cases, 99 U.S.
700 (1878).
7. Interfering with or sanctioning litigants who insist on discussing the laws that have been violated in the courtroom or
prohibiting jurors from reading the laws in question or accessing the law library in the courthouse while serving as
jurors. This transforms a society of law into a society of men and allows the judge to substitute HIS will in place of
what the law expressly requires.
8. Illegally and unconstitutionally invoking the Declaratory Judgments Act or the Anti-Injunction Act as an excuse to
NOT protect PRIVATE rights from government interference in the case of EXCLUSIVELY PRIVATE people who are
NOT statutory "taxpayers". See Flawed Tax Arguments to Avoid, Form #08.004, Sections 8.11 and 8.12.
9. Interfering with ways to change or correct your citizenship or statutory status in government records. That "status" is the "res" to which all franchise rights attach, usually ILLEGALLY.

14.6 “individual” in the Internal Revenue Code means a HUMAN, not a corporation24

| False Argument: | “Individual” in the Internal Revenue Code means a human being, not a corporation or public office. It’s ridiculous to assert otherwise. |
| Corrected Alternative Argument: | “Individual” means ONLY either corporation franchises, who are the only CIVIL STATUTORY “persons” or officers of such franchises. It doesn’t mean a PRIVATE human not acting as a franchisee and public officer. |

Further information:
1. 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
2. Why Statutory Civil Law is Law for Government and Not Private Persons. Form #05.037 http://sedm.org/Forms/FormIndex.htm
3. The “Trade or Business” Scam. Form #05.001 http://sedm.org/Forms/FormIndex.htm

Legally ignorant government employees love to quote statutes and regulations out of context, and to write these statutes and regulations to falsely appear overly broad to the neophyte. This is an abuse of the following maxim of the common law to deceive people:

"Dolusus versatar 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 generalit, conceditur, in est haec exceptio, si non aliqual 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]

All “general expressions” are presumed to be fraudulent. By “general expression” above, we mean:

1. The speaker is either not accountable or REFUSES to be accountable for the accuracy or truthfulness or definition of the word or expression.
2. Fails to recognize that there are multiple contexts in which the word could be used.
   2.1. CONSTITUTIONAL
   2.2. STATUTORY
3. PRESUMES that all contexts are equivalent, meaning that CONSTITUTIONAL and STATUTORY are equivalent.
4. Fails to identify the specific context implied on the form.
5. Fails to provide an actionable definition for the term that is useful as evidence in court.
6. Interferes with or even penalizes efforts by the applicant to define the terms on the forms to protect their right to change the context AFTER accepting the form.

For instance, some presumptuous government employees will use 26 C.F.R. §1.1411-1(d)(5) to conclude that “individual” is not limited to public offices or agents. They will wrongfully assert that this regulation defines “individual” as a “natural person” and unconstitutionally PRESUME that “natural person” and “human beings” are equivalent. Here’s the regulation:

Title 26: Internal Revenue
PART I—INCOME TAXES (CONTINUED)
§1.1411-1 General rules.

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24 Adapted from: Flawed Tax Arguments to Avoid, Form #08.004, Section 8.17; http://sedm.org/Forms/FormIndex.htm.
(d) Definitions. The following definitions apply for purposes of calculating net investment income under section 1411 and the regulations thereunder—

(5) The term individual means any natural person.

They will also try to misapply the above definition to tax WITHHOLDING, in violation of the following SUPERCEDED definition of “individual” that we frequently reference:

26 C.F.R. 1.1441-1 Requirement for the deduction and withholding of tax on payments to foreign persons.

(c) Definitions

(i) Individual.

(ii) Nonresident alien individual.

The term nonresident alien individual means a person described in section 7701(b)(1)(B), an alien individual who is a resident of a foreign country, under the residence article of an income tax treaty and Sec. 301.7701(b)-7(a)(1) of this chapter, or an alien individual who is a resident of Puerto Rico, Guam, the Commonwealth of Northern Mariana Islands, the U.S. Virgin Islands, or American Samoa as determined under Sec. 301.7701(b)-1(d) of this chapter. An alien individual who has made a election under section 6013 (g) or (h) to be treated as a resident of the United States is nevertheless treated as a nonresident alien individual for purposes of withholding under chapter 3 of the Code and the regulations thereunder.

Below is our response to such presumptuous and legally ignorant behavior:

1. The U.S. Supreme Court has held that the ability to regulate PRIVATE rights and PRIVATE conduct is repugnant to the constitution. Therefore, the ONLY regulating and taxing that Congress can do is PUBLIC entities. HUMAN BEINGS, by definition, are “PRIVATE” and only become PUBLIC when they CONSENT to a civil status created by Congress rather than the Constitution. Any government civil enforcement authority NOT originating from the CONSENT of the PRIVATE HUMAN is “unjust” as defined by the Declaration of Independence:

“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. The following memorandum of law proves that all civil statutory “persons” are public offices in the government, and not private humans. Certainly, the CIVIL STATUTORY “individual” you reference must be included, because “individuals” are a subsect of “persons” per 26 U.S.C. §7701(c).

Why Statutory Civil Law is Law for Government and Not Private Persons, Form #05.037
http://sedm.org/Forms/FormIndex.htm

3. You refer to 26 C.F.R. §1.1411-1 as your authority. The purpose of that section is ONLY to determine an “individuals” net income.

(d) Definitions. The following definitions apply for purposes of calculating net investment income under section 1411 and the regulations thereunder—

4. The term "individual" is defined in your reference as a "natural person". "natural persons" are a SUBSET of "persons". The definition of "person" found in 26 U.S.C. §§6671(b) and 7343 is consistent with the above, because it defines the "person" as an officer or employee of a corporation or partnership, which corporation is a federal and not state corporation, and which partnership is a partnership BETWEEN the "individual" they are talking about and that federal corporation. Everything else is PRIVATE and beyond their jurisdiction.
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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5. 26 U.S.C. §6041(a) limits reportable earnings to earnings connected to a "trade or business". You can't have income until it is "REPORTABLE". "trade or business" is earnings from a public office as defined in 26 U.S.C. §7701(a)(26). Anything that is not reportable is PRIVATE rather than PUBLIC. And NO, you can't interpret "trade or business" in its ordinary meaning because that violates 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)]

6. The U.S. Supreme Court held that Congress cannot establish a franchise tax upon a "trade or businesses" in states of the Union.

"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. 26 U.S.C. §7701(a)(31) says earnings NOT connected to a "trade or business" are not "gross income" and are "foreign", meaning anything that is NOT public is not taxable.

26 U.S.C. §7701 - Definitions

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

(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 [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)(36)] within the United States[U.S. Inc, the government corporation, not the geographical “United States”], is not includable in gross income under subtitle A.

8. The definition of “foreign” and “domestic” in the Internal Revenue Code hinges on whether the “person” is in fact a corporation. Hence, anything NOT a corporation and STATUTORY creation of Congress is legislatively “foreign” and therefore beyond the jurisdiction of Congress:

26 U.S. Code § 7701 – Definitions
(a) When used in this title, where not otherwise distinctly expressed or manifestly incompatible with the intent thereof—

(4) Domestic

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

(5) Foreign

The term "foreign" when applied to a corporation or partnership means a corporation or partnership which is not domestic.

[26 U.S.C. §7701(a)(4)-(5)]

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

“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.”


9. The U.S. Supreme Court, even to this day, has held that "income" means profit of corporations and not private humans.

"...income as used in the statute should be given a meaning so as not to include everything that comes in, the true function of the words 'gains' and 'profits' is to limit the meaning of the word 'income'”


"The Sixteenth Amendment declares that Congress shall have power to levy and collect taxes on income, "from..." [271 U.S. 174] whatever source derived, "without apportionment among the several states and without regard to any census or enumeration. It was not the purpose or effect of that amendment to bring any new subject within the taxing power. Congress already had power to tax all incomes. But taxes on incomes from some sources had been held to be "direct taxes" within the meaning of the constitutional requirement as to apportionment. Art. 1, § 2, cl. 3, § 9, cl. 4; Pollock v. Farmers' Loan & Trust Co., 158 U.S. 601. The Amendment relieved from that requirement, and obliterated the distinction in that respect between taxes on income that are direct taxes and those that are not, and so put on the same basis all incomes "from whatever source derived." Brushaber v. Union P. R. Co., 240 U.S. 1, 17. "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]"


The above rulings have NEVER been contradicted and SILENCE and evasion are the only result when this glaring fact is asserted. Watch the interview below with a former IRS commissioner presented with the above definitions of “income”. He can’t explain why the above rulings DON’T apply even though they have never been overruled. He quickly dismissed it as “irrelevant”, which betrays him as a lawless, anarchistic, CRIMINAL FINANCIAL TERRORIST.

Interview of Former IRS Commissioner Shelton Cohen by Aaron Russo, SEDM Exhibit #11.401
http://sedm.org/Exhibits/ExhibitIndex.htm
Therefore:

1. The "individual" they are talking about is ACTING as an officer of a NATIONAL/FEDERAL and not STATE corporation. That corporation, in turn, is an instrumentality of U.S. Inc. the grantor of the franchise.

   At common law, a "corporation" was an "artificial persona 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"). J 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 418-319 (11th ed. 1866) ("In this extensive sense the United States may be termed a corporation"); Van Brocklin v. Tennessee, 117 U.S. 151, 144 (1886) ("The United States is a . . . great corporation . . . ordained and established by the American people") (quoting United 1495 U.S. 182, 202) States v. Maurice, 26 F. Cas. 1211, 1216 (No. 15,747) (CC Va. 1833) (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").

   [Ngrairiou v. Sanchez, 495 U.S. 182 (1990)]

2. The definition of “Individual” you provide is a ruse that is limited to a very specific context ONLY. It is presented as overly broad to make you think that all human beings (“natural persons”) are included, when it has to limit itself to PUBLIC OFFICER humans acting as agents of the government.

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

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

3. The tax is on AGENCY on behalf of the government, and not upon the PRIVATE human contractually exercising such agency, per the above.

4. One should always consider the CONTEXT in which ambiguous definitions are provided. Lack of knowledge of the above contextual information can lead to false conclusions.

We prove all the above facts and conclusions with evidence at:

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
15  Conclusions and summary

1. State income tax liability has federal tax liability as a prerequisite in every state that has personal income taxes.
2. State income taxes apply only in federal areas located within the exterior limit of the state. They do NOT apply to areas that are under the exclusive jurisdiction of the state. The only place they can be lawfully collected or enforced is where the federal government and states of the union enjoy concurrent legislative jurisdiction, which can only occur within federal areas.
3. What were once de jure sovereign states of the Union have become federal corporations and U.S. government subsidiaries:
   3.1. De jure states of the Union tied to specific “territory” have now become “virtual states” or “political states” rather than geographic states whose occupants are statutory “U.S. citizens” residing on federal territory regardless of where they physically live. This transformation began after the Civil War, when most states rewrote their constitutions to remove references to their geographical boundaries. In that sense, they became strictly political and business entities with no actual “territory” of their own.
   3.2. The exercise of the power to contract of the de jure Constitutional States have made them into Statutory States and federal subsidiaries of the United States federal government. The Agreements on Coordination of Tax Administration (ACTA) implemented under the authority of the now repealed 26 U.S.C. §6361-6365 have made them into agents and fiduciaries of the “United States” mother corporation under the Buck Act, 4 U.S.C. §105 et seq, and moved their effective domicile to the District of Columbia pursuant to 26 U.S.C. §7408(d), 26 U.S.C. §7701(a)(39), and Federal Rule of Civil Procedure 17(b). By tacitly agreeing to participate in the “trade or business”/”public office”/”social insurance” franchise, they agreed to represent a federal corporation as officers of said corporation and the laws which apply are the place of incorporation of that federal corporation, which is the District of Columbia.
   3.3. You must contract to procure the franchises of the Statutory States and the “United States” in order to “qualify” for them to service any of your needs. Those who refuse to partake of franchises are treated as though they don’t exist at all by the government. If you don’t have a license number to act as a “public officer” called a “Social Security Number”, then you may as well live in a foreign country, because they won’t even talk to you.
   3.4. When you engage in the franchise, your effective domicile becomes federal territory within the state and you become a “public officer” by virtue of partaking in the franchise.
   3.5. The term “State of_____” is the name for this de facto corporation.

  California Revenue and Taxation Code

  17018. “State” includes the District of Columbia, and the possessions of the United States.
  [SOURCE: http://www.leginfo.ca.gov/cgi-bin/displaycode?section=rtc&group=17001-18000&file=17001-17039.1]

  3.6. All those with a “residence” within this Statutory State are officers and employees of CorpGov.
  3.7. The perjury statement on most state forms places you “within” this corporate, fictitious political state as a “public officer”.

  Perjury statement at the end of California Judicial Council Form CIV-010

  “I declare under penalty of perjury under the laws of the State of California that the foregoing are true and correct.”
  [SOURCE: http://www.leginfo.ca.gov/cgi-bin/displaycode?section=rtc&group=17001-18000&file=17001-17039.1]

  Private persons are not physically present and domiciled within this corporate “State”. The only “persons” the government can lawfully legislate for without engaging in involuntary servitude in violation of the Thirteenth Amendment are “residents” of this fictitious corporate government state. All of these “persons” are “public officials” participating in government franchises. All of them are “residents” of the Statutory State by virtue of signing up for the franchises using their right to contract. A person who is not a “public official” participating in government franchises would be committing perjury under penalty of perjury to admit that he is “under the laws of the State of _______” as a private person.

  4. In order to form a legitimate government, you need people, laws, and territory. The Statutory States have people and laws but no territory of their own.
4.1. All of the “territory” of the Statutory States is borrowed from the federal government under the Buck Act, 4 U.S.C. §105 et seq. This territory consists of the federal areas within the exterior limits of the state and it qualifies as a “possession” of the United States under the Buck Act, 4 U.S.C. §110(d) and is part of the federal zone.

4.2. The borrowed territory of the Statutory States is a place where both state and federal legislative jurisdiction coincide. It is the ONLY place, in fact, where these jurisdictions coincide because of the separation of powers doctrine. See: Government Conspiracy to Destroy the Separation of Powers, Form #05.023 http://sedm.org/Forms/FormIndex.htm

4.3. Virtually all the laws passed by the Statutory States are intended exclusively for this shared territory within the federal zone. Ditto for the federal government.

4.4. The statutes and contracts which regulate the “sharing” of federal territory by the Statutory State are found in:

4.4.3. The Rules of Decision Act, 28 U.S.C. §1652. This act prescribes which of the two conflicting laws shall prevail in the case of crimes on federal territory.
4.4.4. 28 U.S.C. §2679(c ), which says that any action against an officer or employee of the United States in which the officer or employee is acting outside their authority shall be prosecuted in a state court.
4.4.5. Agreement on Coordination of Tax Administration (A.C.T.A.) between the state and the Secretary of the Treasury.
4.4.6. 26 U.S.C. §6361-6365, which governs states who are part to the above ACTA agreement. These statutes say they are repealed, but they implement contracts between the states and federal governments and so they can’t be repealed. Those acts of Congress in the Statutes At Large that embody them are still in full force.

5. The federal areas within the exterior limits of your state:

5.1. Are the effective domicile or “residence” of the government apparatus of the Statutory State. Anyone who works as a public officer for the state government is treated as having a domicile in this place for the purposes of their official employment.

5.2. Are not protected by the Bill of Rights. EVERYTHING is a franchise and a privilege within these areas:

"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)]

5.3. Are the effective domicile of all those who participate in government franchises, including the income tax, driver’s licenses, and marriage licenses.

5.4. Are the legal place where all business is conducted with the government.

6. What used to be called a “citizen” is now nothing more than a glorified privileged corporate “employee” or “officer” or “public officer” of a gigantic corporate monopoly. The term “United States” as used in most federal statutes implies the
GOVERNMENT corporation, and not the geographical states of the Union. In that sense, all states have transitioned from territorial political entities to entirely corporate, NONpolitical business entities.

TITLE 26. › Subtitle F. › CHAPTER 79. › Sec. 7701. {Internal Revenue Code}
Sec. 7701. – Definitions

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

(9) United States

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

(10) State

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

Uniform Commercial Code (U.C.C.)
§ 9-307. LOCATION OF DEBTOR.

(h) [Location of United States]

The United States is located in the District of Columbia.

[SOURCE:
http://www.law.cornell.edu/ucc/search/display.html?terms=district%20of%20columbia&url=/ucc/9/article9.htm
#s9-307]

CHAP. LXII. – An Act to provide a Government for the District of Columbia

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That all that part of the territory of the United States included within the limits of the District of Columbia be, and the same is hereby, created into a government of the name of the District of Columbia, by which name it is hereby constituted a body corporate [notice the word “body politic” is omitted] for municipal purposes, and may contract and be contracted with, sue and be sued, plead and be implored, have a seal, and exercise all other powers of a municipal corporation not inconsistent with the Constitution and laws of the United States and the provisions of this act.
[Statutes at Large, 16 Stat. 419 (1871);
SOURCE: http://famguardian.org/Subjects/Taxes/16Amend/SpecialLaw/DCCorpStatuesAtLarge.pdf]

For further details on the above SCAM, see:

Corporatization and Privatization of the Government, Form #05.024
http://sedm.org/Forms/FormIndex.htm

7. State income taxes are implemented and enforced under the following legal authorities:

7.1. The Internal Revenue Code, Sections 6361 through 6365. These statutes have since been removed from the I.R.C. after passage of the Buck Act, but the agreements with the states they wrought are still codified and enforceable within the regulations which implement them.

7.2. 26 C.F.R. §301.6361 through 26 C.F.R. §301.6365.

7.3. The Agreement on Coordination of Tax Administration between the governor of the state and the Secretary of the Treasury, which then binds the state to abide by 26 U.S.C. §6361 through 6365 and 26 C.F.R. §301.6361 through 26 C.F.R. §301.6365.


7.7. 28 U.S.C. §2679(c ), which says that any action against an officer or employee of the United States in which the officer or employee is acting outside their authority shall be prosecuted in a state court.

7.8. Agreement on Coordination of Tax Administration (A.C.T.A.) between the state and the Secretary of the Treasury.
8. The only way a person domiciled in the exclusive jurisdiction of a state or outside the “United States” (District of Columbia or the territories and possessions, which we collectively call the “federal zone”) can owe either a federal income tax or a state income tax is:

8.1. By falsely declaring a domicile in the “United States” or the federal zone instead of their state on a government form. This is usually done by filing the WRONG tax form, the IRS Form 1040, instead of the correct IRS Form 1040NR for a domiciliary of a state of the Union. This “election” is confirmed by IRS Document 7130, which says that the IRS Form 1040 is only for “citizens and residents of the United States”, and the only “United States” they can mean is the statutory one defined in 26 U.S.C. §7701(a)(9) and (a)(10) as the District of Columbia and not a state of the Union.

8.2. By connecting themselves with a public office in the United States government. The Internal Revenue Code is primarily an excise tax upon a “trade or business”, which is defined in 26 U.S.C. §7701(a)(26) as “the functions of a public office”. See:

<table>
<thead>
<tr>
<th>The “Trade or Business” Scam, Form #05.001</th>
</tr>
</thead>
<tbody>
<tr>
<td><a href="http://sedm.org/Forms/FormIndex.htm">http://sedm.org/Forms/FormIndex.htm</a></td>
</tr>
</tbody>
</table>

8.3. By MISREPRESENTING their status on government forms by, for instance, filing a RESIDENT tax return, IRS Form 1040 instead of the correct 1040NR. See:

<table>
<thead>
<tr>
<th>Non-Resident Non-Person Position, Form #05.020</th>
</tr>
</thead>
<tbody>
<tr>
<td><a href="http://sedm.org/Forms/FormIndex.htm">http://sedm.org/Forms/FormIndex.htm</a></td>
</tr>
</tbody>
</table>

8.4. By accepting privileged payments or benefits from the federal government and thereby waiving sovereign immunity pursuant to 28 U.S.C. §1605(a)(2) and 26 U.S.C. §871.

8.5. By signing a voluntary “agreement” to procure “social insurance” called a W-4 form. The following authorities identify this form as an “agreement”, even though the form itself deceptively does not admit this:

<table>
<thead>
<tr>
<th>8.5.1. 26 U.S.C. §3402(p)</th>
</tr>
</thead>
<tbody>
<tr>
<td>8.5.2. 26 C.F.R. §31.3402(p)-1</td>
</tr>
<tr>
<td>8.5.3. 26 C.F.R. §31.3401(a)-3(a)</td>
</tr>
</tbody>
</table>

8.6. By mistakenly assessing themselves with a tax liability that they in fact do not have.

8.7. By allowing false information return reports to be filed against them without correcting or rebutting them. Pursuant to 26 U.S.C. §6041(a), these reports may only be filed against persons engaged in a “trade or business”, which is a public office inside the United States government.

8.8. By taking “trade or business” deductions to reduce a perceived but not actual tax liability. 26 U.S.C. §162 says that such deductions can ONLY be taken in connection with a “trade or business”. IRS Publication 519 also says that nonresident aliens not engaged in a trade or business may not take such deductions. A nonresident alien not engaged in a “trade or business” and who does not receive government payments has no “gross income” and therefore needs no deductions to reduce his “gross income” or his tax. 26 C.F.R. §1.872-2(f).

9. State revenue codes may NOT be enforced or even mentioned in the context on any activities within the exclusive jurisdiction of the state. They may only be cited against activities in federal areas. If a state employee wrongfully applies these statutes against a person not domiciled on federal territory or cites case law from a federal court that has no jurisdiction outside of federal territory, then:

9.1. He is violating Federal Rule of Civil Procedure 17(b), which says that the only civil law he can cite is from the domicile of the defendant.

9.2. He is violating the Rules of Decision Act, 28 U.S.C. §1652, which says that state and not federal territorial law applies.

9.3. The case law he cites from federal courts is serving as the equivalent of political propaganda and NOT genuine lawful authority.

9.4. He is applying foreign law that is inapplicable to you and thereby committing treason in destroying the separation of powers between the state and federal governments. This treasonous tactic is not unlike the tactics of the British cited in the Declaration of Independence. To wit:

“He has combined with others to subject us to a jurisdiction foreign to our constitution, and unacknowledged by our laws; giving his assent to their acts of pretended legislation.”

[Declaration of Independence]

That is only one of the many grievances the People had, causing them to declare their independence from England to found this new country, to declare their sovereignty under the Laws of Nature. As sovereign, they would institute a new government to protect their sovereignty and unalienable, inherent Rights --a new government that would function in the interests of the People, the governed (i.e., the protected). They would establish and ordain a Constitution by which they would give their consent to the new government by delegating certain enumerated powers to it, to be used for the protection of their inborn sovereign rights --rights which exist by Nature, not by
mankind. Today, some 230 years after the Declaration, the People again grieve because the U.S. government,
originally instituted for the protection of their rights, has abandoned that responsibility and subjected them to a
jurisdiction foreign to our Constitution, and unacknowledged by our [constitutional] laws; and has given its assent
to its acts of pretended legislation. The People grieve today because the government they instituted has abandoned
their precious rights wrought by the self-evident truths proclaimed in the Declaration of Independence.

Moving beyond the income tax issue to the bigger picture, if you want to know about other ways that the states have
effectively surrendered their sovereignty to the federal government and thereby abdicated their sacred stewardship and
contract found in the state constitution to protect your rights, please read the following:

Government Conspiracy to Destroy the Separation of Powers, Form #05.023
http://sedm.org/Forms/FormIndex.htm

Of the preservation of the separation of powers between the state and federal government, which incidentally the Social
Security Act and the Buck Act BOTH DESTROY, the U.S. Supreme Court has held:

“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.”
[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)]

16 Resources for Further Study and Rebuttal

Those readers wishing to investigate the subject discussed in this short pamphlet further are encouraged to investigate the
following sources of additional information:

1. SEDM Jurisdictions Database, Litigation Tool #09.003-Detailed legal research on all 53 jurisdictions within the USA.
   Includes hotlinks that take you right to the resource within your browser.
   http://sedm.org/Litigation/LitIndex.htm
2. State Tax Response Letter Index, Form #07.201:
   http://sedm.org/SampleLetters/States/StateRespLtrIndex.htm
3. Government Conspiracy to Destroy the Separation of Powers, Form #05.023-exhaustively documents the legal and
   statutory separation between the federal government and the Constitutional states of the Union.
   http://sedm.org/Forms/FormIndex.htm
4. Corporatization and Privatization of the Government, Form #05.024-explains how the separation of legislative powers
   between the de jure states of the union and the federal government has been systematically destroyed and the states of
   the union have become federal corporations.
   http://sedm.org/Forms/FormIndex.htm
5. Jurisdiction Over Federal Areas Within the States, United States Government Printing Office, 1957, Form #11.203-
excellent resource on federal jurisdiction within the “Statutory State”. Available at:
   https://sedm.org/product/jurisdiction-over-federal-areas-within-the-states/
6. Family Guardian Taxation Page. Many useful resources and research articles on the subject of lawful and constitutional
taxation. Part of Family Guardian Website (http://famguardian.org). See:
7. **Great IRS Hoax, Form #11.302.** Book that exhaustively analyzes the proper and lawful execution of the Internal Revenue Code and proves beyond a shadow of doubt that the IRS and the federal government are unlawfully administering the system. Brought to you by Family Guardian Website (http://famguardian.org). See: http://famguardian.org/Publications/GreatIRSHoax/GreatIRSHoax.htm

8. **Federal and State Income Taxation of Individuals Course,** Form #12.003. Free short training course that describes the basics of tax law. See: http://sedm.org/Forms/FormIndex.htm

9. **Income Tax Withholding and Reporting Course,** Form #12.004. Free short training course that describes the basics of federal tax withholding and reporting. See: http://sedm.org/Forms/FormIndex.htm


11. **Public Salary Tax Act of 1939, 53 Stat. 574,** Chapter 59, April 12, 1939-established the income tax as a tax upon federal statutory “employees” (public officers)

12. **Public Salary Tax Act of 1939 -Family Guardian** https://famguardian.org/PublishedAuthors/Govt/HistoricalActs/PubSalaryTaxAct1939.htm


17. **Federal Tax Withholding,** Form #04.102. Short pamphlet that summarizes the above book in very few pages. Intended to be given to busy bosses, payroll managers, and legal counsel for private businesses to succinctly explain the requirements of the law in the context of tax withholding and reporting. See: http://sedm.org/Forms/FormIndex.htm

**17 Questions that Readers, Grand Jurors, and Petit Jurors Should be Asking the Government**

> “For this is the will of God, that by doing good you may put to silence the ignorance of foolish men— as free, yet not using liberty as a cloak for vice, but as bondservants of God.”
>
> [1 Peter 2:15-17, Bible, NKJV]

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 each state of the Union legislatives for TWO mutually exclusive jurisdictions:

   1.1. Territory of the state subject to the exclusive jurisdiction of the state. These areas are referred to as the “Constitutional State” within this document.
1.2. Federal areas and possessions within the exterior limits of the state. These areas are referred to as the “Statutory State” within this document.

YOUR ANSWER (circle one): Admit/Deny

2. Admit that neither the state nor the federal constitutions authorize the existence of the Statutory State, and that all powers not expressly granted to the state and federal governments by their respective constitutions are reserved to the People of the state.

YOUR ANSWER (circle one): Admit/Deny

3. Admit that it is a conflict of interest for officers of the Constitutional State to also serve the Statutory State.

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. 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.

YOUR ANSWER (circle one): Admit/Deny

4. Admit that federal areas within the “Statutory State” are described in Article I, Section 8, Clause 17 of the United States Constitution.

United States Constitution
Article I, Section 8, Clause 17

The Congress shall have Power [. . .]

To exercise exclusive Legislation in all Cases whatsoever, over such District (not exceeding ten Miles square) as may, by Cession of Particular States, and the Acceptance of Congress, become the Seat of the Government of the United States, and to exercise like Authority over all Places purchased by the Consent of the Legislature of the State in which the Same shall be, for the Erection of Forts, Magazines, Arsenals, dock Yards and other needful Buildings:—And

[SOURCE: http://caselaw.lp.findlaw.com/data/constitution/article01/]

YOUR ANSWER (circle one): Admit/Deny

5. Admit that federal areas within the “Statutory State” are not protected by the Bill of Rights, which are the first Ten Amendments to the United States Constitution.

"Indeed, the practical interpretation put by Congress upon the Constitution has been long continued and uniform to the effect that the Constitution is applicable to territories acquired by purchase or conquest, only when and so far as Congress shall so direct." [Downes v. Bidwell, 182 U.S. 244, at 278-279 (1901)]

YOUR ANSWER (circle one): Admit/Deny

6. Admit that a “resident” for the purposes of filing a “resident” state income tax return is an alien with a domicile on federal territory.

26 U.S.C. §7701(b)(1)(A) Resident alien

(b) Definition of resident alien and nonresident alien

(1) In general

For purposes of this title (other than subtitle B) -

(A) Resident alien

An alien individual shall be treated as a resident of the United States with respect to any calendar year if (and only if) such individual meets the requirements of clause (i), (ii), or (iii):
(i) Lawfully admitted for permanent residence
   Such individual is a lawful permanent resident of the United States at any time during such calendar year.
(ii) Substantial presence test
   Such individual meets the substantial presence test of paragraph (3).
(iii) First year election
   Such individual makes the election provided in paragraph (4).

“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 intention of 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 citizenship. 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, p. 87, E. De Vattel, Volume Three, 1758, Carnegie Institution of Washington; emphasis
added.]

YOUR ANSWER (circle one): Admit/Deny

7. Admit that the United States Constitution forbids the President of the United States to “join or divide” any state of the
Union.

United States Constitution
Article 4, Section 3, Clause 1

New States may be admitted by the Congress into this Union; but no new State shall be formed or erected within
the Jurisdiction of any other State; nor any State be formed by the Junction of two or more States, or Parts of
States, without the Consent of the Legislatures of the States concerned as well as of the Congress.

YOUR ANSWER (circle one): Admit/Deny

8. Admit that 26 U.S.C. §7621 authorizes the President of the United States to join or divide “States”:

TITLE 26 > Subtitle F > CHAPTER 78 > Subchapter B > § 7621
§7621. Internal revenue districts

(a) Establishment and alteration
The President shall establish convenient internal revenue districts for the purpose of administering the internal
revenue laws. The President may from time to time alter such districts.

(b) Boundaries
For the purpose mentioned in subsection (a), the President may subdivide any State, or the District of Columbia,
or may unite into one district two or more States.

YOUR ANSWER (circle one): Admit/Deny

9. Admit that the “State” referred to in 26 U.S.C. §7621 above is a federal “State” defined in 4 U.S.C. §110(d), which is a
territory or possession of the United States and includes no part of any state of the Union:

TITLE 4 > CHAPTER 4 > § 110
§ 110. Same; definitions
As used in sections 105–109 of this title—

(d) The term “State” includes any Territory or possession of the United States.

YOUR ANSWER (circle one): Admit/Deny

10. Admit that the states of the Union are not “territories” of the United States:

Corpus Juris Secundum Legal Encyclopedia
Territories
"§1. Definitions, Nature, and Distinctions

"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), Emphasis added]

YOUR ANSWER (circle one): Admit/Deny

11. Admit that in California, for example, the Statutory State is defined in the California Revenue and Taxation Code, §17018 as follows:

California Revenue and Taxation Code
Division 2: Other Taxes
Part 10: Personal Income Tax


[SOURCE: http://www.leginfo.ca.gov/cgi-bin/displaycode?section=rtc&group=17001-18000&file=17001-17039.1]

YOUR ANSWER (circle one): Admit/Deny

12. Admit that federal areas within the "Statutory State" are privileged areas where all "rights" are legislatively derived, and therefore become revocable "privileges" subject to the will of Congress.

YOUR ANSWER (circle one): Admit/Deny

13. Admit that the federal income tax liability under Internal Revenue Code, Subtitle A is a prerequisite to state income tax liability in every state of the Union that has personal income taxes.

YOUR ANSWER (circle one): Admit/Deny

14. Admit that all income taxes require a domicile within the territory of the taxing authority.

"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 are 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. 540 (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 indistinguishable."

[Fong Yue Ting v. United States, 149 U.S. 698 (1893)]
See also and rebut admissions at the end of the following if you disagree:

**Why Domicile and Becoming a “Taxpayer” Require Your Consent**, Form #05.002
[http://sedm.org/Forms/FormIndex.htm](http://sedm.org/Forms/FormIndex.htm)

YOUR ANSWER (circle one): Admit/Deny

15. Admit that you can only have a legal domicile in one physical place at a time.

“Domicile. [. . .] A person may have more than one residence but only one domicile.”


YOUR ANSWER (circle one): Admit/Deny

16. Admit that federal income taxes have as a prerequisite legal domicile on federal territory and NOT on land under exclusive Constitutional State jurisdiction.

YOUR ANSWER (circle one): Admit/Deny

17. Admit that human beings who are born in and domiciled within any state of the Union on land under exclusive Constitutional State jurisdiction and which is part of the Constitutional State but not Statutory State are “nationals” but not statutory “U.S. citizens” pursuant to 8 U.S.C. §1101(a)(21).

See:

**Why You are a “National”, “State National”, and Constitutional but not Statutory Citizen**, Form #05.006
[http://sedm.org/Forms/FormIndex.htm](http://sedm.org/Forms/FormIndex.htm)

YOUR ANSWER (circle one): Admit/Deny


“The writers upon the law of nations distinguish between a temporary residence in a foreign country for a special purpose and a residence accompanied with an intention to make it a permanent place of abode. The latter is styled by Vattel [in his book The Law of Nations as] “domicile,” which he defines to be “a habitation fixed in any place, with an intention of always staying there.” Such a person, says this author, becomes a member of the new society at least as a permanent inhabitant, and is a kind of citizen of the inferior order from the native citizens, but is, nevertheless, united and subject to the society, without participating in all its advantages. This right of domicile, he continues, is not established unless the person makes sufficiently known his intention of fixing there, either tacitly or by an express declaration. Vatt. Law Nat. pp. 92, 93. Grotius nowhere uses the word “domicile,” but he also distinguishes between those who stay in a foreign country by the necessity of their affairs, or from any other temporary cause, and those who reside there from a permanent cause. The former he denominates “strangers,” and the latter, “subjects.” The rule is thus laid down by Sir Robert Phillimore:

There is a class of persons which cannot be, strictly speaking, included in either of these denominations of naturalized or native citizens, namely, the class of those who have ceased to reside [maintain a domicile] in their native country, and have taken up a permanent abode in another. These are domiciled inhabitants. They have not put on a new citizenship through some formal mode enjoined by the law or the new country. They are de facto, though not de jure, citizens of the country of their [new chosen] domicile.

[Fong Yu Ting v. United States, 149 U.S. 698 (1893)]

YOUR ANSWER (circle one): Admit/Deny

19. Admit that the only physical place where both federal and state legislative jurisdictions coincide in the same place is in federal areas within the exterior limits of each state, which we call the Statutory State.

YOUR ANSWER (circle one): Admit/Deny

20. Admit that the only place where state income taxes can lawfully be levied is in the “Statutory State”, which consists of federal territory within the exterior limits of the state.

California Revenue and Taxation Code
Division 2: Other Taxes
Part 10: Personal Income Tax

17018. “State” includes the District of Columbia, and the possessions of the United States.

YOUR ANSWER (circle one): Admit/Deny

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State Income Taxes
Copyright Sovereignty Education and Defense Ministry, [http://sedm.org](http://sedm.org)
Form 05.031, Rev. 05-31-2017

EXHIBIT: ________
21. Admit that state income taxes may not lawfully be assessed or collected in the “Constitutional State”, which is land under the exclusive legislative jurisdiction of the state that is not part of any federal area.

YOUR ANSWER (circle one): Admit/Deny

22. Admit that all governments are corporations.

"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, politico 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, 36 U.S. 420 (1837)]

United States Code
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.

YOUR ANSWER (circle one): Admit/Deny

23. Admit that the “State of __________(fill in your state name)” is a “government corporation” controlled but not owned by the federal government.

TITLE 5 > PART 1 > CHAPTER 1 > § 103
§ 103. Government corporation
For the purpose of this title—
(1) “Government corporation” means a corporation owned or controlled by the Government of the United States; and

YOUR ANSWER (circle one): Admit/Deny

24. Admit that the “Republic of __________(fill in your state name)” is not controlled or owned by the federal government, but is sovereign in respect to its own internal affairs.

"The States between each other are sovereign and independent. They are distinct 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."

"It is very true that a corporation can have no legal existence 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)]

YOUR ANSWER (circle one): Admit/Deny

25. Admit that the federal government has no legislative jurisdiction within the “Constitutional State”.

State Income Taxes
Copyright Sovereignty Education and Defense Ministry, http://sedm.org
Form 05.031, Rev. 05-31-2017
EXHIBIT:_______
“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 ALR. 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 AL.R. 747.”

[Carter v. Carter Coal Co., 298 U.S. 238 (1936)]

YOUR ANSWER (circle one): Admit/Deny

26. Admit that all exercises by the national government of extraterritorial legislative jurisdiction outside of federal territory require “comity” in some form.

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. 530, 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.


YOUR ANSWER (circle one): Admit/Deny

27. Admit that states of the Union levy their personal income taxes based upon the Buck Act, 4 U.S.C. §§105-111.

YOUR ANSWER (circle one): Admit/Deny

28. Admit that Subtitle A of the Internal Revenue Code is a tax upon “a trade or business”, which is defined in 26 U.S.C. §7701(a)(26) as “the functions of a public office”, and that the “public office” is within the federal government and not the state government.

26 U.S.C. Sec. 7701(a)(26)

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

See also and rebut:

The “Trade or Business” Scam, Form #05.001
http://sedm.org/Forms/FormIndex.htm

YOUR ANSWER (circle one): Admit/Deny

29. Admit that state income taxes are also based upon a “trade or business”, because they are a tax upon “public officers” serving within the Statutory State pursuant to the Public Salary Tax Act of 1939.

YOUR ANSWER (circle one): Admit/Deny

30. Admit that the United States Congress cannot authorize a “trade or business” within a “Constitutional State” in order to tax it.

“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)]
YOUR ANSWER (circle one): Admit/Deny

31. Admit that 4 U.S.C. §72 requires all “public offices” which are the subject of the income tax upon a “trade or business” to exist ONLY in the District of Columbia and not elsewhere, except as expressly provided by an enactment of Congress.

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.

YOUR ANSWER (circle one): Admit/Deny

32. Admit that the federal government never enacted any law that authorizes “public offices” within the “Constitutional State” of any state of the Union and can lawfully legislatively create said offices ONLY within the “Statutory State”, a territory or possession of the United States, or the District of Columbia.

YOUR ANSWER (circle one): Admit/Deny

33. Admit that the federal government, through “comity”, passed 4 U.S.C. §111, authorizing “Statutory States” but not “Constitutional States” to levy an income tax upon federal “public officials” within federal areas that form the “Statutory State”.

TITLE 4 > CHAPTER 4 > § 111
§ 111. Same; taxation affecting Federal employees; income tax

(a) General Rule.— The United States consents to the taxation of pay or compensation for personal service as an officer or employee of the United States, a territory or possession or political subdivision thereof, the government of the District of Columbia, or an agency or instrumentality of one or more of the foregoing, by a duly constituted taxing authority having jurisdiction, if the taxation does not discriminate against the officer or employee because of the source of the pay or compensation.

YOUR ANSWER (circle one): Admit/Deny

34. Admit that 4 U.S.C. §111 is a portion of the statutory implementation of the Public Salary Tax Act of 1939, which is a tax upon “public salaries”.

YOUR ANSWER (circle one): Admit/Deny

35. Admit that 4 U.S.C. §111 does not authorize either a state or federal income tax upon “private salaries” or anything OTHER than salaries of “public officials” engaged in a “trade or business”.

YOUR ANSWER (circle one): Admit/Deny

36. Admit that 4 U.S.C. §111 does not authorize either a state or federal income tax upon those domiciled within the Constitutional State who do not hold “public office” in the federal government and who receive no payments from the United States government pursuant to 26 U.S.C. §871.

YOUR ANSWER (circle one): Admit/Deny

37. Admit that the “individual” mentioned at the top of IRS Form 1040 is a “alien” or “resident alien”:

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) Nonresident alien individual.

The term nonresident alien individual means a person described in section 7701(b)(1)(B), an alien individual who is a resident of a foreign country under the residence article of an income tax treaty and Sec. 301.7701(b)-7(a)(1) of this chapter, or an alien individual who is a resident of Puerto Rico, Guam, the Commonwealth of
Northern Mariana Islands, the U.S. Virgin Islands, or American Samoa as determined under Sec. 301.7701(b)-(d) of this chapter. An alien individual who has made an election under section 6013 (g) or (h) to be treated as a resident of the United States is nevertheless treated as a nonresident alien individual for purposes of withholding under chapter 3 of the Code and the regulations thereunder.

YOUR ANSWER (circle one): Admit/Deny

38. Admit that it is unlawful for a “nonresident alien” to file an IRS Form 1040 unless he is married to a statutory “U.S. citizen” pursuant to 8 U.S.C. §1401 and makes an election to be treated as a “resident alien” pursuant to 26 U.S.C. §6103(g) or (h).

YOUR ANSWER (circle one): Admit/Deny

39. Admit that persons domiciled within the “Constitutional State” and without the “Statutory State” are “nonresident aliens” as defined above.

Rebut questions at the end of the following if you disagree:

Non-Resident Non-Person Position, Form #05.020
http://sedm.org/Forms/FormIndex.htm

YOUR ANSWER (circle one): Admit/Deny

40. Admit that persons domiciled within the “Constitutional State” and without the “Statutory State” are an instrumentality of a “foreign state”, which is the Constitutional State if they are registered electors or jurists, because they participate in the administration of the state government in the exercise of their political rights to be a voter or jurist.

YOUR ANSWER (circle one): Admit/Deny

41. Admit that persons domiciled within the “Constitutional State” and without the “Statutory State” are protected by the Foreign Sovereign Immunities Act, 28 U.S.C. Chapter 97

YOUR ANSWER (circle one): Admit/Deny

42. Admit that persons domiciled within the “Constitutional State” may only lawfully surrender their sovereign immunity as “instrumentalities of a foreign state” by one of the following two means:


b. Satisfying one or more of the exceptions found in 28 U.S.C. §1605

YOUR ANSWER (circle one): Admit/Deny

43. Admit that states who wish to increase their income tax revenues unlawfully have a strong financial incentive to want to encourage domiciliaries of the Constitutional State to incorrectly declare or describe themselves to be statutory “U.S. citizens” pursuant to 8 U.S.C. §1401 in order to cause them to waive sovereign immunity and thereby misrepresent themselves as domiciliaries of the Statutory State subject to exclusive federal jurisdiction and income taxation.

YOUR ANSWER (circle one): Admit/Deny

44. Admit that the only lawful way for a nonresident person such as a person domiciled in the exclusive jurisdiction of a state of the Union, to become a “resident alien” as defined in 26 U.S.C. §7701(b)(1)(A) is to make an “election” pursuant to 26 U.S.C. §6013(g) to be treated as such by voluntarily using the WRONG form, the IRS 1040 form, to describe his, her, or its status as a “U.S. person” as defined in 26 U.S.C. §7701(a)(30) or domiciliary of the federal zone.

I040A 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:FI Tax Form or Instructions
[2003 IRS Published Products Catalog p. F-15;

YOUR ANSWER (circle one): Admit/Deny
45. Admit that IRS Form W-4 constitutes an agreement to call one’s earnings taxable “wages”, even if they in fact earn no taxable “wages” as legally defined in 26 U.S.C. §3401.

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”.

YOUR ANSWER (circle one): Admit/Deny

46. Admit that the election of “nonresident aliens” to be treated as “resident aliens” as described in 26 U.S.C. §6013(g)(1)(B) may only lawfully be made if the nonresident alien is married to a statutory United States citizen as defined in 8 U.S.C. §1401.

YOUR ANSWER (circle one): Admit/Deny

47. Admit that there is no statutory authority within the Internal Revenue Code or the implementing Treasury Regulations for a “nonresident alien” who is not married to a statutory “U.S. citizen” in 8 U.S.C. §1401 to voluntarily elect to be treated as a “resident alien”.

YOUR ANSWER (circle one): Admit/Deny

48. Admit that the election of “nonresident aliens” to be treated as resident aliens as described in 26 U.S.C. §6013(g) changes the effective domicile of the nonresident alien to the “State” described in 4 U.S.C. §110(d), which is a federal state or territory, regardless of where their original domicile started and makes them a “taxpayer” subject to the Internal Revenue Code.

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‘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)]

YOUR ANSWER (circle one): Admit/Deny
49. Admit that the Anti-Injunction Act, 26 U.S.C. §7421 is civil and not criminal law that:
49.1. Does not constrain “nontaxpayers” from bringing suit to restrain the collection or assessment of taxes upon
themselves.

“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, 82 L.Ed. 1449 (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, 422 U.S. 614,
635, 96 S.Ct. 1002, 1074, 47 L.Ed.2d 278 (1976) (BLACKMUN, J., dissenting). I simply cannot join such a
fundamental undermining of the congressional purpose.”

49.2. Does not apply to suits brought by foreign sovereigns, such as domiciliaries of the Constitutional State.
49.3. Does not apply to persons domiciled where Congress enjoys no legislative jurisdiction, such as within the exclusive
jurisdiction of the Constitutional State.

YOUR ANSWER (circle one): Admit/Deny
50. Admit that it is unlawful for any state of the Union to enforce their personal income tax laws outside of the Statutory
State or inside of the Constitutional State.

“Every State or nation possesses an exclusive sovereignty and jurisdiction within her own territory, and her laws
affect and bind all property and persons residing within it. It may regulate the manner and circumstances under
which property is held, and the condition, capacity, and state of all persons therein, and also the remody and
modes of administering justice. And it is equally true that no State or nation can affect or bind property out of
its territory, or persons not residing [domiciled] within it. No State therefore can enact laws to operate beyond
its own dominions, and if it attempts to do so, it may be lawfully refused obedience. Such laws can have no
inherent authority extraterritorially. This is the necessary result of the independence of distinct and separate
sovereignties.”

“Now it follows from these principles that whatever force or effect the laws of one State or nation may have in
the territories of another must depend solely upon the laws and municipal regulations of the latter, upon its
own jurisprudence and polity, and upon its own express or tacit consent.”
[Dred Scott v. John F.A. Sanford, 60 U.S. 393 (1856)]

‘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)]

YOUR ANSWER (circle one): Admit/Deny
51. Admit that the enforcement of the laws of the Statutory State within the Constitutional State is a matter of “comity” and
requires the express or tacit consent against those it is being enforced against, and that absent such voluntary consent,
any such enforcement is illegal and unconstitutional.

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YOUR ANSWER (circle one): Admit/Deny

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:____________________________________________________