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SECTION 4: LAWFUL MONEY SECRETS

This document has one focus: “to flesh out the idea of legal tender vs lawful money and the tax implications surrounding it.”

It should be remarked that the fundamental outcome of this research is to prove that income taxes are not based on income, but are an indirect tax due to a taxable event via the use of PRIVATE CREDIT known as Federal Reserve notes, an elastic currency. **This tax can be avoided through the redemption of lawful money and lawful banking practices**, as sampled in the final sub-topics(s).

Additional taxes such as Withholding taxes, Social Security taxes and Medicare taxes are not addressed here, but are concluded in Section #5: *Live Free Without SSN*. **The focus here is on the income tax and lawful money**; while quite simple, its simplicity sometimes leads some to believe it “should be harder” to obtain a remedy. The ultimate realization is that everything contains a dual-nature (*public side & private side*) this understanding will come immediately for some and later for others. *The Supreme Court is quite clear there are two forms ONE currency may take, public or private.*



Look at a dollar. There are 2 seals on the face of each note. **The left side is the Federal Reserve Seal (the private side) and the Treasurer of the United States signature. The right side is the US Department of the Treasury and Secretary of the Treasury's signature (the public side).** It is by demand and restricted indorsement that one notifies the Federal Reserve, US Department of the Treasury, IRS and the Banks of the use of US Bank notes and not the Federal Reserve notes.

The “controllers” have put the “choice” right in front of our faces while obfuscating the inherent remedy written into the law so as to avoid culpability and acts of treason via forced servitude into paying back THEIR debt.



A comparison of a "United States Note" (top) as issued by the U.S. government and a regular "Federal Reserve Note" (bottom) as issued by the Fed. Although the bills are esthetically similar, the United States Note is debt-free, interest-free and bypasses the entire parasitical Federal Reserve System.

Everything is hidden in plain view. Thus by deception, they wage war. There is no income tax obligation associated with redeemed lawful money cash when the demand has been made. Did you notice how the United States Note only has ONE seal on it? Whereas the regular **Federal Reserve Notes have BOTH seals allowing it to take BOTH forms.** A Federal Reserve note in hand takes the form (per the law) of lawful money found at **Title 12 U.S. Code § 411** when demand is made because it is "elastic currency." **The remedy comes in the recording of redemption** (by scanned checks and signed receipts by a cashier), **not in redeeming Federal Reserve notes for gold or US Bank notes!**

Lawful money is a remedy demanded (then offered) by common law - written into federal law. When a private bank, like the Federal Reserve, prints money on behalf of Congress they are utilizing a private currency of the Federal Reserve's; however, an agreement between the private banks and Congress was reached to print their fiat currency with the ability to redeem in lawful money (gold coin). This all changed in 1861, immediately after the Civil War the government implemented "legal tender as lawful money" and a flat-tax for all citizens. This change occurred because President Lincoln's "Greenback Dollars" were public/federal currency that was seen as a "competitor" to the private banker's interest in controlling the printing of a country's money (which they have succeeded in doing for every country in the world save North Korea, Iran and Cuba - do they sound like "enemies" to freedom now?). This gives high probability as to why Lincoln was assassinated by an "actor" after his bodyguard "went for a drink" and soon after Andrew Johnson took over he gave the banker's free reign.

What also happened in 1861 was the removal of demanding lawful money and receiving GOLD & SILVER for their paper bills of exchange. This was the first official “removal of precious commodities” from the public, the other occurring in 1933. Anyone who deposited gold or silver into their account were denied withdrawal and were forced to accept fiat currency (paper). This resulted in numerous Supreme Court cases you’ll read below that outline this great change and how Congress supported and allowed it to occur.

The banks can’t issue gold or US bank notes because the US is bankrupt and there are no lawful dollars out there, only credit and debt ledger entrees, and no one gets paid for anything with anything of valuable substance (except lawful money). The IRS can’t tax credit, debt, or barter. Congress licensed the use of Federal Reserve notes to be used as money (*they’re basically just fancy I.O.U.s*), as a medium or exchange for the discharge of public and private debt into the US bankruptcy. With that definition, the Federal Reserve notes became contraband that gives the BATFE jurisdiction over its use and transfer (only the private FRN credits, that is). And just like trafficking in alcohol, guns, drugs, tobacco or other substances, private credit is subject to excise taxes.

INCOME TAX IS AN INDIRECT TAX

The Supreme Court affirmed that the federal income tax is in the class of indirect taxes, which include duties and excises. **The personal income tax arises from a duty -- i.e., charge or fee -- which is voluntarily incurred (and thus voluntarily reported) and is subject to the rule of uniformity (indirect taxation).** A charge is a duty or obligation, binding upon him who enters into it, which may be removed or taken away by a discharge (performance).

Even more jarring, is that **taxes were admitted as being VOLUNTARY** by [Steve Miller](#), **former Director of the Internal Revenue Service** in the Ways & Means Committee Hearing on June 27, 2013, as read in [this transcript](#). Only federal employees are mandated to pay taxes. When questioned at the House Ways and Means Committee (WMC) hearing, Miller told House Representative Devin Nunes that “America's tax system is 'voluntary'.” **When Nunes remarked for clarification that the US tax code is a “voluntary system,” Miller said, “Agreed.”**

The personal income tax provision of the Internal Revenue Code is private law rather than public law. One must file for a return of all tax withheld after a year of demanding and redeeming lawful money. The IRS sends back the taxes and interest held on those held funds. That is why one must keep records of all lawful money deposits.

Redeeming lawful money, means no court case because one is still filing a return so there is no issue. The IRS marks any lawful money redemption internally as “income from a non-taxable source” to quell questions from low-level employees. **As a whole, the IRS is extremely cooperative with 12 U.S. Code § 411 redeemers.** When the IRS looks at a 1040 from one redeeming lawful money, and checks bank records, sees the demands and non-indorsement, the refund is given. That is also why lawful money refunds can take 6-12 months - there is “due consideration” (a manual review)... **amazing!!!**

Of course, there have been a few 12 U.S. Code § 411 people hit with frivolous claims by the IRS, but to date, those have been defeated by recording a Libel of Review (a basic document that states one's status in relation to a variety of issues at hand) in District Courts and **NOT ONE case against them or anyone redeeming lawful money has to date, been filed.** And to our best knowledge, no one has had to pay for any frivolous filing fees. However, without demand for lawful money, every method we’ve seen has fallen flat on its face when challenged by the courts. **Especially if one tried responding**

to the IRS using other methods before redeeming lawful money. That can still haunt you despite lawful money being redeemed.

No one should ever protest or evade filing taxes. Taxes are legal, lawful and necessary! Taxes are *not* theft, except by [mis]assumption. TAX is an acronym for T-Cell Atomic Crossover and is the perfect example of life exemplified in contract law. One should always want the process of TAX to occur, it is what allows one to order up public funds for the greater good. It leads to expansion by natural means. [Many thanks to <https://www.godlikeproductions.com/forum1/message1304915/pg1> for the above.]

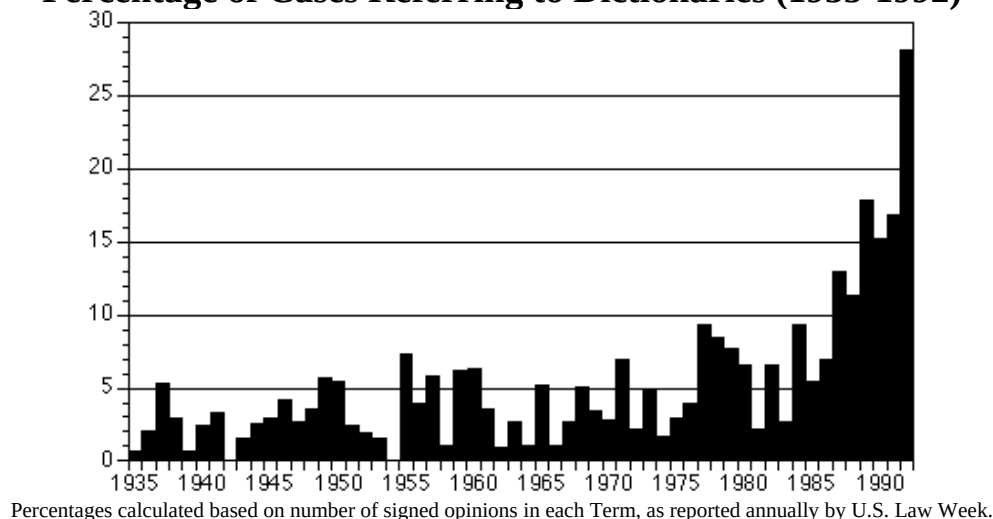
Lawful Money Redemption is multifaceted, yet simple in execution:

- 1) There are ONLY Direct Taxes and Indirect Taxes**
- 2) The 16th Amendment Actually Limited Congress' Power of Taxation**
- 3) The Income Tax is an Indirect or Excise Tax (due to an event occurring)**
- 4) Receiving Income is NOT a Right or Privilege (no benefit or license required)**
- 5) Situs, Benefits/Rights Received and Licenses Result in a Corporate Tax**
- 6) Federal Reserve Notes are Elastic Legal Tender (a private currency w/ benefits)**
- 7) Unless Objected to FRNs are Received as PRIVATE CREDIT (a taxable event)**
- 8) FRNs Redeemed as Lawful Money Avoid a Taxable Event**
- 9) Special Deposit Accounts Allows One to Hold Gold/Silver "In Kind"**
- 10) The IRS Doesn't Follow Any Lower Courts Rulings, Except the Supreme Court's**

In the upcoming section there are a series of definitions to help you better understand lawful money & the corresponding supreme court cases. Ultimately, much attention and the use of Black's Law Dictionary, Merriam Webster's Third Dictionary & Oxford English Dictionary should be used to discern the meaning behind each word spoken.

It should be noted that Black's Law Dictionary is a standard used by all lower BAR courts, save the Supreme Court which primarily uses Merriam Webster's Third & Oxford English Dictionary as guidance to what a word means; although they've been known to seek dozens of dictionaries for a single word. And as our legal system becomes more complicated, the need to reference a dictionary by the Supreme Court justices has increased five-fold since 1935.

Percentage of Cases Referring to Dictionaries (1935-1992)



LAWFUL MONEY DEFINITIONS

16TH AMENDMENT: The modern distinction between direct taxes and indirect taxes came about with the passing of the 16th Amendment in 1913. Before the 16th Amendment, tax law in the United States was written so that any direct taxes were required to be directly apportioned to the population. A state with a population of only 75% the size of another state's, for example, would only be required to pay direct taxes equal to 75% of the larger state's tax bill. This antiquated verbiage created a situation in which the federal government could not separate the powers of direct and indirect taxation, such as the income tax, due to apportionment requirements. However, the passing of the 16th Amendment harmonized the tax code and allowed for the levying of numerous direct and indirect taxes.

APPORTIONMENT: The division, partition, or distribution of a subject-matter in proportionate parts. The allotment of their shares in a rent to each of several parties owning it.

ASSUMPSIT: An undertaking either express or implied, to perform a parole agreement. [An express assumpsit is where one undertakes verbally or in writing, not under seal, or by matter of record, to perform an act, or to pay a sum of money to another. The usual plea is non-assumpsit under which the defendant may give in evidence most matters of defense. When there are several defendants they cannot plead the general issue severally; nor the same plea in bar, severally. The plea of not guilty, in an action of assumpsit, is cured by verdict.]

BAILEE: The person to whom personal property is bailed.

BAILOR: A person who delivers personal property to another in trust.

CAPITATION: A direct uniform tax imposed on each head or person; poll tax; a uniform per capita payment or fee.

CAPITATION TAX: An assessment levied by the government upon a person at a fixed rate regardless of property, business, or other circumstances. Since it is a tax upon the individual, and not upon merchandise, a capitation tax is frequently labeled as a 'head tax'.

COLLATERAL ATTACK: When a separate and new lawsuit is filed to challenge some aspect of an earlier and separate case, it is called a collateral attack on the earlier case. This is different from an appeal, which is a challenge to some aspect of a decision made in the same case. **EXAMPLE:** Sam obtains a divorce in Nevada without properly notifying his wife, Laurie. Laurie files a later lawsuit seeking to set aside the divorce and start the divorce proceedings over. Laurie's case is a collateral attack on the divorce. The law wants judgments to be final whenever possible, and thus collateral attacks are discouraged. Many are filed, but usually only succeed when an obvious injustice or unconstitutional treatment occurred in the earlier case.

DOMICIL (or) DOMICILE: A dwelling place; place of residence; home; a person's fixed, permanent, and principal home for legal purposes.

DIRECT TAXES: A tax one pays directly to the government. These taxes cannot be shifted to any other person or group. Capitation tax is a direct tax, along with taxes on property due to ownership.

ELASTIC CURRENCY: A currency that automatically increases and decreases in volume with the demands of business. *(Federal Reserve Notes are a perfect example of elastic currency)*

ENDORSEMENT: Sanction; approval. [Public indication of approval or support.]

EXCISE TAX: Considered an indirect tax, meaning that the producer or seller who pays the levy to the government is expected to try to recover their loss by raising the price paid by the eventual buyer of the goods.

GENERAL DEPOSIT: A deposit of money in a bank that is to the credit of the depositor thereby giving the depositor the right to money and creating a debtor-creditor relationship.

INCOME: A gain derived from capital, from labor, or from both combined. [Remember, income is not the subject of the tax: it is the basis for determining the amount of the tax.]

INDIRECT TAXES: These taxes can be passed on-or shifted-to another person or group by the person or business that owes it. Taxes collected from a customer, to pay to the government, like VAT, sales and import taxes are all considered indirect taxes because they are levied on the end-buyer upon transferring title of the property. The event of **transference of property**, a **benefit or privilege derived** [from government, or the **use of elastic currency** (FRNs) being used as legal tender instead of lawful money, results in an indirect tax].

INDORSEMENT: Sanction; approval. [Legal signature on some financial documents, like checks.]

**Nearly synonymous with endorsement; however, indorsements refer to financial matters.*

JURISDICTION: The power, right, or authority to interpret and apply the law. The limits or territory within which authority may be exercised.

LAWFUL MONEY: Lawful money is any form of currency issued by the United States Treasury and not the Federal Reserve System. It includes gold and silver coins, Treasury notes, and Treasury bonds. Lawful money stands in contrast to fiat money, in which the government assigns value although it has no intrinsic value of its own and is not backed by reserves. Fiat money includes legal tender such as

paper money, checks, drafts, and banknotes. Lawful money is also known as “specie,” which means “in actual form.” [from Investopedia]

LEGAL TENDER: Lawfully established national currency denominations. Legally required commercial exchange medium for money-debt payment. Differs widely from country to country. Creditors, lenders, and sellers retain the option to accept financial vehicles, such as checks and postal orders that are not legal tender, for payment of debt. [Legal tender can legally be fiat.]

LEGIS PERSONA: ‘Les’ is an abbreviation of legislation, ‘persona’ means *for one's self* or *acting on one's own behalf*. Completed, it means *‘one acting legally for self’*.

LEVY: The imposition or collection of an assessment.

LOANER: Something that is lent especially as a replacement for something being repaired.

MANDAMUS: Latin for "we order," a writ (more modernly called a "writ of mandate") which orders a public agency or governmental body to perform an act required by law when it has neglected or refused to do so. Examples: After petitions were filed with sufficient valid signatures to qualify a proposition for the ballot, the city refused to call the election, claiming it has a legal opinion that the proposal is unconstitutional. The backers of the proposition file a petition for a writ ordering the city to hold the election. The court will order a hearing on the writ and afterwards either issue the writ or deny the petition. Or a state agency refuses to release public information, a school district charges fees to a student in violation of state law, or a judge will not permit reporters entry at a public trial. All of these can be subject to petitions for a writ of mandamus.

NOMINAL VALUE: The value that is stated on currency; face value. the price of a share, bond, or security when it was issued, rather than its current market value.

PROCURATION: 1. The act by which one person gives power to another to act in his place, as he could do himself. A letter of attorney. 2. Procurations are either express or implied; an express procuration is one made by the express consent of the parties; the implied or tacit takes place when an individual sees another managing his affairs, and does not interfere to prevent it. Dig. 17, 1, 6, 2; Id. 50, 17, 60; Code 7, 32, 2. 3. Procurations are also divided into those which contain absolute power, or a general authority, and those which give only a limited power. Dig. 3, 3, 58; Id. 17, 1, 60, 4 4. The procurations are ended in three ways first, by the revocation of the authority; secondly, by the death of one of the parties; thirdly, by the renunciation of the mandatory, when it is made in proper time and place, and it can be done without injury to the person who gave it. Inst. 3, 27 Dig. 17, 1; Code 4, 35; and see Authority; Letter of Attorney; Mandate. 5. Procurations are also divided into those which contain absolute power, or a general authority, and those which give only a limited power. Dig. 3, 3, 58; Id. 17, 1, 60, 4 4. The procurations are ended in three ways first, by the revocation of the authority; secondly, by the death of one of the parties; thirdly, by the renunciation of the mandatory, when it is made in proper time and place, and it can be done without injury to the person who gave it. Inst. 3, 27 Dig. 17, 1; Code 4, 35; and see Authority; Letter of Attorney; Mandate. Procurations, eccles. law. Certain sums of money which parish priests pay yearly to the bishops or archdeacons *ratione visitationis*. it 3, 39, 25; Ayl. Parerg. 429; 17 Vin. Ab. h. t., pa e 544.

RULE OF UNIFORMITY: It requires only that the subject matter of a levy be taxed at the same rate wherever found in the United States.

SEIGNIORAGE: The net revenue gained from the issuing of currency; the difference between the face value of coins and notes and the costs of their production.

SPECIAL DEPOSIT: A deposit that is made for a specific purpose, that is to be returned to the depositor, and that creates a bailment or trust.

SPECIE: Money in the form of coins rather than notes.

TACIT ACQUIESCENCE: To accept, agree, or give consent by keeping silent or by not making objections. [Private Administrative Law says thirty days and three letters sent via USPS Registered Mail (Green Slip) of communication letting the other party know they may object.]

TACIT PROCURATION: An implied or tacit procuration takes place when an individual sees another managing his affairs and does not interfere to prevent it. [If one allows others to handle their affairs, they have been given a power of attorney. That is why the government can seize property without a court order, proof of a violation, a judge's signature, and without starting court proceedings. Even acceptance of control over prescription drugs is proof that one does not manage their own affairs. By accepting management of affairs, one agrees they are incompetent to manage self.]

TENDER: To present for acceptance; offer.

STEP #0: LAWFUL MONEY SUPREME COURT CASES

In the following section, there are a multitude of Supreme Court cases provided; which when analyzed, will result in a single case explaining one or two facets of a twenty-sided die known as income taxes. Aftering reading through these cases, one will soon begin to understand the firm legal foundation upon which the lawful money remedy stands. It must be stated that all **bold**, *italic* or underlined words have been added for emphasis and do not occur within the original transcriptions.

IRS MANUAL 4.10.7.2.9.8 ON IMPORTANCE OF COURT DECISIONS

1. **Decisions made at various [lower] levels of the court system are considered to be interpretations of tax laws** and may be used by either examiners or taxpayers to support a position.
2. Certain court cases lend more weight to a position than others. A case decided by the U.S. Supreme Court becomes the law of the land and takes precedence over decisions of lower courts. **The Internal Revenue Service must follow Supreme Court decisions. For examiners, Supreme Court decisions have the same weight as the Code** (*and more weight if one stands in their own personal jurisdiction as a free inhabitant*).
3. Decisions made by lower courts, such as Tax Court, District Courts, or Claims Court, are binding on the Service only for the particular taxpayer and the years litigated. **Adverse decisions of lower courts do not require the Service to alter its position for other taxpayers.**

RESULT: Only Supreme Court cases matter to the IRS.

SUPREME COURT CASES: AGE, OVERTURNING & OTHER QUESTIONS

It has been asked if the cases the Supreme Court has ruled on, have ever been overruled – and the answer is yes! So far, the list is 300 and counting but when one looks through the list (https://en.wikipedia.org/wiki/List_of_overruled_United_States_Supreme_Court_decisions) it will become clear that **none of the cases cited on currency, lawful money and taxes were reversed**. Only Pollock v. Farmers' Loan & Trust Co., 157 U.S. 429 (1895) was overturned, *and only in part*, regarding taxation on *specifically* anonymous bearer bonds, due to their proficiency in money laundering. The Supreme Court is willing to reverse decisions and does not believe in *stare decisis* (the legal principle of determining points in litigation according to precedent) due to previous rulings, but only around 1% of all decisions are reversed.

As one goes through the list of overturned cases, one will notice that all overturned cases relate to Admiralty/Federal or Constitutional Law, and **only THREE CASES relate to Common Law**. Showing that Contract Law, Trust Law and Common Law are well established among the courts.

In terms of case antiquity, some have established the idea that such cases no longer hold relevance; however, the very opposite idea should come to mind! **For a case that has withstood the test of time, has been so succinctly stated as to need not another look.** In fact, one will find many of the cases we have used to show the idea of lawful money, are the very cases that the Supreme Court cites in other currency disputes that reach its court. When one has questions about the validity of a law, one looks no further than the highest court in the land.

As a final note, **FindLaw** is an excellent website that will allow one to see the full case text and details regarding each ruling. If one fails to find the case in FindLaw, Google is a great alternative, usually a search with the details “NAME v NAME + YEAR” will bring up excellent results.

VEAZIE V FENNO, 75 US 533 (1869) – LEGAL TENDER CONTROVERSY

At the beginning of the rebellion the circulating medium consisted almost entirely of bank notes issued by numerous independent corporations variously organized under State legislation, of various degrees of credit, and very unequal resources, administered often with great, and not unfrequently, with little skill, prudence, and integrity. The acts of Congress, then in force, ***prohibiting the receipt or disbursement... of anything except gold and silver, and the laws of the States requiring the redemption of bank notes in coin on demand***, prevented the disappearance of gold and silver from circulation. There was, then, no National currency except coin; there was no general regulation of any other by National legislation; and no National taxation was imposed in any form on the State bank circulation.

The methods adopted for the supply of this currency were briefly explained in the first part of this opinion. It now consists of coins, of United States notes, and of the notes of the National banks. Both descriptions of notes may be properly described as bills of credit, for both are furnished by the government; both are issued on the credit of the government; and the government is responsible for the redemption of both; primarily as to the first description, and immediately upon default of the bank, as to the second. ***When these bills shall be made convertible into coin, at the will of the holder, this currency will, perhaps, satisfy the wants of the community, in respect to a circulating medium***, as perfectly as any mixed currency that can be devised.

Having thus, in the exercise of undisputed constitutional powers, undertaken to provide a currency for the whole country, it cannot be questioned that Congress may, constitutionally, secure the benefit of it to the people by appropriate legislation... ***To the same end, Congress may restrain, by suitable enactments [like taxing private credit (FRNs) used publicly], the circulation as money of any notes not issued under its own authority.*** Without this power, indeed, its attempts to secure a sound and uniform currency for the country must be futile.

RESULT: The case conclusively settled the legal tender controversy by ruling that Congress possesses the authority to make notes legal tender both in peacetime and wartime. And for a final “word” on the matter that Federal Reserve notes are both Legal Tender and Lawful Money (elastic currency), is the US Supreme Court ruling twice on the validity of Lawful Money in *U.S. v Rickman* (1980) and again in *U.S. v. Ware* (2002).

JUILLIARD V GREENMAN 110 US 421 (1884) – LEGAL TENDER CONVERTS TO LAWFUL MONEY WHEN THERE IS OBJECTION ON RENDER

The power “to borrow ***money on the credit of the United States***” is the power to raise money for the public use on a pledge of the public credit, and may be exercised to meet either present or anticipated expenses and liabilities of the government. It includes the power to issue, in return for the money borrowed, the obligations of the United States in any appropriate form, of stock, bonds, bills or notes; and in whatever form they are issued, ***being instruments of the national government, they are exempt from taxation by the governments of the several states.*** *Weston v. Charleston City Council*, 2 Pet. 449; *Banks v. Mayor*, 7 Wall. 16; *Bank v. Supervisors*, 7 Wall. 26.

...so much is settled beyond doubt...

It is equally well settled that congress has the power to incorporate national banks, with the capacity, for their own profit as well as for the use of the government in its money transactions, of issuing bills which, under ordinary circumstances, pass from hand to hand as money at their nominal value, and which, when so current, the law has always recognized as a good tender in payment of money debts, unless specifically objected to at the time of the tender. U. S. Bank v. Bank of Georgia, 10 Wheat. 333, 347; Ward v. Smith, 7 Wall. 447, 451.

This position is fortified by the fact that congress is vested with the exclusive exercise of the analogous power of coining money and regulating the value of domestic and foreign coin, and also with the paramount power of regulating foreign and interstate commerce. Under the power to borrow money on the credit of the United States, and to issue circulating notes for the money borrowed, its power to define the quality and force of those notes as currency is as broad as the like power over a metallic currency under the power to coin money and to regulate the value thereof. ***Under the two powers, taken together, congress is authorized to establish a national currency, either in coin or in paper, and to make that currency [FRNs] lawful money [when redeemed per 12 US Code § 411] for all purposes, as regards the nation government or private individuals.***

A contract to pay a certain sum in money, without any stipulation as to the kind of money in which it shall be paid, may always be satisfied by payment of that sum in any currency which is lawful money at the place and time at which payment is to be made. 1 Hale, P. C. 192-194; Bac. Abr. Tender, B. 2; Poth. Cont. No. 416; Pardessus Droit Commercial, Nos. 204, 205; Searight v. Calbraith, 4 Dall. 325.

Congress, as the legislature of a sovereign nation, being expressly empowered by the constitution “to lay and collect taxes, to pay the debts and provide for the common defense and general welfare of the United States,” and “to borrow money on the credit of the United States,” and “to coin money and regulate the value thereof and of foreign coin;” and being clearly authorized, as incidental to the exercise of those great powers, to emit bills of credit to charter national banks, and to provide a national currency for the whole people, in the form of coin, treasury notes, and national bank bills; and the power to make the notes of the government a legal tender in payment of private debts being one of the powers belonging to sovereignty in other civilized nations, and not expressly withheld from congress by the constitution; we are irresistibly impelled to the conclusion that the impressing upon the treasury notes of the United States the quality of being a legal tender in payment of private debts is an appropriate means, conducive and plainly adapted to the execution of the undoubted powers of congress, consistent with the letter and spirit of the constitution, and therefore within the meaning of that instrument, 'necessary and proper for carrying into execution the powers vested by this constitution in the government of the United States.'

...the universal law of currency prevailed, which makes promises of money valuable only as they are convertible into coin. The notes depreciated until they became valueless in the hands of their possessors. ***So, it always will be; legislative declaration cannot make the promise of a thing the equivalent of the thing itself.***

RESULT: All notes are taxable when issued by an entity other than the united States [Federal Reserve, a private institution], thus an excise tax is required on the circulation of all such notes, like Federal Reserve Notes. If one objects at the time of tender of FRNs, they become lawful money much akin to a US Bank Note. Collection of taxes, direct and indirect on legal tender **not** issued by the

government are inherently constitutional. It's not the labor, property or car that is taxed – **it's the use of the elastic currency known as FRNs** that enriches the private bank. Federal Reserve Notes, being issued by a private institution, go from the private to public realm through banks, creating a taxable event when not redeemed as lawful money. Additionally, it should be noted that lawful money does not consider gold and silver coins redeemable when a valid lawful money note is tendered.

KNOWLTON V. MOORE 178 U.S. 41 (1900) – DIRECT VS INDIRECT TAXES

The inquiry whether the taxes are direct or indirect must involve the prior determination of the objects or rights upon which by law they are imposed and assessed, since it becomes essential primarily to know what the law assesses and taxes in order to completely learn the nature of the burden.

For these reasons we shall first, in a general way, consider upon what rights or objects death duties, as they are termed in England, are imposed.

Taxes of this general character are universally deemed to relate, not to property 'eo nomine', but to its passage by will or by descent in cases of intestacy, as distinguished from taxes imposed on property, real or personal, as such, because of its ownership and possession.

They are included officially under the general denomination of indirect taxes, for the reason that all inheritance and legacy taxes are considered as levied on the 'occasion of a particular isolated act.'

'Direct taxes bear immediately upon persons, upon the possession and enjoyments of rights; indirect taxes are levied upon the happening of an event or an exchange.'

They are there, both in theory and in practice, treated as resulting from the occasion of death, and hence as not legally equivalent with taxes levied on property merely because of its ownership. Cohn, Science of Finance (Veblen's translation), 282, 283, 350; Dos Passos, Inheritance Tax Law, 1.

Concluding, then, that the tax under consideration is not direct within the meaning of the Constitution, but, on the contrary, is a duty or excise, we are brought to consider the question of uniformity.

RESULT: The ownership of land by inheritance does not result in a tax, but the actual action of its passage (or transference) by will or descent [probate] results in the indirect taxable event, via excise or indirect tax. Direct taxes are based on the rule of uniformity to designate a direct uniform tax imposed on each head or person.

SCHOLEY v. REW 90 US 331 (1874) – INCOME TAX IS AN INDIRECT TAX

Whether direct taxes in the sense of the Constitution comprehend any other tax than a capitation tax and a tax on land is a question not absolutely decided, nor is it necessary to determine it in the present case, as it is expressly decided that the term does not include the tax on income, which cannot be distinguished in principle from a succession tax such as the one involved in the present controversy.

RESULT: Income, Social and Medicare taxes are excise or indirect taxes. The only direct taxes are capitation and a tax on land.

FLINT V. STONE TRACY CO., 220 U.S. 107 (1911) – CORPORATE TAX REASONING

As the latter organizations share many benefits of corporate organization, ***it may be described generally as a tax upon the doing of business in a corporate capacity.*** In other words, the tax is imposed upon the doing of business of the character described, ***and the measure of the tax is to be income***, with the deduction stated, received not only from property used in business, but from every source.

...the requirement to pay such taxes involves the exercise of the privilege and if business is not done in the manner described, no tax is payable...it is the privilege which is the subject of the tax and not the mere buying, selling or handling of goods.

Duties and imposts are terms commonly applied to levies made by governments on the importation or exportation of commodities. Excises are 'taxes laid upon the manufacture, sale, or consumption of commodities within the country, upon licenses to pursue certain occupations, and upon corporate privileges.' Cooley, Const. Lim. 7th ed. 680.

The tax under consideration, as we have construed the statute, may be described as an ***excise upon the particular privilege of doing business in a corporate capacity***, i.e., with the advantages which arise from corporate or quasi corporate organization; or, when applied to insurance companies, for doing the business of such companies. As was said in the Thomas Case, 192 U. S. supra, ***the requirement to pay such taxes involves the exercise of privileges***, and the element of absolute and unavoidable demand is lacking. If business is not done in the manner described in the statute, no tax is payable.

Only corporations and those individual citizens enjoying government granted privileges or holding certain licenses are subject to an INCOME tax, when it is imposed as an Excise (under Title 26 Subtitles D & E (ATF) and Title 27 - A.T.F.), according to the Supreme Court!

The thing taxed is not the mere dealing in merchandise, in which the actual transactions may be the same, whether conducted by individuals or corporations, ***but the tax is laid upon the privileges*** which exist in conducting business with the advantages which inhere in the corporate capacity of those taxed, and which are not enjoyed by private firms or individuals.

It is therefore well settled by the decisions of this court that when the sovereign authority has exercised ***the right to tax a legitimate subject of taxation as an exercise of a franchise or privilege***, it is no objection that the measure of taxation is found in the income produced in part from property which of itself considered is non-taxable.

It is contended that ***measurement of the tax by*** the net income of the corporation or company received by it from all sources is not only unequal, but so arbitrary and baseless as to fall outside of the authority of the taxing power. But is this so? ***Conceding the power of Congress to tax the business activities of private corporations, including, as in this case, the privilege of carrying on business in a corporate capacity, the tax must be measured by some standard...***

RESULT: Parties may be natural persons ("individuals") or juristic persons ("corporations"). As a state citizen (individual), one has a right to work. Rights cannot be taxed, only corporations, privileges & licenses! The acceptance of a benefit or license will cause previously tax non-obligated individuals to receive the same status as a corporation – and why not, a benefit has been derived. Under the letter of the law citizens are still free, if they want to be! Private express trusts (and certain individuals) *THAT DO NOT* have a corporate charter, accept benefits and privileges of governments, make minimum contacts in the public forum and do not operate business in a manner as described within the state or federal statutes – *WOULD NOT* be subject to a tax. According to the Supreme Court, labor falls within the category of barter or exchange, which is a non-taxable event.

WHEELER V. SOHMER 233 U.S. 434 (1914) – SITUS & TRANSFER OBLIGATES TAX

...to give to bills and notes within the state the same standing as bonds for purposes of taxation...

An indorsement of the paper carries the contract to the indorser. An indorsement in blank passes the debt from hand to hand so that whoever has the paper has the debt... The same convenience and understanding apply to bills and notes, as no one would doubt in the case of bank notes, which technically do not differ from others.

'It is well settled that *bank bills and municipal bonds* are in such a concrete, tangible form that they *are subject to taxation where found, irrespective of the domicile of the owner*; ... Notes and mortgages are of the same nature ... we see no reason why a state may not declare that, if found within its limits, they shall be subject to taxation.'

In the case at bar it must be taken that the safe deposit box in which the notes were found was their permanent resting place, and therefore that the power of the state so repeatedly asserted in our decisions could come into play...The opinion is rested on the proposition, said to be based on authority, *that the states have power to deal "with negotiable paper on the footing of situs;"* that is, to regard such paper so far concrete and tangible as to be of itself a subject of taxation, irrespective of the domicile of its owner, or, I add, the locality of the debt which it represents.

Not they, but the rights of which they were the evidence, were taxed... In other words, the investments in the state were taxed, and the legality of the tax was determined by their situs, not by the locality of the notes which represented them...circulating notes of banking institutions, have sometimes been treated as property where they were found, though removed from the domicile of the owner, and State Tax on Foreign held Bonds, 15 Wall. 300, 324, 21 L. ed. 188, was cited. Promissory notes were held not to be within the rule.

It is, however, asserted that the circumstances of the case showed that the notes were fugitives from taxation, alternately from Indiana and Ohio, and that their stay in Indiana was in evasion of their obligations to Ohio, and was 'a transit, although prolonged.' But the bad motive of the possessor of the notes was not made a ground for decision. If the court felt a retributive impulse to deny the notes sanctuary in Indiana, it was suppressed. The court declared that the motive for sending the notes to Indiana was of no consequence, and that *the attempt to escape proper taxation in Ohio did not confer jurisdiction on Indiana to tax them.*

The tax under review is of that kind. ***In other words, it is not a tax on property, but a tax upon the transfer of the property by the will of the testator of plaintiffs*** in error, as provided by the laws of the state.

In other words, the laws of New York are invoked, accomplish its transfer, and subject it to the dispositions of the will, and make effectual the purposes of the testator. (Blackstone v. Miller, 188 U.S. 189 , 47 L. ed. 439, 23 Sup. Ct. Rep. 277)

RESULT: The transfer of real property, such as FRNs, promissory notes, etc. results in an excise tax. Where the situs (location) of the property is, will determine how it is regulated.

BRUSHABER V. UNION PACIFIC R. CO 240 U.S. 1 (1916) – AFFIRMING 16TH AMENDMENT DID NOT ADD NEW POWERS OF TAXATION; THERE IS ONLY DIRECT AND INDIRECT TAXES

As the power conferred by ***the Amendment*** is new and prospective, the attempt in the statute to make its provisions retroactively apply is void because, so far as the retroactive period is concerned, it ***is governed by the pre-existing constitutional requirement as to apportionment.***

But it clearly results that the proposition and the contentions under it, if acceded to, would cause one provision of the Constitution to destroy another; that is, they would result in bringing the provisions of the Amendment exempting a direct tax from apportionment into irreconcilable conflict with the general requirement that all direct taxes be apportioned. Moreover, the tax authorized by the Amendment, being direct, would not come under the rule of uniformity applicable under the Constitution to other than direct taxes, and thus it would come to pass that the result of the Amendment would be to authorize a particular direct tax not subject either to apportionment or to the rule of geographical uniformity, thus giving power to impose a different tax in one state or states than was levied in another state or states. ***This result, instead of simplifying the situation and making clear the limitations on the taxing power, which obviously the Amendment must have been intended to accomplish, would create radical and destructive changes in our constitutional system and multiply confusion.***

In fact, the two great subdivisions embracing the complete and perfect delegation of the power to tax and the two correlated limitations as to such power were thus aptly stated by Mr. Chief Justice Fuller in Pollock v. Farmers' Loan & T. Co. 157 U. S. supra, at page 557: 'In the matter of taxation, the Constitution recognizes the two great classes of direct and indirect taxes, and lays down two rules by which their imposition must be governed, namely: The rule of apportionment as to direct taxes, and the rule of uniformity as to duties, imposts, and excises.'

It is to be observed, however, as long ago pointed out in Veazie Bank v. Fenno, 8 Wall. 533, 541, 19 L. ed. 482, 485, that the requirements of apportionment as to one of the great classes and of uniformity as to the other class were not so much a limitation upon the complete and all-embracing authority to tax, but in their essence were simply regulations concerning the mode in which the plenary power was to be exerted. In the whole history of the government down to the time of the adoption of the 16th Amendment, ***leaving aside some conjectures expressed of the possibility of a tax lying intermediate***

between the two great classes and by neither, no question has been anywhere made as to the correctness of these propositions.

Without stating the minor differences, ***it may be said with substantial accuracy*** that the divergent reasoning was this: On the one hand, that the tax was not in the class of direct taxes requiring apportionment, because ***it was not levied directly on property because of its ownership, but rather on its use***, and was therefore an excise, duty, or impost; and on the other, that in any event the class of direct taxes included only taxes directly levied on real estate because of its ownership.

Moreover, in addition, the conclusion reached in the Pollock Case did not in any degree involve holding that income taxes generically and necessarily came within the class of direct taxes on property, but on the contrary, recognized the fact that ***taxation on income was in its nature an excise*** entitled to be enforced as such ***unless*** and until it was concluded that to enforce ***it would amount to accomplishing the result which the requirement as to apportionment of direct taxation was adopted to prevent***, in which case the duty would arise to disregard form and consider substance alone, and hence subject the tax to the regulation as to apportionment which otherwise as an excise would not apply to it.

...there is no escape from ***the conclusion*** that the Amendment was drawn for the purpose of doing away for the future with the principle upon which the Pollock Case was decided; that is, of determining whether a tax on income was direct not by a consideration of the burden placed on the taxed income upon which it directly operated, but by taking into view the burden which resulted on the property from which the income was derived, since ***in express terms the Amendment provides that income taxes, from whatever source the income may be derived, shall not be subject to the regulation of apportionment.***

Second, that the contention that the Amendment treats a tax on income as a direct tax although it is relieved from apportionment and is necessarily therefore not subject to the rule of uniformity as such rule only applies to taxes which are not direct, thus destroying the two great classifications which have been recognized and enforced from the beginning, is also wholly without foundation ***since the command of the Amendment that all income taxes shall not be subject to apportionment by a consideration of the sources from which the taxed income may be derived*** forbids the application to such taxes of the rule applied in the Pollock Case by which alone such taxes were removed from the great class of excises, duties, and imposts subject to the rule of uniformity, and were placed under the other or direct class.

Indeed, from another point of view, ***the Amendment demonstrates that no such purpose was intended, and on the contrary shows that it was drawn with the object of maintaining the limitations of the Constitution and harmonizing their operation.*** We say this because it is to be observed that although from the date of the Hylton Case, because of statements made in the opinions in that case, it had come to be accepted that direct taxes in the constitutional sense were confined to taxes levied directly on real estate because of its ownership, the Amendment contains nothing repudiation or challenging the ruling in the Pollock Case that the word 'direct' had a broader significance, since it embraced also taxes levied directly on personal property because of its ownership, and ***therefore the Amendment at least impliedly makes such wider significance a part of the Constitution, a condition which clearly demonstrates that the purpose was not to change the existing interpretation except to the extent necessary to accomplish the result intended***; that is, the prevention of the resort to the sources from which a taxed income was derived in order to cause a direct tax on the income to be a direct tax on the source itself, and thereby to

take an income tax out of the class of excises, duties, and imposts, and place it in the class of direct taxes.

RESULT: The 16th amendment actually PREVENTED the income tax from being re-classified as a direct tax and instead kept it as an indirect tax. The amendment did not add new taxing powers, but harmonized the two classes and maintained their limitations. Additionally, emphasis was put on affirming that all direct taxes are derived from apportionment. Compensation for labor would have been considered an equal exchange or barter of labor for product.

**STANTON V. BALTIC MINING CO., 240 U.S. 103 (1916) – (SAME JUDGE FROM ABOVE)
FURTHER CLARIFICATION 16TH AMENDMENT DID NOT ADD NEW POWERS OF
TAXATION AND LIMITED CONGRESS' POWERS OF TAXATION**

...it manifestly disregards the fact that by the previous ruling it was settled that the provisions of *the 16th Amendment conferred no new power of taxation, but simply prohibited the previous complete and plenary power of income taxation* possessed by Congress from the beginning *from being taken out of the category of indirect taxation to which it inherently belonged*, and being placed in the category of direct taxation subject to apportionment by a consideration of the sources from which the income was derived,-that is, by testing the tax not by what it was, a tax on income, but by a mistaken theory deduced from the origin or source of the income taxed.

In other words, we are here dealing solely with the restriction imposed by the 16th Amendment on the right to resort to the source whence an income is derived in a case where there is power to tax for the purpose of taking the income tax out of the class of indirect, to which it generically belongs, and putting it in the class of direct, to which it would not otherwise belong, in order to subject it to the regulation of apportionment.

RESULT: Chief Justice White further clarifies from BRUSHABER V. UNION PACIFIC R. CO (1916) in a more perfect language that the 16th Amendment DID NOT add any new powers of taxation, in fact, it limited the previous powers of Congress to tax income as a direct tax – and properly move it as an indirect tax based on apportionment.

TYLER V. UNITED STATES, 281 U.S. 497 (1930) – INDIRECT TAXABLE EVENT DEFINED

A tax laid upon the happening of an event, as distinguished from its tangible fruits, is an indirect tax which Congress, in respect of some events not necessary now to be described more definitely, undoubtedly may impose.

RESULT: Indirect Taxes were defined as an event, rather than ownership of property.

**89TH CONGRESSIONAL RECORD, PAGE 2580 (1943) – CONGRESS CONFIRMS INCOME
TAX AS INDIRECT/EXCISE TAX**

The income tax is an excise tax, and income is merely the basis for determining its amount.

The income tax is, therefore, not a tax on income as such. **It is an excise tax with respect to certain activities and privileges which is measured by reference to the income which they produce. The income is not the subject of the tax: it is the basis for determining the amount of the tax.**

RESULT: Final confirmation from Congress themselves that income is not taxed, but the activities, privileges and benefits which derive from the government and the income is used as a measure in determining the amount owed according to the Rule of Uniformity.

MILAM V. U.S., 524 F.2D 629. C.A.CAL. (1974) – FEDERAL RESERVE NOTES AND PAPER NOTES ARE CONSTITUTIONAL AS DECREED BY CONGRESS

The statute which delegates to the Federal Reserve System the power to issue circulating notes for money borrowed and the power to define the quality and force of those notes as currency is valid ... Although golden eagles, double eagles, and silver dollars were lovely to look at and delightful to hold, the holder of a \$50 Federal Reserve Bank Note, **although entitled to redeem his note, was not entitled to do so in precious metal.** Federal Reserve Act, § 16, 12 U.S. Code §411; Coinage Act of 1965, § 102, 31 U.S. Code §392.

RESULT: Congress has decreed that the Federal Reserve may print paper which is legal tender and lawful when redeemed. Federal Reserve Chair Ben Bernanke presented to the committee the Federal Reserve Board's semiannual report on monetary policy. July 13 2011 Ron Paul to Bernanke: “Gold is Money?” Bernanke: “No it's a precious metal” Ron Paul to Bernanke: “Why do central banks hold it?” Bernanke: “Tradition.” This leads one to understand gold (and silver) is (in the public) considered a precious metal, but not lawful money. **It has been surmised that this has been done to reduce the tail risk which the banks perceive from the redemption of lawful money.** Not only does it reduce profits by 90%, and yet is a few mechanisms away from lawful conversion into PRIVATE lawful money, which has always been considered gold and silver. While I cannot ascertain yet what those mechanisms to be, the Federal Reserve is worried of losing its grip on a lucrative bottom line that results from interest.

IMPORTANT: We were told by a trustworthy Rothschild who wishes to remain nameless that “31 USC § 5116 and 31 USC § 5117 are the mechanisms which can be used to produce gold from thin air by central banking virtually overnight.” The conversation revolved around the ability to convert \$42.22 in US dollars into an ounce of gold via some banking mechanism that still escapes being described.

U.S. V. WANGRUND, 533 F.2D 495; C.A.CAL. (1976) – FEDERAL RESERVE NOTES ARE LEGAL TENDER AND LAWFUL MONEY WITHOUT OBLIGATION TO RENDER IN SPECIE

The statute *establishing Federal Reserve Notes as legal tender for all debts, public and private, including taxes, is within the constitutional authority of Congress; thus the defendant could not*

overturn his conviction on two counts of willful failure to make an income tax return on the theory that he did not receive money since checks he received as compensation for his services could be cashed only for Federal Reserve Notes which were not redeemable in specie. 26 U.S. Code §61, §7203; U.S. Code Const. art. 1, §8; Coinage Act of 1965, § 102; 31 U.S. Code §392. *Nixon v. Individual Head of St. Joseph Mortgage Company*, 615 F. Supp. 890, affirmed 787 F.2d 596. D.C. Ind. 1985.

RESULT: The IRS is quite clear when it states a \$5000 penalty assessment will be awarded to the individual who argues to the point of: “*Federal Reserve Notes are not taxable income when paid to a taxpayer because they are not gold or silver and may not be redeemed for gold or silver.*” The ruling is clear that Federal Reserve notes are legal tender AND lawful money (elastic currency). The “inability” to render it in gold or silver species [money in the form of coins rather than notes] is thus inadmissible.

NIXON V. PHILLIPOFF, 615 F.SUPP. 890, AFFIRMED 787 F.2D 596. D.C.IND. (1985) – ONLY CONGRESS CAN DECLARE WHAT IS LEGAL TENDER

The provision of the Constitution [U.S. Constitution Art. 1, §8, cl. 5] which ***gives Congress the right to coin money, and regulate the value thereof, gives Congress exclusive ability to determine what will be legal tender throughout the country ... The provision of the Constitution*** [U.S. Constitution Art. 1, § 10, cl. 1] which mandates that no state shall make anything but gold or silver coin tender in payment of debts ***acts only to remove from states inherent sovereign power to declare currency, thus leaving Congress as the sole declarant of what constitutes legal tender;*** the provision does not require states to accept only gold and silver as tender ... Federal Reserve Notes are legal tender for any debt or public charge ... Using or accepting Federal Reserve Notes as payment for state court filing fees was completely proper under the Constitution. U.S. Constitution Art. 1, §8, cl. 5; 31 U.S. Code §5103.

RESULT: Congress added a provision (with the guidance of international banking) to restrict the making of legal tender or currency by States, but rightfully keeping the remedy of NOT discharging, but settling debts by gold and silver or other lawful monies like US Postal Money Orders.

MERCHANTS' LOAN & TRUST CO. V. SMITANKA, 255 U.S. 509 (1921) – INCOME DEFINED (AND HINTS THAT SOME INCUR NO INCOME TAXES)

Plainly the gain we are considering was derived from the sale of personal property, and, very certainly the comprehensive last clause 'gains or profits and income derived from any source whatever,' must also include it, ***IF the trustee was a 'taxable person' within the meaning of the act when the assessment was made.***

The Corporation Excise Tax Act of August 5, 1909 (36 Stat. 11, 112), ***was not an income tax law***, but a definition of the word 'income' was so necessary in its administration that in an early case it was formulated as 'A gain derived from capital, from labor, or from both combined.' *Stratton's Independence v. Howbert*, 231 U.S. 399, 415, 34 S. Sup. Ct. 136, 140 (58 L. Ed. 285).

This definition, frequently approved by this court...so that it now reads:

'Income may be defined as a gain derived from capital, from labor, or from both combined, provided it be understood to include profit gained through sale or conversion of capital assets.' Eisner v. Macomber, 252 U.S. 189, 207 , 40 S. Sup. Ct. 189, 193 (64 L. Ed. 521), 9 A. L. R. 1570.

...the word 'income' has the same meaning in the Income Tax Act of 1913 that it had in the Corporation Excise Tax Act of 1909, and that it has the same scope of meaning was in effect decided in Southern Pacific Co. v. Lowe, 247 U.S. 330, 335 , 38 S. Sup. Ct. 540, where it was assumed for the purposes of decision that there was no difference in its meaning as used in the act of 1909 and in the Income Tax Act of 1913 (38 Stat. 114). There can be no doubt that the word must be given the same meaning and content in the Income Tax Acts of 1916 and 1917 that it had in the act of 1913. When to this we add that in Eisner v. Macomber, supra, a case arising under the same Income Tax Act of 1916 which is here involved, the definition of 'income' which was applied was adopted from Stratton's Independence v. Howbert, supra, arising under the Corporation Excise Tax Act of 1909, ***with the addition that it should include 'profit gained through sale or conversion of capital assets,' there would seem to be no room to doubt that the word must be given the same meaning in all of the Income Tax Acts of Congress that was given to it in the Corporation Excise Tax Act,*** and that what that meaning is has now become definitely settled by decisions of this Court.

...we continue entirely satisfied with that definition...

RESULT: The word “income” has now been defined and certain restrictions of who is and is not liable for income taxes has taken shape. It was clearly stated, “IF the trustee was a ‘taxable person’,” indicating there are certain trust organizations (like a private express trust) which are outside the jurisdiction for income taxation.

UNITED STATES v. DAVIS ET AL. 370 U.S. 65 (1962) – SUBJECT OF TAXATION

The determination of the income tax consequence of the stock transfer described above is basically a two-step analysis: (1) Was the transaction a taxable event? (2) If so, how much taxable gain resulted therefrom?

RESULT: If it refers to a ‘taxable event’ then it’s an indirect tax. Once the event is triggered, it is calculated from the gains that resulted therefrom.

U.S. V. SCHMITZ, 542 F.2D 782 CERTIORARI DENIED 97 S.CT. 1134, 429 US 1105, 51 L.ED.2D 556. C.A.CAL. (1976)

Federal Reserve Notes constitute legal tender and are taxable dollars. U.S. Constitution Art. 1, § 10.

RESULT: Federal Reserve notes are legal tender (private credit) and thus taxable. Any taxable event is an action which leads to an indirect/excise tax. Unless redeemed in lawful money (public) one will incur a taxable event. Further, McCulloch v. Maryland (1819) shows the most solid evidence that US notes, as a non-reserve currency, cannot be taxed. This carries over today with redeemed Federal Reserve notes...

REDFIELD ET AL. V. FISHER ET AL. OREGON SUPREME COURT (1930) – CORPORATIONS AND NOT INDIVIDUALS ARE TAXABLE DUE TO PRIVILEGES AND BENEFITS RECEIVED

Five per cent. tax on net income of corporations is not tax on intangibles, but is excise levied on privilege of doing business in corporate form.

“Every mercantile, manufacturing and business corporation doing business within this state, shall annually pay to this state, for the privilege of carrying on or doing of business by it within this state, an excise tax according to or measured by its net income, to be computed in the manner hereinafter provided, at the rate of 5 per cent upon the basis of its net income each corporation mentioned in this section 6 shall be entitled to an offset against said tax in the amount of taxes paid by it upon its personal property located in this state, but the offset shall not exceed 90 per cent of the said tax.”

“The thing taxed is not the mere dealing in merchandise, in which the actual transactions may be the same, whether conducted by individuals or corporations, but the tax is laid upon the privileges which exist in conducting business with the advantages which inhere in the corporate capacity of those taxed, and which are not enjoyed by private firms or individuals. These advantages are obvious, and have led to the formation of such companies in nearly all branches of trade. The continuity of the business, without interruption by death or dissolution, the transfer of property interests by the disposition of shares of stock, the advantages of business controlled and managed by corporate directors, the general absence of individual liability, these and other things inhere in the advantages of business thus conducted, which do not exist when the same business is conducted by private individuals or partnerships. It is this distinctive privilege which is the subject of taxation, not the mere buying or selling or handling of goods, which may be the same, whether done by corporations or individuals.” The individual, unlike the corporation, cannot be taxed for the mere privilege of existing. *The corporation is an artificial entity which owes its existence and charter powers to the state; but the individuals' rights to live and own property are natural rights for the enjoyment of which an excise cannot be imposed.*

RESULT: The Supreme Court of Oregon further exemplifies that excise taxes are not based on income or property alone, but on the benefits and privileges received that individuals do not have naturally.

WILLIAM J. WALTON AND JOYCE D. WALTON, DEBTOR(S) (1987) – CHECKS WILL TENDER IN FEDERAL RESERVE NOTES BY DEFAULT

Congress has exercised this power by means of delegation to the Federal Reserve System, 12 U.S. Code § 411, and the definition of federal reserve notes as legal tender. 31 U.S. Code § 392; see *Milam v. United States*, 524 F.2d 629 (9th Cir.). *There can therefore be no challenge to the legality of federal reserve notes. And we take judicial notice of the fact that federal reserve notes are valued in dollars.* 584 F.2d at 374.

The D-I-P stated that the F.L.B., “*did not give me lawful money, they gave me a check.*” This Court has previously held in *In re Mauk* 56 B.R. 445, 448 (Bankr. N.D. Ohio 1985) that: “... a check is an

authorized means by which to transfer an amount of federal reserve notes (the medium of exchange adopted by the United States), see Ohio Revised Code § 1301.01(X), 1303.06, ...”

Conversely, the D-I-P has received, and accepted, a check, which this Court has held is an authorized means by which to transfer an amount of federal reserve notes. In re Mauk, 56 B.R. 445 (Bankr. N.D. Ohio 1985).

RESULT: Checks are seen in the value of dollars. Since legal tender and lawful money are both tendered in Federal Reserve notes, qualifying as dollars by Congress, the ruling stands.

JACK COLE COMPANY V. MACFARLAND, 337 SW 2D 453 (1960) – RECEIVING INCOME IS NOT A RIGHT OR PRIVILEGE

The defendant contends that the tax is a privilege tax because the Legislature has designated the receipt or realizing of earnings or income as a privilege. Defendant cites numerous cases supporting the contention that the Legislature can name anything to be a privilege and then tax it.

It cannot be denied that the Legislature can name any privilege a taxable privilege and tax it by means other than an income tax, **but the Legislature cannot name something to be a taxable privilege unless it is first a privilege.**

In the present case the statute itself provides that the tax shall not be construed as a tax on the privilege of carrying on a business in Tennessee, but expressly provides that the tax shall be upon the privilege or being in receipt of or realizing net earnings in Tennessee, which, it appears to us, is an income tax not authorized by Article II, § 28 of the Constitution above referred to.

Realizing and receiving income or earnings is not a privilege that can be taxed.

“A privilege is whatever business, pursuit, occupation, or vocation, affecting the public, the Legislature chooses to declare and tax as such.” Corn et al. *456 v. Fort, 170 Tenn. 377, 385, 95 S.W.2d 620, 623, 106 A.L.R. 647. 456

“Privileges are special rights, belonging to the individual or class, and not to the mass; properly, an exemption from some general burden, obligation or duty; a right peculiar to some individual or body.” Lonas v. State, 50 Tenn. 287, 307.

Since the right to receive income or earnings is a right belonging to every person, this right cannot be taxed as privilege. It results that we find no error in the decree of the Chancellor holding the Act in question invalid and it is affirmed.

RESULT: In clear words, a natural right, such as realizing and receiving income or earnings, may NOT be taxed as a privilege. However, the use of elastic currency does create a taxable event!

THOMPSON V. RIGGS, 72 US 663 (1867) – FEDERAL RESERVE NOTES ARE LEGALLY CONSIDERED LAWFUL MONEY ON REQUEST, INCLUDING FOR GOLD AND SILVER COIN DEPOSITS (ONE WON'T GET GOLD/SILVER BACK UNLESS ON SPECIAL DEPOSIT)

*Substance of the declaration was that the defendants were bankers, exercising the trade and business of banking, and that the plaintiffs were their customers, and as such were in the habit of making their deposits at their bank, and that **the defendants, as such bankers, were accustomed to receive as deposits gold and silver coin, and other money currency, of their customers, to be paid and returned in kind, agreeably to the custom of their bank and all other banks in the city of Washington**; and that the plaintiffs, on the twenty-eighth day of February, 1864, having a balance due them at the bank of the defendants, of five thousand seven hundred and sixty-one dollars, as **deposits previously made there in gold and silver coin, demanded payment and return of the same**, and that the defendants then and there refused to make such payment and return as they had promised to do.*

*Defendants pleaded the general issue, and that they, at a certain time prior to the suit, **tendered and offered to pay to the plaintiffs the sum of money in their declaration mentioned in treasury notes, made a legal tender in payment of debts**, and that from that time they have been and still are ready to pay the same, and now bring the same into court.*

Parties went to trial at a special term of the court and the verdict and judgment were for the defendants. Objection was duly taken by the plaintiffs to one of the rulings of the court in excluding certain testimony offered by them to show the usage and mode of dealing of other banks, and the bill of exceptions to the ruling was regularly drawn out and duly signed and sealed.

*Remaining question arises under the exception to the ruling of the court, in excluding the testimony offered by the plaintiffs to show the usage and mode of dealing of other bankers in this city. **The teller of the defendants, called by the plaintiffs, testified that the defendants, prior to the suspension of specie payments in April, 1861, paid all checks drawn upon the bank by their customers in gold, or its equivalent, except when the deposit had been made in depreciated paper; that after that time they uniformly made a difference with their customers in receiving and paying their deposits, between coin, or specie, and paper money, and that in all cases where the deposit had been made in coin, if requested, they paid the checks in coin**; that after the suspension of the banks the defendants refused to receive currency as the equivalent of specie; that currency continued to be received and credited to customers as before, **but went into the general funds of the bank, and the same money was never returned to the customer, and it was not received on SPECIAL DEPOSIT**; that the plaintiffs had never made any special deposits with the defendants; that the books of the bank, and the pass-books were kept as before the suspension, except that the different deposits were designated as coin, cash, checks, or treasury notes.*

*Testimony of the teller of the bank is express to the point that the plaintiffs **never made any special deposit with the defendants**, and there is no testimony in the case to support any such theory. **On the contrary, it is clear that they made their deposits for their own convenience, and were credited for the amount in the usual way on the books of the bank.***

Clear inference from the whole testimony is that the deposits of the defendants were made without condition or special agreement of any kind, and in such cases the law is well settled that the depositor parts with the title to his money, AND LOANS IT TO THE BANK.

Deposits may be made under circumstances where the legal conclusion would be that the title to the thing deposited remained with the depositor, and in that case the bank would become the BAILEE of the depositor, and the latter might rightfully demand the identical money deposited as his property [this only refers to metals with serial numbers, not FRN's serials].

Contracts between a banker and his customers are doubtless required to be performed, and must be construed in the same way as contracts between other parties. When the banker specially agrees to pay in bullion or in coin he must do so or answer in damages for its value, and so if one agrees to pay in depreciated paper, the tender of that paper is a good tender, and in default of payment the promisee can recover only its market and not its nominal value.

But where the deposit is general, and there is no special agreement proved, the title of the money deposited, whatever it may be, passes to the bank, and the transaction is unaffected by the character of the money in which the deposit was made, and the bank becomes liable for the amount as a debt, which can only be discharged by such money as is by law a legal tender.

Moneys deposited with the bank in this case were entered in a pass-book in figures, expressing the amount in dollars and cents, and it appears that the character of the money deposited is marked against each sum as coin, cash, check, or treasury notes, as the fact was in each particular instance. ***Such marks, however, are wholly insufficient to overcome the testimony of the teller, who was introduced by the plaintiffs, and who was the only witness examined upon the subject. Proof that those words were written against the several deposits for any such purpose as is supposed by the plaintiffs is entirely wanting;*** and in the absence of such proof it is much more reasonable to infer that they were put there as matter of convenience to the depositor, or to assist the memory as to the amount of the respective credits, in case of mis-recollection or dispute.

No evidence of general usage or custom, in the ordinary sense of those terms, was offered by the plaintiffs or appears in the record.

General rule of law is, that if a merchant deposits money with a bank, the title to the money passes to the bank, and the latter becomes the debtor of the merchant to that amount; and it is not perceived that the evidence offered, if it had been admitted, could have had any other effect than to control that general rule of law, as ***it is not pretended that the evidence showed a special deposit or any special contract.*** Viewed in any light consistent with the other evidence in the record, the testimony was either entirely immaterial or inadmissible, as tending to control the well-settled rules of law.

JUDGMENT AFFIRMED, WITH COSTS [PLAINTIFF LOSES - BANK WINS].

RESULT: Without a special-deposit account, one's funds will enter into the bank's general management as a LOAN, and the interaction will be as loaner and loanee (limited liability for loss) – when it should be bailor and bailee (someone holding one's property in kind). The case clearly affirms the fact that the FRNs can be either a Federal Reserve Note or a United States Note. By saying nothing, the FRNs become elastic, moving from the private domain of the Federal Reserve Bank, to the public as lawful money, back to one's hands in a private capacity. This results in a taxable event and re-affirms that Federal Reserve Notes are lawful money when asked to be as such upon initial tendering. So, if one does not demand Lawful Money then it is assumed the intent is to endorse private credit. So, a demand for lawful money becomes what is called, "Paper Gold," as it's an equivalent of real gold, via "Special

Drawing Rights.” If one reads their bank account opening disclosure, it says, “*In the case of the checking account, the bank acts as principal. ...in the case of the savings portion, the bank acts as an agent.*”

FINAL RESULT: Receiving a check is not a taxable event. The exchange from the check, converting via elastic currency from a legal tender into lawful money, is a taxable event. Therefore, if one objects by requesting, in writing on the check “redeem in lawful money” on the back along with signature, the bank must render in lawful money. The bank will still pay in Federal Reserve Notes but it will have been in lawful money, without the taxable event.

STEP #1: REDEEMING LAWFUL MONEY

Most people don't realize that a **general indorsement** of a check deposited in a bank, is a *bond* that **constitutes acceptance of the PRIVATE CREDIT**, thus making you and everything owned, a collateral behind the federal (national) debt. On the other hand, **indorsing the check with a demand for lawful money, converts the deposit into PUBLIC CREDIT**.

This bonding, due to the FRNs, of everything owned. i.e. the “full faith and credit of the United States” is what backs the entire national debt system. And since it's the Federal Reserve which lends those FRNs to Congress, the Federal Reserve now has the FIRST LIEN against all of one's property. **This “secretly” means that one has never paid with lawful/real money for property, only discharging debts with FRNs, thus one *has not* secured full and clear title to anything.** This is just one future back-door for the elites to remand all property back should the “mark” not be taken.

Even when redeeming in lawful money the bank won't give gold coins, since the US is bankrupt and can't issue real gold money into circulation, but thankfully **it will not add to the national debt**, and **the bank won't be able to use that deposit to fractionally lend** - typically lending out 10X more than what is within their deposits. Banks can turn \$1 into \$10 via a minimum of 46 automated computer transactions and maximum of ~99, due to 10% fractional reserves required by the Federal Reserve for most \$100M+ bank ledgers.

With lawful money, banks can only lend what they have on deposit, 1:1. So, if everyone made demand for lawful money when depositing their paychecks, banks would make 10 times *less* and our deposits would *not* add to the federal debt. That also means 10 times *smaller* profits for the banks. So it's an *educated* choice: either accept private credit by general indorsement or redeem an *equivalent* in lawful money by 12 U.S. Code § 411 Demand for Lawful Money.

Wondering, “*How is this possible?*” Well, we utilize **Title 12 U.S. Code § 411 Demand for Lawful Money. The demand (check indorsement) we've used FOR PERSONAL ACCOUNTS is:**

*Deposited For Credit On Account.
Redeemed In Lawful Money Per 12 U.S.C. § 411
by: John Doe Smith, grantor*

The demand (check indorsement) we've used FOR TRUST ACCOUNTS is:

*Deposited For Credit On Account.
Redeemed In Lawful Money Per 12 U.S.C. § 411
by: John Doe Smith, trustee without recourse*

Lawfully speaking, the stamp should be in RED INK; however, this is not mandatory.
Although rare in occurrence, should a bank teller refuse to accept one's restricted indorsement by the demand for lawful money, the magic words to say are “*Are you dishonoring the check?*” That will allow

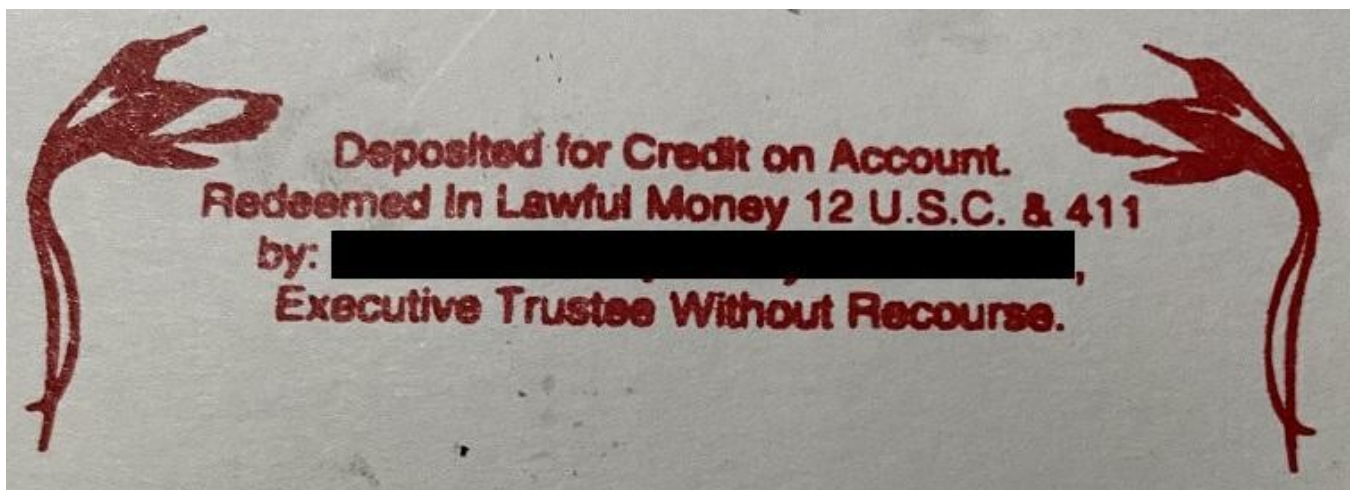
a deposit to occur or cause a phone call to legal where they will order its allowance because it is illegal to tell someone how to indorse their checks.

See the sample(s) below:

EXAMPLE 1 [Thanks to David Merrill] and the forum he's made which collects lawful money case studies: [Testimony #1](#), [Testimony #2](#), [Testimony #3](#) and an [EXCERPT EXPLAINING LAWFUL MONEY](#).



EXAMPLE 2 [Thanks to Hillary Grant]:



EXAMPLE 3 [Thanks to PJ and Christian]:

SPECIAL DEPOSIT:
REDEEMED IN LAWFUL MONEY BY DEMAND PURSUANT TO TITLE 12 U.S.C. § 411

VERIFICATION DOCUMENT AUTHENTICITY: COLORED PAPER MUST CHANGE TO ONE COLOR AND ALL SECURITY FROM DARK AT TOP TO LIGHTER AT BOTTOM

Check # [REDACTED]

Check Date: 10/31/2012
Valid After 180 Days

*THREE THOUSAND SIX HUNDRED NINETY SIX DOLLARS *****AND *****73 CENTS*

Pay To The Order Of [REDACTED] 0020 P1W

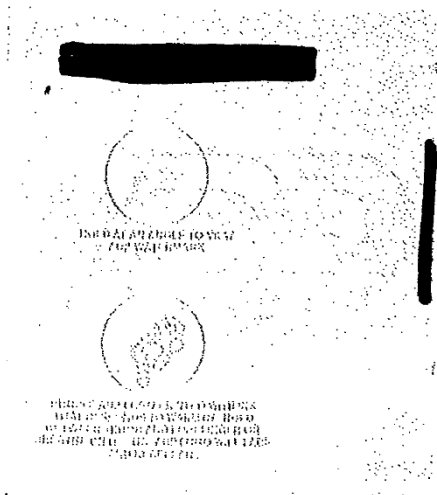
Payable Amount: \$3696.73

ASSISTANCE WITH VERIFICATION AVAILABLE AT 877-423-7243

ADP. [Signature] ADP AUTHORIZED SIGNATURE

THE ORIGINAL DOCUMENT HAS AN ORIGINAL WATERMARK ON THE BACK. HOLD AT AN ANGLE TO VIEW WHEN CHECKING THE ENDORSEMENT.

CONFIDENTIAL



KNOW YOUR ENDORSEES - REQUIRE IDENTIFICATION

DEPOSITED FOR CREDIT ON ACCOUNT

REDEEMED IN LAWFUL MONEY PER 12 U.S.C. §411

By [Signature]

DO NOT WRITE / SIGN / STAMP BELOW THIS LINE

12 USC § 411. Issuance to reserve banks; nature of obligation; redemption

Federal reserve notes, to be issued at the discretion of the Board of Governors of the Federal Reserve System for the purpose of making advances to Federal reserve banks through the Federal reserve agents as hereinafter set forth and for no other purpose, are authorized. The said notes shall be obligations of the United States and shall be receivable by all national and member banks and Federal reserve banks and for all taxes, customs, and other public dues. They shall be redeemed in lawful money on demand at the Treasury Department of the United States, in the city of Washington, District of Columbia, or at any Federal Reserve bank. [Bold and underline emphasis added]

Take scans of a few checks before depositing them as evidence of past dealings in lawful money – thereby creating admissible evidence per Federal Rules of Evidence 803(6), it's that easy!

The above image is a “Redeemed for Lawful Money” request where one is electing to not endorse private credit, and are electing to indorse public money which is both interest-free and tax-free. And Lawful Money is without the United States. Therefore, wherever Lawful Money is demanded, it creates a non-taxable event that DOES NOT fall under the jurisdictional controls that would otherwise govern the transaction if one were to indorse private credit by a general indorsement. (Remember, income tax is an indirect tax based on a taxable event - income is only the measurement of the amount of tax to be paid.)

Specifically, that which governs the “general indorsement” of the private credit of the private Federal Reserve Bank is the non-positive Title 26 of the United States Code (USC), wherein constitutors who have agreed by the indorsement of private credit to pay the debts of the United States (National Debt) and are indeed contractually obligated and duty bound to perform accordingly. This is why taxation agencies exist (*to uphold said indorsements/promises to pay*), thus all taxes are 100% Constitutional (*don’t let sovereign citizen myths tell otherwise*).

It may seem like there is more to do, but 90% of the battle is fully understanding the laws, judgements and workings of the money system... that’s when one realizes freedom is as easy as “claiming it” (usually by performing just a few steps).

Never stamp FRNs as lawful money, this is seen as “tampering” or “defacing” tender by the government and will land someone in hot water quickly. There are many philosophical contract law discussions regarding this, but it is irrelevant at present.

NOTE: The Canadian Federal Reserve sends all their [debt/collateral] notes to the US Federal Reserve; therefore, Canada follows the same laws as the United States in terms of *banking*.

There should be an understanding that the remedy for slavery is always within three meters of where the problem was found. Banking is the curse and the cure. Truly the hardest part is understanding it, more than its application. The remedy is solidified further by the fact that federally insured banks are *forced* to allow the opening and preservation of accounts in lawful money redemption (which banks despise). **When one works in lawful money, one is back to supporting the American Republic once again – and for that, you are a true patriot!**

John Richard Rarick during the May 11, 1972 Congressional Record:

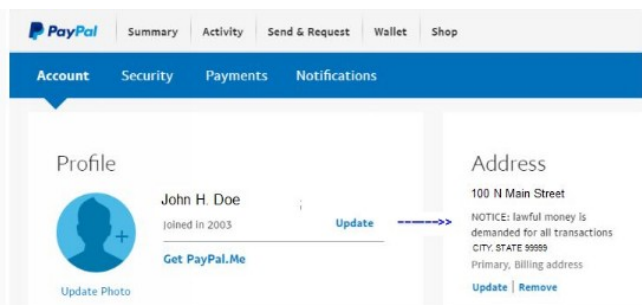
"Under the Constitution, the Congress has [the] responsibility of issuing the nation's money and regulating its value Art. 1, Sec 8, Cl. 5, in a recent brilliant analysis of our money system by T. David Horton, Chairman of the Executive Council of the Defenders of the American Constitution, able Lawyer and keen student of basic American history, he suggests a proven remedy for our current predicament that will enable the Congress to resume its Constitutional responsibilities to regulate our nation's money by liberating our economy from the swindle of the debt-money manipulators by the issuance of national currency in debt free form ... We have a certain amount of non-interest-bearing money in circulation, all of our fractional currency, pennies, nickels, dimes, quarters, and half dollars. They are manufactured in our mints, and are paid into circulation, circulate freely, and provide the government with a valuable source of revenue. From 1966 through 1970 the amount of seigniorage paid into the treasury by the mints amounted to in excess of 4 billion dollars the profit ratio on this type of currency is 6 to 1, or

currency 6 times the cost of production. The cost ration for Federal Reserve Notes is 600 to 1; however, during these same four years, 1966 through 1970, 50 billion dollars in Federal Reserve Notes were manufactured by the bureau of printing and engraving and turned over to the banks; not one cent in seigniorage was paid over to the treasury. ... Our Debt money system compels the government to spend more than it takes in, because this is the only way we can keep the economy going..."

LAWFUL MONEY BANK ACCOUNTS

If one is demanding lawful money in an online banking portal, like PayPal or Bank of America, go into the online account, **Account Preferences / Settings** and **edit the names of the accounts**. The default names are "Checking" or "Savings" – *if it is possible, it should be changed to "Lawful Money 12USC411."* While not required, it creates additional proof of lawful money redemption.

Even past accounts with a Social Security Number attached can be converted to lawful money. One student even gave notice of their intent to redeem in lawful money by including the phrase *"NOTICE: Lawful Money is Demanded for All Transactions"* in LINE 2 of the CUSTOMER ADDRESS.



See above snapshot of PayPal Account, Profile page settings, where the lawful money demand is put in the **2nd line** of **Address** section.

This makes it **TRANSACTION-BASED**, and meets exception to hearsay requirements as ADMISSIBLE EVIDENCE per FRE 803 (6).

BTW: I have 5 years of evidence of this that now invokes EQUITABLE ESTOPPEL in this matter.

https://www.law.cornell.edu/rules/fre/rule_803

(6) *Records of a Regularly Conducted Activity. A record of an act, event, condition, opinion, or diagnosis if:*

(A) *the record was made at or near the time by — or from information transmitted by — someone with knowledge;*

(B) *the record was kept in the course of a regularly conducted activity of a business, organization, occupation, or calling, whether or not for profit;*

(C) *making the record was a regular practice of that activity;*

(D) *all these conditions are shown by the testimony of the custodian or another qualified witness, or by a certification that complies with Rule 902(11) or (12) or with a statute permitting certification; and*

(E) *neither the opponent does not show that the source of information nor the method or circumstances of preparation indicate a lack of trustworthiness.*

COPY OF 12 U.S. CODE § 411

David Merrill, founder of *Savings to Suitors Club*, explains why one may need a copy of 12 U.S. Code § 411. He talks about a client who added the "Notice of Intent to Bank in Lawful Money" (*see Trust Forms Library > Miscellaneous*) to his old account and bank signature card and the bank didn't like it:

*“He’d been redeeming lawful money on his signature card with his bank. He’d altered the signature card for the authorizing signature to redeem lawful money on every transaction. They called him, under false pretenses, saying his wife had trouble with her account. So, he went into the bank and then found out that they were telling him, “**We’re closing down the accounts unless you change it back.**” So, he changed it back because he needed the accounts.*

*What we did is: **we got him a certified copy of Title 12 U.S. Code § 411 from the County Clerk and Recorder in Colorado Springs, and then he took it up to Denver, showed it to them and they allowed him to redeem lawful money on his account by signature card again. They allowed him to change it back.** This suitor is a state employee in California.”*

One cannot file an amendment for past year’s filings if one did not actually redeem in lawful money. This will result in a frivolous filing penalty. We have heard of a few students who were able to receive previous tax filings, only from the state, with this notice but it was more often ignored. The letter stated in simple terms: *“If I had known in good faith I could have been redeeming lawful money, I would have been doing so for these past years. Please refund all the income tax payments (or withholdings) for the past 7 years.”*

To digress, **we can force our bank to accept our demand for lawful money on a signature card by giving them a copy of 12 U.S. Code § 411** (you can even [print this page](#)).

See the sample letter below:

ABOLITION OF HOME OWNERS' LOAN CORPORATION

For dissolution and abolishment of Home Owners' Loan Corporation, referred to in this section, by act June 30, 1933, ch. 170, § 21, 47 Stat. 126, see note set out under section 1463 of this title.

§ 395. Federal reserve banks as depositaries, custodians and fiscal agents for Commodity Credit Corporation

The Federal Reserve banks are authorized to act as depositaries, custodians, and fiscal agents for the Commodity Credit Corporation.

(July 16, 1943, ch. 241, § 3, 57 Stat. 566.)

TRANSFER OF FUNCTIONS

Administration of program of Commodity Credit Corporation transferred to Secretary of Agriculture by Reorg. Plan No. 3 of 1946, § 501, eff. July 16, 1946, 11 F.R. 7877, 60 Stat. 1100. See Appendix to Title 5, Government Organization and Employees.

EXCEPTIONS FROM TRANSFER OF FUNCTIONS

Functions of Corporations of Department of Agriculture, boards of directors and officers of such corporations, Advisory Board of Commodity Credit Corporation, and Farm Credit Administration or any agency, officer or entity of, under, or subject to supervision of Administration were excepted from functions of officers, agencies, and employees transferred to Secretary of Agriculture by Reorg. Plan No. 2 of 1953, § 1, eff. June 4, 1953, 18 F.R. 3219, 47 Stat. 633, set out in the Appendix to Title 5, Government Organization and Employees.

SUBCHAPTER XII—FEDERAL RESERVE NOTES

§ 411. Issuance to reserve banks; nature of obligation; redemption

Federal reserve notes, to be issued at the discretion of the Board of Governors of the Federal Reserve System for the purpose of making advances to Federal reserve banks through the Federal reserve agents as hereinafter set forth and for no other purpose, are authorized. The said notes shall be obligations of the United States and shall be receivable by all national and member banks and Federal reserve banks and for all taxes, customs, and other public dues. They shall be redeemed in lawful money on demand at the Treasury Department of the United States, in the city of Washington, District of Columbia, or at any Federal Reserve bank.

(Dec. 23, 1913, ch. 6, § 16 (par.), 38 Stat. 265; Jan. 30, 1934, ch. 6, § 2(b)(1), 48 Stat. 337; Aug. 23, 1935, ch. 614, title II, § 203(a), 49 Stat. 704.)

REFERENCES IN TEXT

Phrase "hereinafter set forth" is from section 16 of the Federal Reserve Act, act Dec. 23, 1913. Reference probably means as set forth in sections 17 et seq. of the Federal Reserve Act. For classification of these sections to the Code, see Tables.

CODIFICATION

Section is comprised of first par. of section 16 of act Dec. 23, 1913. Para. 2 to 4, 5, and 6, 7, 8 to 11, 13 and 14 of section 16, and para. 15 to 18 of section 16 as added June 21, 1917, ch. 32, § 8, 40 Stat. 238, are classified to sections 412 to 414, 415, 416, 418 to 421, 360, 248-1, and 467, respectively, of this title.

Par. 12 of section 16, formerly classified to section 422 of this title, was repealed by act June 26, 1934, ch. 758, § 1, 48 Stat. 1225.

AMENDMENTS

1934—Act Jan. 30, 1934, struck out from last sentence provision permitting redemption in gold.

CHANGE OF NAME

Section 203(a) of act Aug. 23, 1935, changed name of Federal Reserve Board to Board of Governors of the Federal Reserve System.

CROSS REFERENCES

Gold coinage discontinued, see section 5112 of Title 31, Money and Finance.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 348, 420, 421, 467 of this title.

§ 412. Application for notes; collateral required

Any Federal Reserve bank may make application to the local Federal Reserve agent for such amount of the Federal Reserve notes hereinbefore provided for as it may require. Such application shall be accompanied with a tender to the local Federal Reserve agent of collateral in amount equal to the sum of the Federal Reserve notes thus applied for and issued pursuant to such application. The collateral security thus offered shall be notes, drafts, bills of exchange, or acceptances acquired under the provisions of sections 342 to 347, 347c, 347d, and 372 of this title, or bills of exchange endorsed by a member bank of any Federal Reserve district and purchased under the provisions of sections 348a and 353 to 359 of this title, or bankers' acceptances purchased under the provisions of said sections 348a and 353 to 359 of this title, or gold certificates, or Special Drawing Right certificates, or any obligations which are direct obligations of, or are fully guaranteed as to principal and interest by, the United States or any agency thereof, or assets that Federal Reserve banks may purchase or hold under sections 348a and 353 to 359 of this title. In no event shall such collateral security be less than the amount of Federal Reserve notes applied for. The Federal Reserve agent shall each day notify the Board of Governors of the Federal Reserve System of all issues and withdrawals of Federal Reserve notes to and by the Federal Reserve bank to which he is accredited. The said Board of Governors of the Federal Reserve System may at any time call upon a Federal Reserve bank for additional security to protect the Federal Reserve notes issued to it. Collateral shall not be required for Federal Reserve notes which are held in the vaults of Federal Reserve banks.

(Dec. 23, 1913, ch. 6, § 16 (par.), 38 Stat. 265; Sept. 7, 1916, ch. 461, 39 Stat. 754; June 21, 1917, ch. 32, § 7, 40 Stat. 236; Feb. 27, 1932, ch. 58, § 3, 47 Stat. 57; Feb. 3, 1933, ch. 34, 47 Stat. 794; Jan. 30, 1934, ch. 6, § 2(b)(2), 48 Stat. 338; Mar. 6, 1934, ch. 47, 48 Stat. 308; Aug. 23, 1935, ch. 614, title II, § 203(a), 49 Stat. 704; Mar. 1, 1937, ch. 20, 50 Stat. 23; June 30, 1939, ch. 256, 53 Stat. 991; June 30, 1941, ch. 264, 55 Stat. 395; May 25, 1943, ch. 102, 57 Stat. 85; June 12, 1945,

Office of County Clerk and Recorder
El Paso County, State of Colorado
Certified to be a full, true and correct
Copy of record in my Office.
Date... 207015932... Book... Page...
Robert C. Balink
County Clerk & Recorder
El Paso County, Colorado
BY: [Signature]



STEP #2: LAWFUL MONEY TAX RETURNS

David Merrill explains in a video how to perform a lawful money return to the IRS. Should the forms change, this video will still hold extreme relevance on how to communicate with the IRS and file properly: <https://vimeo.com/480097438/4034424f2a>

Filing may not be necessary if one does not have withholdings to obtain back from the IRS and has been redeeming in lawful money all year. Thus the gross income would be nothing and fall below the IRS minimum filing requirement (e.g. ~\$12,000).

Filing is necessary if one has withholdings to obtain back from the IRS. The points to remember when filling out your tax return are:

- 1) Does your **employer's W-2 form match** what is written in the return?
 - a) One can only claim what is on account for WITHHOLDINGS.
- 2) Does the return **use "[xx,xxx.xx]" brackets** instead of the easily confused "-xx,xxx.xx" markation?
- 3) Are any BLANK or MISSING FIELDS from the W-2 left blank on the return as well?
- 4) Is a **Third-Party Designee assigned?** *Should be the Program Manager for RICS/IVO, Return Integrity and Compliance Services/Integrity Verification Operations. The phone number should be the one listed for the Frivolous Return Program (SBSE) department. Christine L. Davis has been the Program Manager since at least 2012 and is currently employed in the same position as of 2022.*
- 5) **Is Lawful Money Redemption Proof attached?** If not, should the IRS issue a Frivolous Filing Penalty, it is nigh-impossible to beat without proof.
- 6) Does the **"Other Income" box have "Demand is made for Lawful Money per 12 USC 411" in the additional information box (e.g. Schedule 1)?**

SEE SAMPLE 1040 FILING BELOW:

		d Total number of exemptions claimed		Add numbers on lines above ▶	
e	7	Wages, salaries, tips, etc. Attach Form(s) W-2		7	55,307
	8a	Taxable interest. Attach Schedule B if required		8a	
irm(s) Also rms I tax yeld. not ctions.	b	Tax-exempt interest. Do not include on line 8a		8b	
	9a	Ordinary dividends. Attach Schedule B if required		9a	
	b	Qualified dividends		9b	
	10	Taxable refunds, credits, or offsets of state and local income taxes		10	
	11	Alimony received		11	
	12	Business income or (loss). Attach Schedule C or C-EZ		12	
	13	Capital gain or (loss). Attach Schedule D if required. If not required, check here ▶ <input type="checkbox"/>		13	
	14	Other gains or (losses). Attach Form 4797		14	
	15a	IRA distributions	15a		b Taxable amount
	16a	Pensions and annuities	16a		b Taxable amount
	17	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E		17	
	18	Farm income or (loss). Attach Schedule F		18	
	19	Unemployment compensation		19	
	20a	Social security benefits	20a		b Taxable amount
	21	Other income. List type and amount Demand is made for Lawful Money Per 12 USC 411		21	55,307
	22	Combine the amounts in the far right column for lines 7 through 21. This is your total income ▶		22	0
	23	Educator expenses		23	

The wages/salary counted towards withholdings is marked down in the *wage box*. The same amount is written in “[]” with the note of “demand is made for lawful money per 12 USC 411” in the *other income box*.

As of this year, the *other income box* requires a *Schedule 1* to be attached. **With each tax return, one should attach 3-5 scanned lawful money checks (front and back) to the return.**

60a Household employment taxes from Schedule H		60a	
b First-time homebuyer credit repayment. Attach Form 5405 if required		60b	
61 Health care: individual responsibility (see instructions) Full-year coverage <input type="checkbox"/>		61	
62 Taxes from: a <input type="checkbox"/> Form 8959 b <input type="checkbox"/> Form 8960 c <input type="checkbox"/> Instructions; enter code(s)		62	
63 Add lines 56 through 62. This is your total tax		63	
Payments	64 Federal income tax withheld from Forms W-2 and 1099	64	
	65 2016 estimated tax payments and amount applied from 2015 return	65	
	66a Earned income credit (EIC)	66a	
	b Nontaxable combat pay election 66b	66b	
	67 Additional child tax credit. Attach Schedule 8812	67	
	68 American opportunity credit from Form 8863, line 8	68	
	69 Net premium tax credit. Attach Form 8962	69	
	70 Amount paid with request for extension to file	70	
	71 Excess social security and tier 1 RRTA tax withheld	71	
	72 Credit for federal tax on fuels. Attach Form 4136	72	
73 Credits from Form: a <input type="checkbox"/> 2439 b <input type="checkbox"/> Refined c <input type="checkbox"/> 8885 d <input type="checkbox"/>	73		
74 Add lines 64, 65, 66a, and 67 through 73. These are your total payments		74	
Refund	75 If line 74 is more than line 63, subtract line 63 from line 74. This is the amount you overpaid	75	0
	76a Amount of line 75 you want refunded to you . If Form 8888 is attached, check here <input type="checkbox"/>	76a	0
Direct deposit? See instructions.	b Routing number c Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings		
	d Account number		
	77 Amount of line 75 you want applied to your 2017 estimated tax	77	
Amount You Owe	78 Amount you owe . Subtract line 74 from line 63. For details on how to pay, see instructions	78	0
	79 Estimated tax penalty (see instructions)	79	0
Third Party Designee Do you want to allow another person to discuss this return with the IRS (see instructions)? <input checked="" type="checkbox"/> Yes. Complete below. <input type="checkbox"/> No			
	Designee's name Christine L. Davis	Phone no. 866-883-0235	Personal identification number (PIN)
Sign Here Joint return? See instructions. Keep a copy for your records.	Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and accurately list all amounts and sources of income I received during the tax year. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.		
	Your signature	Date	Your occupation
	Spouse's signature. If a joint return, both must sign.		Date
	Spouse's occupation		Daytime phone number
Paid Preparer	Print/Type preparer's name	Preparer's signature	Date
	Check <input type="checkbox"/> if self-employed		PTIN

NOTE: The IRS changed *Form 1040* and the “Other Income” line now is found in *Schedule 1: Additional Income* to annotate redemption of lawful money.

2016-2021 1040 & SCHEDULE 1 SAMPLES

Keep your lawful money proof and send in 3-4 proofs throughout the tax year, e.g. proof from January, April, August, October, along with the tax filing.

TRANSACTION REQUEST FORM
For All Shared Services

CREDIT UNION SERVICE CENTERS.
The Member Friendly Financial Network

IDENTIFICATION	DEPOSITS*	WITHDRAWALS**	LOAN PAYMENTS
Name	Total Cash \$	Share (Savings) Type \$	Type \$
Address	Total Checks (From Reversal) \$	Share Draft (Checking) Type <i>Cash</i> \$ <i>350.00</i>	Type \$
City, State, Zip	Total Deposit \$		
Phone Number	DEPOSIT TO	PURCHASES	TRANSFERS
Credit Union	Share (Savings) Type \$	Credit Union Check \$	From Type \$
Account #	Share Draft (Checking) Type \$	Money Order \$	To Account Type
SSN (Last 4 Digits)	Other \$	Travelers Cheques \$	
	Other \$	Other: \$	
	Other \$		
<p><i>Redemption lawful money 12/05/04</i></p> <p>Member Signature _____ Date _____</p> <p><small>*Deposits may not be available for immediate withdrawal. **Withdrawal amount may be limited.</small></p>			
<p>CREDIT UNION USE ONLY [] Offline</p> <p>[] SSN Verified [] Photo ID [] Fees</p> <p>Type _____ Description \$</p> <p>Type _____ Description \$</p>			

If one is paid by DIRECT DEPOSIT, make copies of the pay stubs and write the redemption verbiage. This works for digital invoices too. Request a digital copy of the checks or pay stubs and write the lawful money verbiage on the copy.

One must use a 1040 Form (using the IRS's most updated version) to redeem in lawful money from the US Department of the Treasury regarding income withheld over the year. Even a Schedule K for entities taxed as a corporation still files a 1040 Form, so the process is the same. Remember, it is the IRS who does the accounting and the Treasury who reimburses all who redeem in lawful money. The IRS/Treasury will always respond to lawful money returns, it is just a matter of how long one must wait for such a response.

A lawful money repository of proof is as simple as indorsing every check with lawful money demand and taking a photo of said redemption.

IDENTIFICATION		DEPOSITS		WITHDRAWALS		LOAN PAYMENTS	
Name		Total Cash	\$	Share (Savings)	Type	\$	Type
Address		Total Checks (From Branch)	\$	Share Draft (Checking)	Type	\$	Type
City, State, Zip		Total Deposit	\$				
Phone Number		DEPOSIT TO		PURCHASES		TRANSFERS	
Credit Union		Share (Savings)	Type	Credit Union Check	\$	From	Type
Account #		Share Draft (Checking)	\$	Money Order	\$	To	Type
SSN (Last 4 Digits)		Other	\$	Travelers Cheques	\$	Account	Type
Member Signature		Other	\$	Other	\$		
Date							

Received Cash as Follows:
 \$100 Bill F 674 A
 \$100 Bill 164848 A
 \$100 Bill FE 0233 A
 \$50 B.I. CF 978 A

OS - Country of State of

NOTARY PUBLIC
 STATE OF
 My Commission Expires

NOTE: Lenders require tax returns showing *taxable income* to be able to approve a loan. Lawful money effectively shows income as ZERO and therefore can increase the difficulty of obtaining a loan.

VAT TAX SECRETS (VALUE ADDED TAX FOR VEHICLES)

Value Added Tax (VAT) is derived as a percentage of the property's value which is then added to every purchase or transfer of a registered automobile, boat or motorized vehicle. When one obtains property in redeemed lawful money, the value of property is no longer bonded and can be classified as "Private." At the registration office (County Clerk and Recorder) a question will be raised regarding how much was paid for the property so an amount of tax can be assessed. But when one consistently responds, **"That is Private."** Only the fees to get the property registered with plates is then levied.

NOTE: Sales tax refunds/exemptions are impossible. That's the secret! **This is because the sales tax is a misnomer. It is not a tax on the buyer, but on the seller,** who transfers it by tradition onto the buyer. Since the seller must pay the sales tax, it is often added into the final price. There is no obligation for the buyer to pay the sales tax except that most retailers think there is. This faux-pas will continue until the end of time, so do not attempt to redeem sale taxes with lawful money.

COLORADO REGISTRATION/OWNERSHIP TAX RECEIPT									
TYPE	PLATE	TAB/VAL	VIN		EXPIRE				
PAS-REG		B831043			05/2016				
TITLE	YR	MAKE	BODY	CWT/PAS	T/C	FLEET#	FUEL	PREV EXP	
	1998		UP	43	C		G		
PUR. DATE	PUR. PRICE	ORIGINAL TAXABLE VALUE			BUS. DATE	CO #	UR/CODE		
05/06/	0.00	24,316			05/06/2015	04	U 002U		
EM. FEE	TITLE FEE	PRIOR O.T.	OWN TAX	LIC. FEE	ROAD FEE	BRIDGE FEE			
0.00	0.00	0.00	3.00	72.26	23.00	18.00			
RTD TAX	COUNTY TAX	CITY/DIST TAX	STATE TAX		SPECIAL FEE	OTHER FEE			
0.00	0.00	0.00	0.00		0.00	0.00			
UNIT #	GVW	MILES			HI GVW	HC DATE			
OWNER NAME/MAILING ADDRESS					*FEES IN BOLD INCLUDED IN LIC FEE				
<p>THIEVES HAVE BEEN KNOWN TO USE THE ADDRESS FROM A REGISTRATION CARD TO STEAL FROM THE VEHICLE'S OWNER. FOR ADDED SECURITY, YOU ARE ENCOURAGED TO KEEP ONLY THIS REGISTRATION CARD IN YOUR VEHICLE. IT DOES NOT CONTAIN YOUR ADDRESS.</p>									
VALIDATION					TOTAL				
PAID EL PASO 11 05/06/2015					A 75.26 PL				

STATE OF FLORIDA
DEPARTMENT OF HIGHWAY SAFETY AND MOTOR VEHICLES - DIVISION OF MOTOR VEHICLES
2900 Apalachee Parkway, NEIL KIRKMAN BUILDING - TALLAHASSEE, FL 32399-0810

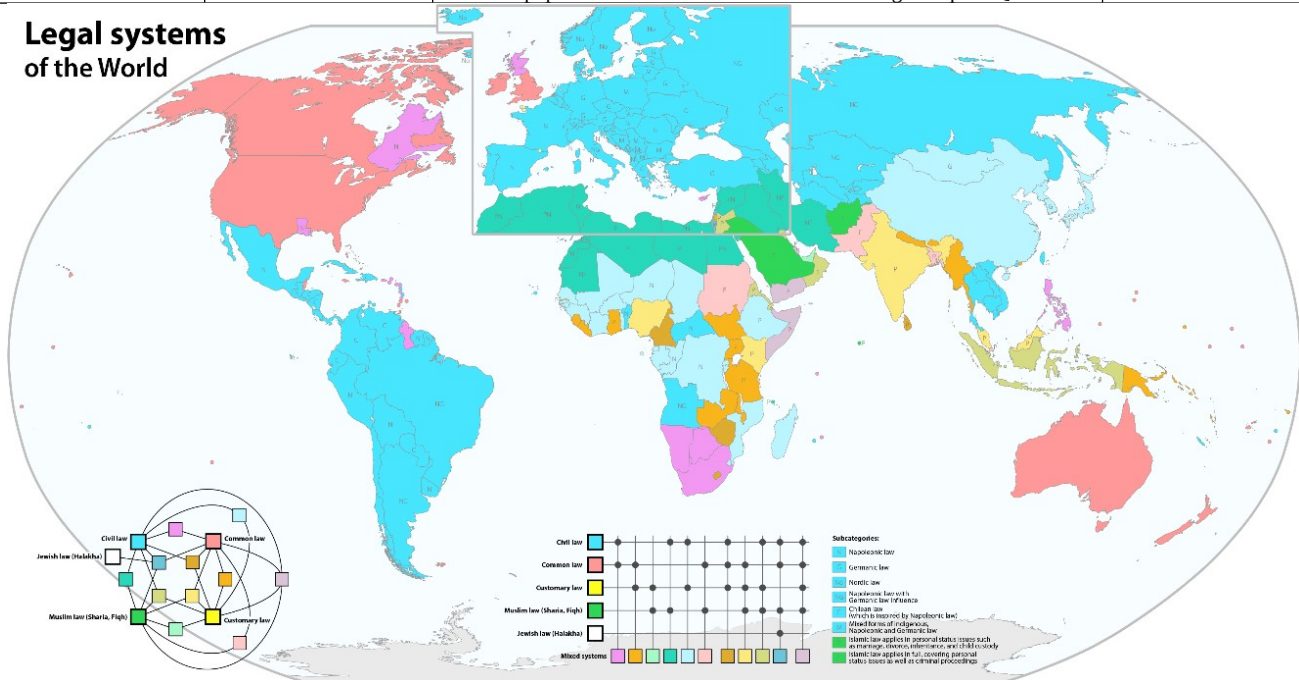
APPLICATION FOR CERTIFICATE OF TITLE WITH/WITHOUT REGISTRATION

APPLICATION TYPE: <input type="checkbox"/> ORIGINAL <input checked="" type="checkbox"/> TRANSFER		VEHICLE TYPE: <input type="checkbox"/> OFF-HIGHWAY VEHICLE <input type="checkbox"/> MOTOR VEHICLE <input type="checkbox"/> MOBILE HOME <input type="checkbox"/> VESSEL	
OWNER / APPLICANT INFORMATION			
1	Customer Number	Do you want the certificate of title to remain electronic? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	Are you a Florida resident? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO Are you an alien? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
Owner's Name As It Appears on Driver License (First, Full Middle/Initial, & Last Name)		Owner's Email Address	Date of Birth Sex FL Driver License or FEID/Suffix #
Co-Owner/Lessee's Name As It Appears on Driver License (First, Full Middle/Initial, & Last Name)		Co-Owner's/Lessee's Email Address	Date of Birth Sex FL Driver License or FEID/Suffix #
Owner's Mailing Address (Mandatory)		City	State Zip
Co-Owner's/Lessee's Mailing Address (Mandatory)		City	State Zip
Owner's/Lessee's Physical Street Address in Florida (Mandatory)		City	State Zip
Mobile Home Physical Address (if applicable) Check if in a mobile home rental park with 10 or more lots <input type="checkbox"/>		City	State Zip
Mail To Customer Name (if different from Above Owner)		Mail To Customer's Email Address	Date of Birth Sex FL Driver License or FEID/Suffix #
Mail To Customer Address (if different from Above Mailing Address)		City	State Zip
2 MOTOR VEHICLE, MOBILE HOME OR VESSEL DESCRIPTION			
Vehicle/Vessel Identification Number	Make/Manufacturer	Year	Body Color Florida Title Number
Previous State of Issue	License Plate or Vessel Registration Number	Weight	Length BHP/LOC GVW/LOC
TYPE		HULL MATERIAL	PROPULSION
FUEL		DRAFT OF VESSEL	
USE OF VESSEL		PREVIOUS OUT-OF-STATE REGISTRATION NUMBER:	
3 BRANDS, USAGE AND TYPE (Check Applicable Boxes)			
4 LIENHOLDER INFORMATION			
5 TRANSFER TYPE			
6 ODOMETER DECLARATION			
7 DEALER SALES TAX REPORT AND VEHICLE TRADE-IN INFORMATION (IF APPLICABLE)			

LAWFUL MONEY TERMS IN VARIOUS COUNTRIES

COUNTRY	TERM	LAW / STATUTE	SYSTEM
USA + American Samoa, Guam, Puerto Rico, North Mariana Islands, Virgin Islands and 11 Minor Islands	Lawful Money (United States Banknotes and U.S. coins)	12 U.S. Code § 411	Common Law (Louisiana w/ French Civil Law)
Canada	Lawful Money (Notes and coin under The Dominion)	Bills of Exchange Act, RSC 1985, c B-4, s67(1) [The Bank Act is remedy in Canada]	Common Law (Quebec w/ French Civil Law)
UK	Lawful Money (Bank of England banknotes and Royal Mint [maundy] coins)	Bank Charter Act 1844, VII Bank of England exempted from Stamp Duty upon their Notes. [Stamp duty is the tax governments place on legal documents (promissory notes), usually in the transfer of assets or property (use of private credit). Income taxes only began in 1842 for UK, Currency and Bank Notes Act 1928 c. 13, Section 6 Profits of note issue to be paid to Treasury. (1)-(2) detail further exemption on taxation of the use of promissory notes.]	Common Law (Scotland w/ French Civil Law)
Australia	Lawful Money (Queensland Treasury notes and coins)	Bank Notes Tax Act 1910 [BNTA 1910 when the Commonwealth Parliament passed the Australian Notes Act 1910 and the Bank Notes Tax Act 1910. The Australian Notes Act 1910 prohibited the circulation of state notes as money, and the Bank Notes Tax Act 1910 imposed a tax of 10%, per annum, on “all bank notes issued or reissued by any bank in the Commonwealth after the commencement of this Act, and not redeemed. ”]	Common Law
Japan	Exempt Notes (Bank of Japan banknotes and “old yen” coins)	日本銀行法 (Bank of Japan Act, Chapter V Bank of Japan Notes) [All courts are extremely prejudiced in Japan and will rule against valid cases and evidence to maintain the ‘status quo’ amongst a taxed population. To avoid income taxes - moving is required.]	Civil Law

Legal systems of the World



DOWNLOAD FULL IMAGE TO ZOOM RELATIONS WITH THE IRS

After years of reporting and then *not reporting* suddenly, the inevitable conclusion is to be contacted by the IRS. The Internal Revenue Service has every right to send what may seem like a “threatening” letter/inquiry. **The law clearly states that “Unless the defendant can prove he is not a citizen of the**

*United States, **the IRS has the right to inquire and determine a tax liability.***” U.S. v. Slater, 545 Fed. Supp. 179,182 (1982). The IRS may inquire (question) and determine (establish) a tax liability for any reason, but the actual assessment (fine/tax to pay) comes from the use of a private currency (FRNs).

Hundreds of students have reported that **once a letter showing proof of redemption of lawful money is sent, it's often the last time one hears from the agency!** Many received abatement letters that zero their outstanding account, penalties, obligations and more (when done correctly as we will show). But most often, people just hear silence (tacit acquiescence) which proves they are correct in their redemption and rights asserted. No fines are issued, no bank accounts levied, no property seized! Some users who have been redeeming lawful money since 1995 have reported that the IRS will send inquiries within a couple years of redeeming lawful money (especially if W-2s or 1099s are reported and then stop), but after showing proof of redemption, most never hear from the agency again, some as much as 25 years!

The reports are not anecdotal either. A group of researchers out of Colorado, convening by way of Yahoo message boards, had been redeeming lawful money as early as 2003 and have reported the same results. No more inquiries after the proof was sent. And many have reported that it has been more than 15 years since their last interaction with the collection agency.

Therefore, if one has an outstanding account, past penalties or obligations, a Request for Abatement form and lawful money redemption proof can sometimes be the solution. It is *not* guaranteed, as one who did *not* redeem in lawful money in prior years does owe a legal and lawful income tax for the use of a private currency. Of course, **one may assert “If I had known I could have been redeeming in lawful money, I would have done so from the beginning.” as a valid reason to request abatement.** The IRS has honored this argument in the past, due to the nature of contract law regarding *Intention!* **It is up to the person who wants the agreement to be a contract (here it is the IRS) to prove that the parties actually intended to enter into a legally binding contract.** If by affidavit, it is concluded otherwise, that's the end of the matter for you.

REPLYING TO IRS LETTERS: CONDITIONAL ACCEPTANCE

*In the case where one has an IRS letter arrive at their doorstep, should follow the principles of **conditional acceptance.*** A conditional acceptance, sometimes called a qualified acceptance, occurs when a person to whom an offer has been made tells the offeror that he or she is willing to agree to the offer provided that some changes are made in its terms or that some condition or event occurs.

The following information comes from Augustus Blackstone within the book *The Errant Sovereign's Handbook*. And while I do not agree with many positions sovereigns and secured party creditors hold, I understand the core principles they seek to obtain; however, the way they go about this has been well documented by Carl Weiss' Trustees in Commerce: A Way of Life as always having a common theme: contradiction. Fortunately, the Administrative Process that is correctly followed in Augustus' material is that of **CONDITIONAL ACCEPTANCE** and universally accepted as a Common Law practice for resolving disputes.

The basis for all contract law arises from **AGREEMENT** or **CONTROVERSY** (denial) of a thing; whereas, Conditional Acceptance falls between agreement and controversy. It stipulates that one

will ACCEPT the offer, so long as certain conditions are followed, given the conditions are not impossible to perform.

With these letters (Reply To Letter Regarding Tax Liability, Form 847 Request for Abatement, 3-5 Scanned Lawful Money Proofs) the IRS will zero the account and stop contact in virtually all cases.

The following excerpt is from the book:

If the IRS **does** contact someone about a tax matter, it will normally take 1 to 5 years to get to it. If they do, it will usually be in the form of a computer-generated letter (often unsigned) wanting to know why you haven't filed a tax return and may threaten some sort of agency action if one does not comply. If this should happen, do not ignore the empty threat but **respond immediately**. The IRS, like any other corporation, operates under Uniform Commercial Law (UCC) and **one must respond within 72 hours** of receipt of their letter.

As with everything done by an "alphabet agency," we're going to ***go with the flow*** on this demand and condition any compliance on certain requirements that one has a Lawful Right to require, and which the IRS is **not** authorized or able to do. We are **not** going to challenge or try to fight them! It isn't necessary (and creates controversy). Keep in mind that the IRS has its own legal staff. They most likely will advise their client to back off and pursue easier prey. They are in the business of **collecting** revenue, not **spending** it. Going after you would cost them a bundle and it's not something they have even a hope of winning (*when given Conditional Acceptance*). Always address the reply to the person who authorized or who signed the IRS letter. If there is only a job title and no name or signature, then address it to the job title, e.g., "Unidentified Investigations Officer."

Remember to be kind because "*Unless the defendant can prove he is not a citizen of the United States, **the IRS has the right to inquire and determine a tax liability**.*" U.S. v. Slater, 545 Fed. Supp. 179,182 (1982). Stating, one may be assumed to have a liability due to their dual status as a U.S. Citizen, that of the federal and that of the several states. Until the IRS has been corrected, they are only doing their job and what is within their right: assessment of liability, notice of lien, estimated filings, etc.

REPLY TO LETTER REGARDING TAX LIABILITY

John Doe
c/o postal service address
123 Example Road
New York City, New York
January 1, 2022

John NoName, District Director

Internal Revenue Service
477 Michigan Avenue
Detroit, Michigan 48226
RE: Your file number XXX123456

Greetings,

I have just received your form letter dated _____ which was delivered today and I must admit some perplexity as to the nature of its contents. It suggests that I am obligated in some way to report or file financial data with your organization. I am unaware of any valid and binding instrument or contract bearing my signature which authorizes you to compel that performance of me. Nor am I aware of any such involuntary requirement imposed upon me by Positive Law.

However, I could be mistaken and I don't want to be indebted to anyone and want to resolve any issues. Since I am unaware of any such obligation, prudence dictates that I verify the particulars of your claim. **Once everything is verified, validated and appears to be in order, I will tender payment without question or hesitation.** For that purpose, I shall require of you and your organization *all* of the following:

1. A Certified True Bill showing the exact amount I am supposed to owe to the duly Constituted united States government; and
2. An itemized statement of account showing all goods and/or services delivered to me by said entity upon my request or demand; and
3. A Certified True Copy of the valid, binding and subsisting Instrument or Contract bearing my signature which authorizes this or any related collection activity; and
4. A Certified True Copy of your Article VI Oath of Fidelity for each individual in your organization who is involved with this collection activity (as required by law); and
5. The policy number and name and address of the underwriter of your Bond(s) that insure said individuals in handling of public funds (as required by law); and
6. Positive Identification of all real parties of interest to any valid Instrument or Contract which authorizes this collection activity, including all holders in due course of the Instrument.

Please send these items to me as soon as possible so that I may attend to this matter quickly.

I have also attached proof of lawful money redemption per 12 U.S.C. § 411.

Respectfully,

by: _____
[YOUR FIRST AND MIDDLE NAME], Without Recourse

cc: file

We must detour from the quote from The Errant Sovereign's Handbook to note:

The IRS is a bureaucracy of form and nothing else. So, while we may send a "custom letter" to the agency, as above. It will do NOTHING (and receive no response) unless we also include a Form 843 Request for Abatement. If this is a state tax, one must find/use their state's Request for Abatement equivalent form.

Think of the IRS agent as a machine and the lawyers as the only humans at the agency. If the agent doesn't have a form telling it what to do in accordance with the system, it will fail to execute the command. With the correct form, the computer operates as expected.

Simply, an agent is unable to handle custom situations like a letter explaining WHY the Request of Abatement is correct. All it needs is the proper form to file the request and begin the process. The agent/computer will send the request to a lawyer/human, who will give it due consideration.

Despite giving conditional acceptance, a request for validation and delivering the evidence (see below), we must also file the correct form for the IRS agent receiving our request.

See the sample letter below:

Form 843 (Rev. August 2011) Department of the Treasury Internal Revenue Service	Claim for Refund and Request for Abatement ▶ See separate instructions.	OMB No. 1545-0024
---	---	-------------------

Use Form 843 if your claim or request involves:

- (a) a refund of one of the taxes (other than income taxes or an employer's claim for FICA tax, RRTA tax, or income tax withholding) or a fee, shown on line 3,
- (b) an abatement of FUTA tax or certain excise taxes, or
- (c) a refund or abatement of interest, penalties, or additions to tax for one of the reasons shown on line 5a.

Do not use Form 843 if your claim or request involves:

- (a) an overpayment of income taxes or an employer's claim for FICA tax, RRTA tax, or income tax withholding (use the appropriate amended tax return),
- (b) a refund of excise taxes based on the nontaxable use or sale of fuels, or
- (c) an overpayment of excise taxes reported on Form(s) 11-C, 720, 730, or 2290.

Name(s)	Your social security number
Address (number, street, and room or suite no.)	Spouse's social security number
City or town, state, and ZIP code	Employer identification number (EIN)
Name and address shown on return if different from above	Daytime telephone number

1 Period. Prepare a separate Form 843 for each tax period or fee year. From <u>1/1/2010</u> to <u>12/31/2010</u>	2 Amount to be refunded or abated: \$ <u>5023.00</u>
--	--

3 Type of tax or fee. Indicate the type of tax or fee to be refunded or abated or to which the interest, penalty, or addition to tax is related.

☐ Employment
 ☐ Estate
 ☐ Gift
 ☐ Excise
 ☐ Income
 ☒ Fee

4 Type of penalty. If the claim or request involves a penalty, enter the Internal Revenue Code section on which the penalty is based (see instructions). IRC section:

5a Interest, penalties, and additions to tax. Check the box that indicates your reason for the request for refund or abatement. (If none apply, go to line 6.)

☒ Interest was assessed as a result of IRS errors or delays.
☐ A penalty or addition to tax was the result of erroneous written advice from the IRS.
☒ Reasonable cause or other reason allowed under the law (other than erroneous written advice) can be shown for not assessing a penalty or addition to tax.

b Date(s) of payment(s) ▶

6 Original return. Indicate the type of fee or return, if any, filed to which the tax, interest, penalty, or addition to tax relates.

☐ 706 ☐ 709 ☐ 940 ☐ 941 ☐ 943 ☐ 945
☐ 990-PF ☒ 1040 ☐ 1120 ☐ 4720 ☐ Other (specify) ▶

7 Explanation. Explain why you believe this claim or request should be allowed and show the computation of the amount shown on line 2. If you need more space, attach additional sheets.

See attached
 1 - "Notice & Praecipe, Validation of Alleged Debt (Redemption in lawful money pursuant to 12 USC 411)"
 2 - Three Sample Special Deposit redeemed in lawful money pursuant to 12 USC 411.

Signature. If you are filing Form 843 to request a refund or abatement relating to a joint return, both you and your spouse must sign the claim. Claims filed by corporations must be signed by a corporate officer authorized to sign, and the officer's title must be shown.

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

Signature (Title, if applicable. Claims by corporations must be signed by an officer.) [Signature] Date 11/20/2012
 Signature (spouse, if joint return) _____ Date _____

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶				Firm's EIN ▶
	Firm's address ▶				Phone no.

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions. Cat. No. 10180R Form **843** (Rev. 8-2011)

One must also send three to five scanned checks as proof of Lawful Money Redemption per 12 U.S. Code § 411 with a notice written on each scan, stating:

“SPECIAL DEPOSIT: REDEEMED IN LAWFUL MONEY BY DEMAND PURSUANT TO TITLE 12 U.S.C. § 411” at the top of the page

+

“CONFIDENTAL” between the check scans

+

“12 U.S.C. § 411. Issuance to reserve banks; nature of obligation; redemption.” & “Federal reserve notes, to be issued at the discretion of the Board of Governors of the Federal Reserve System for the purpose of making advances to Federal reserve banks through the Federal reserve agents as hereinafter set forth and for no other purpose, are authorized. The said notes shall be obligations of the United States and shall be receivable by all national and member banks and Federal reserve banks and for all taxes, customs, and other public dues. They shall be redeemed in lawful money on demand at the Treasury Department of the United States, in the city of Washington, District of Columbia, or at any Federal Reserve bank. [Bold and underline emphasis added]” on the bottom of the page.

See the example below showing how we added the scanned check images (with redacted information) inside a word document processor and pasted the text where appropriate.

SPECIAL DEPOSIT:
REDEEMED IN LAWFUL MONEY BY DEMAND PURSUANT TO TITLE 12 U.S.C. § 411

VERIFY DOCUMENT AUTHENTICITY - COLORED AREA MUST CHANGE IN TONE OF PURPLE AND EVENLY FROM DARK AT TOP TO LIGHTER AT BOTTOM

Check # [REDACTED]

Check Date: 10/31/2012
Valid After 180 Days

THREE THOUSAND SIX HUNDRED NINETY SIX DOLLARS *****AND *****73 CENTS

Pay To The Order Of [REDACTED] 0020 P1W

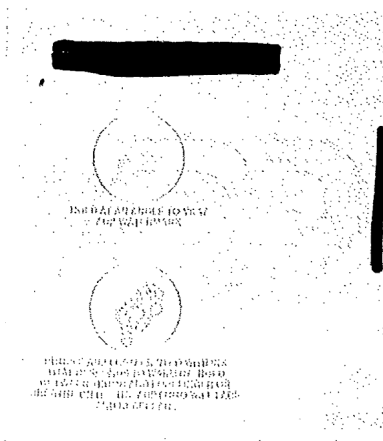
Pay This Amount \$3696.73

ASSISTANCE WITH VERIFICATION AVAILABLE AT 877-423-7243

ADP. [Signature] ADP AUTHORIZED SIGNATURE

THE ORIGINAL DOCUMENT HAS AN EMBOSSED WATERMARK ON THE BACK. HOLD AT AN ANGLE TO VIEW WHEN CHECKING THE EMBOSSEMENT.

CONFIDENTIAL



KNOW YOUR ENDORSEES - REQUIRE IDENTIFICATION

DEPOSITED FOR CREDIT ON ACCOUNT

REDEEMED IN LAWFUL MONEY PER 12 U.S.C. § 411

By [Signature]

DO NOT WRITE / SIGN / STAMP BELOW THIS TYPE

12 USC § 411. Issuance to reserve banks; nature of obligation; redemption

Federal reserve notes, to be issued at the discretion of the Board of Governors of the Federal Reserve System for the purpose of making advances to Federal reserve banks through the Federal reserve agents as hereinafter set forth and for no other purpose, are authorized. The said notes shall be obligations of the United States and shall be receivable by all national and member banks and Federal reserve banks and for all taxes, customs, and other public dues. They shall be redeemed in lawful money on demand at the Treasury Department of the United States, in the city of Washington, District of Columbia, or at any Federal Reserve bank. (Bold and underline emphasis added)

We return back to the quote from The Errant Sovereign's Handbook:

As usual, make a copy of this letter for the records and mail the originally signed letter to the IRS addressee. This time, use Certified Mail with Return Receipt Requested (the green card). Should it become necessary (not likely), this letter is the “proof” to show the local authorities that the IRS has no basis In Fact or In Law for a lien or a Writ of Attachment on the bank account. Why? *Tax protestors*, as typically characterized by the IRS and the media, **do not** immediately respond to such a demand with what amounts to: *“Please verify this, then send me a bill and I will pay it.”*

All the other items required by the letter are no more than would be reasonably expected of **anyone** when receiving an unfamiliar demand for payment or compliance. As far as *enforcement* goes, this is now a *no-win* situation for the IRS, because they either cannot or dare not produce all the items listed. 99.9% of the time one will not hear from them again or, if one does, it will be a computer-generated form letter showing an “amount owing” of \$0.00.

What about the other 0.1% of the time? Although they do try to screen out the incompetents before they are hired, the IRS, like any other corporation of that size, will occasionally hire someone who has mostly vacuum between the ears. It is even less likely that such an individual reaches a position that would be dealing with the letter. However, it has been known to happen at least once before and, in that case, an unsigned Estimated Form 1040 was sent out as the reply. The form wasn’t Certified as True and Correct under any Oath and there weren’t any of the other required items sent along with it. But if you are one of those lucky few who just pulled a thousand to one long shot, and get a reply of this sort to the letter, it’s not difficult to remedy.

Immediately after receiving the Estimated Form 1040, make a copy of it for the record, print a copy of the original letter sent by the IRS, and a copy of the files in the response letter. Put the copy of the original IRS letter on top, the copy of your response in the middle and the Estimated Form 1040 on the bottom and attach these to a cover letter or memo addressed to the District Director of the IRS for the area OR Regional Director for the IRS in the area (if the District Director was the one who sent the Estimated Form 1040). The cover letter or memo is short and to the point.

See the sample letter below:

LETTER IRS DISTRICT DIRECTOR

John Doe

c/o postal service address
123 Example Road
New York City, New York
January 1, 2022

John NoName, District Director
Internal Revenue Service
477 Michigan Avenue
Detroit, Michigan 48226
RE: Your file number XXX123456

Greetings,

Please read and review the three items attached hereto and notify me as soon as possible if you or any of your office staff are authorizing this action. Thank you for your help in this matter and I look forward to hearing from you soon.

Respectfully,

by: _____
[YOUR FIRST AND MIDDLE NAME], Without Recourse

cc: file

Remember, the name of the game for these people is always going to be "Cover Your Ass." This fellow isn't about to let a subordinate do anything that might get him demoted or fired. One will probably be sent a notice to disregard the Estimated Form 1040, and that will be the end of the whole affair. If not, you've earned my congratulations for being the most successful victim in the history of mankind.

However, there is one more step that can be taken to put this thing to rest once and for all. Using one's own money or that borrowed from PRIVATE sources (relatives and friends), go to the nearest post office and purchase postal money orders in the amount shown on the Estimated Form 1040. **Do not** use personal or business bank checks, drafts, or any other kind of money order than POSTAL money orders. There are legal reasons for this, all in regards to lawful money or tender.

Also, do not sign or in any way mark or alter the Estimated Form 1040. These postal money orders are going to be enclosed (not attached) in another letter sent to the representative in Congress for the area. Notice I **did not** say, "your" elected representative. The correct term is: *designated agent*.

Make the postal money orders out to: "united States' Treasury, Seat of Government, Washington District of Columbia." **Do not use a zip code.** On the bottom line, where it says "used for" put: "Direct Taxes." Then fill in your own information on the other side. Again, do not use a zip code and fully spell out your state. The postal money orders are to be **enclosed** in the letter. The receipt slips go in your file record. **Attached** to the letter will be copies of the three pieces of correspondence between you and the IRS and in the same sequence as was sent to the IRS Director.

See the sample letter below:

REQUEST FOR DESIGNATED AGENT TO FORWARD FOR DIRECT TAXES

John Doe
c/o postal service address
123 Example Road
New York City, New York

January 1, 2022

Representative Mary NoName
House of Representatives
Seat of Government
Washington, District of Columbia

RE: Conditional Tender of Direct Taxes

Greetings,

This is being sent to you because you are the designated agent in Congress for this area and because I am uncertain of the validity of the attached, uncertified demand for Payment of direct taxes to the duly Constituted united States' government. I want to take care of this as soon as possible and would like you to review the attached correspondence copies at your earliest opportunity.

I have, in a timely manner, requested certain items in order to verify all the particulars of this demand and collection activity which have not been provided to me.

Please attend to the production of those said items and, before sending them to me, review them and determine if they are genuine and valid In Fact and In Law. If all seems in order, I would appreciate it if you would see that enclosed postal money orders numbers 1234567890 and 1234567890 and 1234567890 in the total amount claimed are delivered directly to the united States' Treasury and a written receipt for the same sent directly to me.

Thank you for your help in this matter and I look forward to hearing from you soon.

Respectfully,

by: _____
[YOUR FIRST AND MIDDLE NAME], Without Recourse

cc: file

After making a copy of this letter for the records, mail the originally signed letter, with attachments and enclosures, to the addressee in the usual fashion with Certificate of Mailing. Then wait. That representative is going to return the postal money orders with a carefully crafted letter explaining why s/he cannot perform as requested. The **real** reason is s/he would be actively participating in and confirming a **criminal fraud** if s/he did do as requested.

And one would have the *proof* of it! Odds are very high that word will reach the IRS to back off. Whether or not that happens is of no great consequence since the postal money orders are **valid tender**

for public or private debt is **indisputable**. One now has all the evidence to show that, with good faith and due diligence, made a valid tender which was refused. By operation of Law, as well as statute, one is now discharged from the obligation. The IRS isn't likely to go through all of this again for no better result.

After making a copy of the returned postal money orders **and** receipt slips for the records, take the returned postal money orders **and** receipt slips back to the post office where they were obtained and get a refund. The service fees won't be refunded, but the amount on the face of the money orders will be. Then, after paying back any potential private loan sources, have a celebration party. **You are now free!**

CASE STUDIES REGARDING THE IRS & LAWFUL MONEY

I have been redeeming lawful money for years. I have had threats for penalties and made legal replies that have led to the IRS agreeing that it is not frivolous and determinations that the balance is "0."

[This year] I received a penalty notice that the IRS refused to correct and, long story short, forced payment of the penalty. I filed a claim for refund to allow for a judicial review, as federal courts have ruled, a penalty determination falls to the courts not the IRS.

On February 13, 2018 I filed an action in federal court to determine the foundational argument relative to a penalty under 26 U.S. Code § 6702 and how there can be a penalty for redeemed Federal Reserve notes. Especially where there is a protective statute for complying with Title 12, specifically 12 U.S. Code § 95a.

From reading the court cases and the Federal Reserve Act, it doesn't seem that complicated. The courts have always said US notes are not taxable. Prior to 1913 the tax, "or usage fee" was on the bank making notes and loans of private credit and never on the bank directly.

Applying the Federal Reserve Act to the current laws, and usage fees, it has not changed. When the reserve act was passed, a "clear clause" was made to protect the US notes as Congress knew it was not and could not be the subject of a tax.

I believe, "the usage fee or tax," was deliberately protected, or not discussed, and IRS agents not knowing the laws and/or refusing to understand the law have made clear violations by their actions against the US note and the Federal Reserve Act.

*If this simple process was not true then why would they have provided for a redemption? The banks are not part of the United States Government and **the Federal Reserve Act clearly states it was to create an elastic currency**. By using the banks there is a requirement to also comply with their rates and fees. The US Government is using this fee usage to tax anyone that wants to be part of the elastic currency scam. Any person that wishes to remain within the "non-tax" status prior to the Federal Reserve Act must do so as provided by the act. That means you **MUST** comply with the redemption process because the IRS and government are assuming everyone is knowingly using elastic currency, subject to usage fees or taxes, unless redemption is demanded.*

[An end was reached with a Refusal for Cause document and a few Lawful Money Redemption proofs sent as a reply. The IRS sent another letter back stating that they are reconsidering the frivolous penalty. Four months later, a refund check was issued.]

If the agent on the other end is ignorant in regard to what has been received and/or the return is caught in the "computer wash cycle," then one may find that letters relate to the fact that they need more time to review the return and/or they are requesting additional information. Sometimes some review agents go so far as to rework the return and then of course ask, in a not so polite way, to get one to "agree" with their fancy math.

If one does their first Lawful Money Return and it is questioned as frivolous, contact the IRS by letter. Most of the time, there is no problem with the refund. So, it usually ends with a return letter stating they are reconsidering the refund. Partial year returns are discouraged as they result in more work for the agents (no good for you).

*If anyone receives a notice of audit or other "push-back" from the IRS on a demand for lawful money filing, this is the time to apply the Refusal For Cause document. In fact, any [invalid] presumption must be rebutted. **Presumptions that are met with silence create an agreement.***

Notice of an audit is actually a good thing! In fact, that is when one is able to show competence in law by showing their records of *redeeming lawful money*. The audit is not some scary "seize all the

records” and “freeze the bank account” ordeal. It’s often done *without* one being present, internally at the IRS office. There will be requests for records, but **all the records one needs to show is the redemption of lawful money. That is enough to have their legal department “OK” the audit.**

See sample exchange between Student #1 and the IRS below:



Department of the Treasury
Internal Revenue Service
Cincinnati OH 45999-0039

For assistance, call:
1-800-829-0115

Notice Number: CP161
Date: April 30, 2012

Taxpayer Identification Number:

04-~~123456789~~

Tax Form: 941

→ Tax Period: December 31, 2011

Request for Payment

Federal Employment Tax

Our records show you owe \$4,815.50 on your return for the above tax period. The penalty shown below is because your tax deposits were not made in sufficient amounts by the dates required.

What You Need to Do

Pay the amount you owe now by using one of the following methods. To avoid additional penalty and/or interest, we must receive your payment by May 21, 2012. The Electronic Federal Tax Payment System (EFTPS) is the preferred method to ensure your tax payments are on time and secure.

- **EFTPS**

- If you are currently enrolled, go to www.eftps.gov or call 1-800-555-4477.
- To learn more about EFTPS and other electronic payment options, including credit card payments, visit www.irs.gov keyword: e-pay.

- **Check or Money Order**

- Make your check or money order payable to the **United States Treasury**;
- Write your taxpayer identification number, tax form number, tax period, and your phone number on your payment; and
- Mail your payment with the payment voucher located at the bottom of this notice in the enclosed envelope.

If you choose to pay by check or money order, please allow enough mailing time so that we receive your payment by May 21, 2012.

If you believe this notice is incorrect, please call us at 1-800-829-0115. When you call, please have your payment information and a copy of your return available. This information will help us find any payment you made that we haven't applied.

Tax Statement

Tax on Return
Total Credits

\$81,111.69

\$81,111.69

(Internal Revenue Code section 6656)

The table below shows how we figured your penalty. We multiplied the rate times the amount due.

Due Date	Pymt Date	Days Late	Pymt Type	Rate	Amt Due	Penalty
/ / 2011	/ / 2011	14	EFT	5%		
/ / 2011	/ / 2011	56	EFT	10%		
/ / 2011	/ / 2011	49	EFT	10%		
/ / 2011	/ / 2011	50	EFT	10%		
/ / 2011	/ / 2011	42	EFT	10%		
/ / 2011	/ / 2011	35	EFT	10%		
/ / 2011	/ / 2011	9	EFT	5%		
/ / 2011	/ / 2011	28	EFT	10%		
/ / 2011	/ / 2011	28	EFT	10%		
/ / 2011	/ / 2011	23	EFT	10%		
/ / 2011	/ / 2011	6	EFT	5%		
/ / 2011	/ / 2011	8	EFT	5%		
/ / 2011	/ / 2011	2	EFT	2%		
/ / 2011	/ / 2011	2	EFT	2%		
/ / 2011	/ / 2012	30	EFT	10%		
/ / 2011	/ / 2012	36	EFT	10%		
/1 / 2011	/1 / 2012	28	EFT	10%		
/2 / 2011	/1 / 2012	23	EFT	10%		
/2 / 2011	01 / 2012	6	EFT	5%		
/2 / 2011	01 / 2012	8	EFT	5%		
/2 / 2011	01 / 2012	15	EFT	5%		
Total Penalty:						4,8...

Removal of Penalties

The law lets us remove or reduce penalties if you have reasonable cause or receive erroneous written advice from IRS.

Reasonable Cause

If you believe you have an acceptable reason why IRS should remove or reduce your penalties, send us a signed explanation. After we review your explanation, we will notify you of our decision. In some cases, we may ask you to pay the tax in full before we reduce or remove the penalty for paying late.

Erroneous Advice from IRS

We will remove your penalty if all the following apply:

1. You asked IRS for advice on a specific issue,
2. You gave IRS complete and accurate information,
3. You received advice from IRS,
4. You relied on the advice IRS gave you, and
5. You were penalized based on the advice IRS gave you.

To request removal of the penalty because of erroneous advice from IRS, you should do the following: (1) complete Form 843, *Claim for Refund and Request for Abatement*; and (2) send it to the IRS Service Center where you filed your return.



Department of the Treasury
Internal Revenue Service

ACS SUPPORT
PO BOX 8208
PHILADELPHIA, PA 19101-8208

Date:
JULY 02, 2012

Taxpayer Identification Number:
XX-XXX

Case Reference Number:

Caller ID: 5

Contact Telephone Number:
TOLL FREE: 1-800-829-3903
BEST TIME TO CALL:
MON - FRI 8:00 AM TO 8:00 PM LOCAL
ASISTENCIA EN ESPANOL 1-800-829-3903

**CALL IMMEDIATELY TO PREVENT PROPERTY LOSS
FINAL NOTICE OF INTENT TO LEVY AND NOTICE OF YOUR RIGHT TO A HEARING**

WHY WE ARE SENDING YOU THIS LETTER

We've written to you before asking you to contact us about your overdue taxes. You haven't responded or paid the amounts you owe. We encourage you to call us immediately at the telephone number listed above to discuss your options for paying these amounts. If you act promptly, we can resolve this matter without taking and selling your property to collect what you owe.

We are authorized to collect overdue taxes by taking, which is called levying, property or rights to property and selling them if necessary. Property includes bank accounts, wages, real estate commissions, business assets, cars and other income and assets.

WHAT YOU SHOULD DO

This is your notice, as required under Internal Revenue Code sections 6330 and 6331, that we intend to levy on your property or your rights to property 30 days after the date of this letter unless you take one of these actions:

- Pay the full amount you owe, shown on the back of this letter. When doing so,
 - Please make your check or money order payable to the United States Treasury;
 - Write your social security number and the tax year or employer identification number and the tax period on your payment; and enclose a copy of this letter with your payment.
- Make payment arrangements, such as an installment agreement that allows you to pay off your debt over time.
- Appeal the intended levy on your property by requesting a Collection Due Process hearing within 30 days from the date of this letter.

WHAT TO DO IF YOU DISAGREE

If you've paid already or think we haven't credited a payment to your account, please send us proof of that payment. You may also appeal our intended actions as described above.

Even if you request a hearing, please note that we can still file a Notice of Federal Tax Lien at any time to protect the government's interest. A lien is a public notice that tells your creditors that the government has a right to your current assets and any assets you acquire after we file the lien.

We've enclosed two publications that explain how we collect past due taxes and your collection appeal rights, as required under Internal Revenue Code sections 6330 and 6331. In addition, we've enclosed a form that you can use to request a Collection Due Process hearing.

We look forward to hearing from you immediately, and hope to assist you in fulfilling your responsibility as a taxpayer.

Enclosures: Copy of letter, Form 12153, Publication 594, Publication 1660, Envelope

Automated Collection System

Letter 1058 (Rev. 05-2002)(LT-11)



Department of the Treasury
Internal Revenue Service
Holtsville, NY 11742-0480

Notice	CP504B
Tax Period	December 31, 2011
Notice date	June 4, 2012
Employer ID number	04-
To contact us	Phone 1-800-829-0115
Your Caller ID	

Page 1 of 4

RECEIVED JUN 04 2012

Notice of intent to levy

Intent to seize your property or rights to property

Amount due immediately: \$4,800.00

As we notified you before, our records show you have unpaid taxes for the tax period ending December 31, 2011 (Form 941). If you don't call us immediately or pay the amount due by June 14, 2012, we will seize ("levy") your property or rights to property and apply it to the \$4,800.00 you owe.

Billing Summary

Amount you owed	\$4,800.00
Interest charges	1.20
Amount due immediately	\$4,801.20

Continued on back...



Payment

INTERNAL REVENUE SERVICE
CINCINNATI, OH 45999-0149



Amount due immediately

\$4,801.20

- Make your check or money order payable to the United States Treasury.
- Write your Employer ID number (04-), the tax period (December 31, 2011), and the form number (941) on your payment and any correspondence.

04

201112

0000048



Department of the Treasury
Internal Revenue Service

PO Box 8208
Philadelphia PA 19101-8208

In reply refer to:
Aug. 16, 2012 LTR 2645C
04- 2011 01
Input Op: ~~XXXX~~

BOUCC NOBOD

Taxpayer Identification Number: 04-
Tax Period(s): , 2011

Form: 941

Dear Taxpayer:

Thank you for your correspondence received July 2, 2012.

We have not resolved this matter because we haven't completed all the processing necessary for a complete response. However, we will contact you again within 45 days with our reply. You don't need to do anything further now on this matter.

If you have a current installment agreement with us, please continue to make *scheduled payments* while waiting for our response. Even if you do not have a formal installment agreement, you may make payments to reduce the balance owed and minimize interest and penalty charges. To help us apply payments properly, make your check or money order payable to the United States Treasury. Ensure your name, address, daytime telephone number, social security or employer identification number, tax form and tax year are shown on the payment.

If you have any questions, please call us toll free at 1-800-829-7650.

If you prefer, you may write to us at the address shown at the top of the first page of this letter.

Whenever you write, please include this letter with your telephone number and the hours we can reach you entered in the spaces provided below. You may want to keep a copy of this letter for your records.

Your telephone number () _____ Hours _____

Claim for Refund and Request for Abatement

CMB No. 1545-0024

► See separate instructions.

Use Form 843 if your claim or request involves:

- (a) a refund of one of the taxes (other than income taxes or an employer's claim for FICA tax, RRTA tax, or income tax withholding) or a fee, shown on line 3,
- (b) an abatement of FUTA tax or certain excise taxes, or
- (c) a refund or abatement of interest, penalties, or additions to tax for one of the reasons shown on line 5a.

Do not use Form 843 if your claim or request involves:

- (a) an overpayment of income taxes or an employer's claim for FICA tax, RRTA tax, or income tax withholding (use the appropriate amended tax return),
- (b) a refund of excise taxes based on the nontaxable use or sale of fuels, or
- (c) an overpayment of excise taxes reported on Form(s) 11-C, 720, 730, or 2290.

Name(s)		Your social security number
Address (number, street, and room or suite no.)		Spouse's social security number
City or town, state, and ZIP code		Employer identification number (EIN) 04-
Name and address shown on return if different from above		Daytime telephone number

1 Period. Prepare a separate Form 843 for each tax period or fee year. From <u>Oct 1, 2011</u> to <u>Dec 30, 2011</u>	2 Amount to be refunded or abated: \$ <u>48</u> . <u>5</u>
---	--

3 Type of tax or fee. Indicate the type of tax or fee to be refunded or abated or to which the interest, penalty, or addition to tax is related. <input checked="" type="checkbox"/> Employment <input type="checkbox"/> Estate <input type="checkbox"/> Gift <input type="checkbox"/> Excise <input type="checkbox"/> Income <input type="checkbox"/> Fee	
--	--

4 Type of penalty. If the claim or request involves a penalty, enter the Internal Revenue Code section on which the penalty is based (see instructions). IRC section: <u>6651, 6658, 6601</u>	
--	--

5a Interest, penalties, and additions to tax. Check the box that indicates your reason for the request for refund or abatement. (If none apply, go to line 6.) <input checked="" type="checkbox"/> Interest was assessed as a result of IRS errors or delays. <input type="checkbox"/> A penalty or addition to tax was the result of erroneous written advice from the IRS. <input checked="" type="checkbox"/> Reasonable cause or other reason allowed under the law (other than erroneous written advice) can be shown for not assessing a penalty or addition to tax.	
--	--

b Date(s) of payment(s) ►	
----------------------------------	--

6 Original return. Indicate the type of fee or return, if any, filed to which the tax, interest, penalty, or addition to tax relates. <input type="checkbox"/> 708 <input type="checkbox"/> 709 <input type="checkbox"/> 940 <input checked="" type="checkbox"/> 941 <input type="checkbox"/> 943 <input type="checkbox"/> 945 <input type="checkbox"/> 990-PF <input type="checkbox"/> 1040 <input type="checkbox"/> 1120 <input type="checkbox"/> 4720 <input type="checkbox"/> Other (specify) ►	
--	--

7 Explanation. Explain why you believe this claim or request should be allowed and show the computation of the amount shown on line 2. If you need more space, attach additional sheets.	
---	--

see attachment

Signature. If you are filing Form 843 to request a refund or abatement relating to a joint return, both you and your spouse must sign the claim. Claims filed by corporations must be signed by a corporate officer authorized to sign, and the officer's title must be shown.

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

Signature (Title, if applicable. Claims by corporations must be signed by an officer.)		Date	
Signature (spouse, if joint return)		Date	

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ►	Firm's EIN ►			
	Firm's address ►	Phone no.			

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 10180R

Form **843** (Rev. 8-2011)

Line 7 Explanation

- I. One-Day Delay. The first reason our claim for abatement should be allowed is that many of our deposit/payments were not late until factoring in the IRS' one-day delay settlement policy. For example, if payment is due Wednesday the IRS requires the electronic deposit on Tuesday. This delay policy is inconsistent with industry norms on electronic payments. We know of no other business that will consider an electronic payment late if paid on the due date. We therefore request the subtraction of 1 day on payments the IRS considers as late, and a recalculation of any fines, interest and penalties.
- II. It should also be noted that all money owed was paid for the quarter ending Dec. 31, 2011. In other words, \$81,999.82 was owed and \$81,999.82 was paid; the final payment of \$12,999.45 made 1/18/12.
- III. We should not presume the IRS has the right to seize our property, as proposed. If the IRS were to levy our bank account property, interesting legal and jurisdictional issues would result considering a portion of said account contains redeemed lawful money pursuant to 12 USC § 411.]
- IV. Finally, it should be noted we are in a tough economic period with many businesses experiencing cash flow problems. Small businesses like ours are the foundation of our economy and such "mom & pop" businesses should be granted some leeway. The attempt to extract more blood (in the form of penalties & interest) from a weakened patient may have a disastrous result. We should not risk killing the goose laying golden eggs.

People's United Bank

Pay your bills, transfer funds and check balances conveniently at peoples.com

Thank you for banking with us!

Transaction Receipt

All items accepted are subject to the terms of your account agreement with us. Please retain this receipt with your banking records.

Deposits may not be available for immediate withdrawal.

Redeemed Lawful Money
Pursuant to 12 USC 411
www.faw.com/secure/awcode/

TR:15 541 110 11/09/11 38133 AL
A13650F
XXXXA 112 OK Deposit 6115,779.45



Department of the Treasury
Internal Revenue Service
Ogden UT 84201-0030

For assistance, call:
1-800-829-0115

Notice Number: CP210

Date: September 17, 2012

Taxpayer Identification Number:

04-

Tax Form: 941

Tax Period: December 31, 2011

RECEIVED SEP 10 2012

Amount You Owe

NONE

Statement of Adjustment to Your Account

Balance Due on Account Before Adjustment

\$4,881.50

Adjustment Computation

Penalty Decrease - Federal Tax Deposit

\$4,881.50

Net Adjustment Credit

\$4,881.50

Total Amount You Owe

NONE

This is a result of your inquiry of July 19, 2012.

Status of Your Account (Exam)

This notice isn't the result of an examination of your return. We notify a taxpayer when we select his/her return for examination.

For tax forms, instructions and information visit www.irs.gov. (Access to this site will not provide you with your specific taxpayer account information.)

See sample exchange between Student #2 and the IRS below:



Department of the Treasury
Internal Revenue Service
Kansas City, MO 64999-0030

[REDACTED]

Notice CP504
Tax Year 2010
Notice date November 19, 2012
Social Security number [REDACTED]
To contact us Phone 1-800-829-0922
Your Caller ID [REDACTED]
Page 1 of 4

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Notice of intent to levy

Intent to seize your property or rights to property

Amount due immediately: \$5,023.00

As we notified you before, our records show you have unpaid taxes for the tax year ending December 31, 2010 (Form CIVPEN). If you don't call us immediately or pay the amount due by November 29, 2012, we may seize ("levy") any state tax refund to which you're entitled and apply it to the \$5,023.00 you owe.

If you still have an outstanding balance after we seize any state tax refund, we may take possession of your other property or your rights to property.

Billing Summary

Amount you owed	\$5,000.00
Interest charges	23.00
Amount due immediately	\$5,023.00

Continued on back...



Payment

INTERNAL REVENUE SERVICE
KANSAS CITY, MO 64999-0202

Amount due immediately

\$5,023.00

- Make your check or money order payable to the United States Treasury.
- Write your Social Security number [REDACTED], the tax year (2010), and the form number (CIVPEN) on your payment and any correspondence.

Notice CP504
Notice date November 19, 2012
Social Security number [REDACTED]

[REDACTED]

[REDACTED]

Notice CP504
Tax Year 2010
Notice date November 19, 2012
Social Security number [REDACTED]
Page 2 of 4

What you need to do immediately

Pay immediately

- Send us the amount due of \$5,023.00, or we may seize ("levy") your state tax refund on or after November 29, 2012.
 - If you can't pay the amount due, pay as much as you can now and make payment arrangements that allow you to pay off the rest over time. Visit www.irs.gov and search for keyword: "tax payment options" for more information about:
 - Installment and payment agreements—download required forms or save time and money by applying online if you qualify
 - Automatic deductions from your bank account
 - Payroll deductions
 - Credit card payments
- Or, call us at 1-800-829-0922 to discuss your options.

If you think there's been a mistake

If you've already paid your balance in full or think we haven't credited a payment to your account, please call 1-800-829-0922, and have your payment information available to review with us. You can also contact us by mail. Fill out the Contact information section, detach, and send it to us with any correspondence or documentation including proof of payment.

If we don't hear from you

- If you don't pay the amount due, we may seize ("levy") any state tax refund to which you're entitled on or after November 29, 2012. This is your notice of intent to levy as required by Internal Revenue Code section 6331(d).



Contact information

INTERNAL REVENUE SERVICE
KANSAS CITY, MO 64999-0202
[REDACTED]

If your address has changed, please call 1-800-829-0922 or visit www.irs.gov.

- ☒ Please check here if you've included any correspondence. Write your Social Security number [REDACTED], the tax year (2010), and the form number (CIVPEN) on any correspondence.

☐ a.m.
☐ p.m.

☐ a.m.
☐ p.m.

Primary phone

Best time to call

Secondary phone

Best time to call

Claim for Refund and Request for Abatement

► See separate instructions.

OMB No. 1545-0024

Use Form 843 if your claim or request involves:

- (a) a refund of one of the taxes (other than income taxes or an employer's claim for FICA tax, RRTA tax, or income tax withholding) or a fee, shown on line 3,
- (b) an abatement of FUTA tax or certain excise taxes, or
- (c) a refund or abatement of interest, penalties, or additions to tax for one of the reasons shown on line 5a.

Do not use Form 843 if your claim or request involves:

- (a) an overpayment of income taxes or an employer's claim for FICA tax, RRTA tax, or income tax withholding (use the appropriate amended tax return),
- (b) a refund of excise taxes based on the nontaxable use or sale of fuels, or
- (c) an overpayment of excise taxes reported on Form(s) 11-C, 720, 730, or 2290.

Name(s) [REDACTED]	Your social security number [REDACTED]
Address (number, street, and room or suite no.) [REDACTED]	Spouse's social security number [REDACTED]
City or town, state, and ZIP code [REDACTED]	Employer identification number (EIN) [REDACTED]
Name and address shown on return if different from above	Daytime telephone number [REDACTED]

1 Period. Prepare a separate Form 843 for each tax period or fee year. From <u>1/1/2010</u> to <u>12/31/2010</u>	2 Amount to be refunded or abated: \$ <u>5023.00</u>
3 Type of tax or fee. Indicate the type of tax or fee to be refunded or abated or to which the interest, penalty, or addition to tax is related. <input type="checkbox"/> Employment <input type="checkbox"/> Estate <input type="checkbox"/> Gift <input type="checkbox"/> Excise <input type="checkbox"/> Income <input checked="" type="checkbox"/> Fee	
4 Type of penalty. If the claim or request involves a penalty, enter the Internal Revenue Code section on which the penalty is based (see instructions). IRC section: [REDACTED]	
5a Interest, penalties, and additions to tax. Check the box that indicates your reason for the request for refund or abatement. (If none apply, go to line 6.) <input checked="" type="checkbox"/> Interest was assessed as a result of IRS errors or delays. <input type="checkbox"/> A penalty or addition to tax was the result of erroneous written advice from the IRS. <input checked="" type="checkbox"/> Reasonable cause or other reason allowed under the law (other than erroneous written advice) can be shown for not assessing a penalty or addition to tax.	
b Date(s) of payment(s) ► [REDACTED]	
6 Original return. Indicate the type of fee or return, if any, filed to which the tax, interest, penalty, or addition to tax relates. <input type="checkbox"/> 706 <input type="checkbox"/> 709 <input type="checkbox"/> 940 <input type="checkbox"/> 941 <input type="checkbox"/> 943 <input type="checkbox"/> 945 <input type="checkbox"/> 990-PF <input checked="" type="checkbox"/> 1040 <input type="checkbox"/> 1120 <input type="checkbox"/> 4720 <input type="checkbox"/> Other (specify) ► [REDACTED]	
7 Explanation. Explain why you believe this claim or request should be allowed and show the computation of the amount shown on line 2. If you need more space, attach additional sheets. [REDACTED]	

See attached

1 - "Notice & Praecipe, Validation of Alleged Debt (Redemption in lawful money pursuant to 12 USC 411)"

2 - Three Sample Special Deposit redeemed in lawful money pursuant to 12 USC 411.

Signature. If you are filing Form 843 to request a refund or abatement relating to a joint return, both you and your spouse must sign the claim. Claims filed by corporations must be signed by a corporate officer authorized to sign, and the officer's title must be shown.

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

Signature (Title, if applicable. Claims by corporations must be signed by an officer.) [REDACTED] Date 11/20/2012

Signature (spouse, if joint return) _____ Date _____

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ►	Firm's EIN ►			
	Firm's address ►	Phone no.			

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 10180R

Form **843** (Rev. 8-2011)

"Notice & Praecept, Validation of Alleged Debt"

**NOTICE TO THE PRINCIPAL IS NOTICE TO THE AGENT.
NOTICE TO THE AGENT IS NOTICE TO THE PRINCIPAL.**

[REDACTED]
Mailing location:

c/o [REDACTED]

CERTIFIED MAIL: [REDACTED]
November 20, 2012

INTERNAL REVENUE SERVICE
Kansas City, MO 64999-0202

RE: Notice & Praecept, Year: 2010, Social Security Number: [REDACTED] Notice: CP504

Greetings:

You will please take notice that I, [REDACTED] ("Me"), of the family clan [REDACTED] occupant of the Executor Office of [REDACTED], a self-aware peaceful man living upon the land, am in receipt of your letter dated **November 19, 2012** which was delivered **November 19, 2012**, and hereby returned to you as it is REFUSED FOR GOOD CAUSE, WITHOUT DISHONER.

I ALSO PRESUME THAT YOU HAVE NO RIGHT TO SEIZE MY PROPERTY, AS PROPOSED. IF YOU WERE TO LEVY MY FINANCIAL ACCOUNTS PROPERTY, INTERESTING LEGAL AND JURISDICTIONAL ISSUES WOULD RESULT CONSIDERING THAT ALL MY ACCOUNTS ONLY CONTAIN LAWFUL MONEY PURSUANT TO 12 USC § 411. FURTHERMORE YOU WILL ALSO FIND ATTACHED MY NOTICE AND DEMAND FOR REDEMPTION IN LAWFUL MONEY.

Since I am unaware of any obligation to you, prudence dictates that I verify the particulars of your claim. If everything checks out and appears to be in order, I will tender payment without question or hesitation. For that purpose, I shall require of you or your organization all of the following:

1. A Certified True Bill showing the exact amount I am supposed to owe to the duly Constituted United States' government; and
2. An itemized statement of the account showing all goods and/or services delivered to me by said entity upon my request or demand; and
3. A Certified True Copy of the valid, binding and subsisting Instrument or Contract bearing my signature which authorized this or any related collection activity; and
4. Positive identification of all the real parties of interest to any valid Instrument(s) or Contract(s) which authorizes this collection activity, including all holders in due course on the Instrument(s); and

Please send these items to me as soon as possible so I may attend this matter expeditiously.

Special Deposit,

By grantor: [REDACTED]
[REDACTED]

cc: FILE

SPECIAL DEPOSIT:
REDEEMED IN LAWFUL MONEY BY DEMAND PURSUANT TO TITLE 12 U.S.C. § 411

VERIFY DOCUMENT AUTHENTICITY: COLOR COPY AREA MUST CHANGE TO ONE GRADUALLY AND EVENLY FROM DARK AT TOP TO LIGHTER AT BOTTOM

Check # [REDACTED]

Check Date: 4/30/2012
Valid After 180 Days

*THREE THOUSAND FOUR HUNDRED EIGHTY DOLLARS *****AND *****60 CENTS*

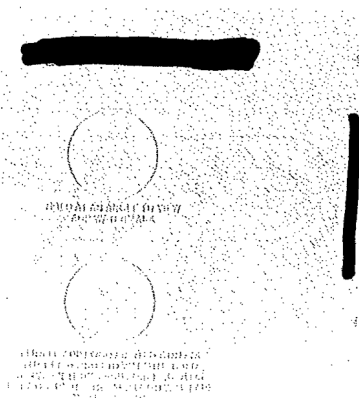
Pay To The Order Of [REDACTED] 0020 P1W

Pay This Amount \$3480.60
ASSISTANCE WITH VERIFICATION AVAILABLE AT 677-423-7243

ADP [Signature] ADP AUTHORIZED SIGNATURE

THE ORIGINAL DOCUMENT HAS AN EMBEDDED OPTIC MARK ON THE BACK. HOLD AT AN ANGLE TO VIEW WHEN CHECKING THE EMBODIMENT.

CONFIDENTIAL



KNOW YOUR EMPLOYER - REQUIRE IDENTIFICATION

Deposited to credit on account on
exchanged for non-negotiable Federal
reserve notes by [REDACTED]

12 USC § 411. Issuance to reserve banks; nature of obligation; redemption

12 USC § 411. Issuance to reserve banks; nature of obligation; redemption

Federal reserve notes, to be issued at the discretion of the Board of Governors of the Federal Reserve System for the purpose of making advances to Federal reserve banks through the Federal reserve agents as hereinafter set forth and for no other purpose, are authorized. The said notes shall be obligations of the United States and shall be receivable by all national and member banks and Federal reserve banks and for all taxes, customs, and other public dues. They shall be redeemed in lawful money on demand at the Treasury Department of the United States, in the city of Washington, District of Columbia, or at any Federal Reserve bank. (Bold and underline emphasis added)



Department of the Treasury
Internal Revenue Service
Kansas City, MO 64999-0010

Notice CP21C
Tax Year 2010
Notice date April 1, 2013
Social Security number [REDACTED]
To contact us 1-800-829-0922
Your Caller ID 155878
Page 1 of 2 18H

Changes to your 2010 Form CVL PEN

Amount due: \$0.00

We changed the civil penalty amount that we previously charged.

As a result, you owe \$0.00.

Summary

Account balance before this change	\$ 5,000.00
Decrease in civil penalty for frivolous tax returns penalty	-5,000.00
Amount due	\$0.00

What you need to do

If you agree with the changes we made

- You don't need to respond to this notice.

Continued on back...



Contact information

INTERNAL REVENUE SERVICE
KANSAS CITY, MO 64999-0010


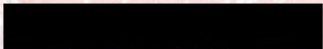
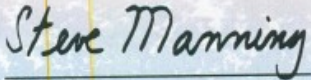
Notice CP21C
Notice date April 1, 2013
Social Security number [REDACTED]

If your address has changed, please call 1-800-829-0922 or visit www.irs.gov.

- ☐ Please check here if you've included any correspondence. Write your Social Security number [REDACTED], the tax year (2010), and the form number (CVL PEN) on any correspondence.

<input type="checkbox"/> a.m. <input type="checkbox"/> p.m.	<input type="checkbox"/> a.m. <input type="checkbox"/> p.m.
Primary phone	Best time to call
Secondary phone	Best time to call

IRS & STATE TREASURY LAWFUL MONEY CHECKS

	COUNTY OF ALAMEDA 1221 Oak Street Oakland, CA 94612	Union Bank 350 California St San Francisco, CA 16-49/1220	2759672
VOID SIX MONTHS FROM DATE OF ISSUE		Date: 09/20/2016	
		Pay Amount:	\$37,087.30***
Pay	****THIRTY-SEVEN THOUSAND EIGHTY-SEVEN AND 30/100 DOLLAR ****		
To The Order Of	 PLEASANTON CA 94588		
		 Authorized Signature	
WARNING: ORIGINAL DOCUMENT CONTAINS AN ARTIFICIAL WATERMARK ON REVERSE SIDE AND MICROPRINTING ON FACE			

United States Treasury 15-51 000 K 914,460,332

Check No. 

05 13 14 20098900 KANSAS CITY, MO 4034 27357824
 000211254809 4034 27357824 I 00002014125891

Pay to the order of **GUY & SHERIE**

\$*15481*00**


VOID AFTER ONE YEAR

PLAC FRESNO 12/2013 TAX REFUND 30



⑆40348⑆ ⑆000000518⑆ 27357824⑆ 040514

United States Treasury 15-51 000 K 893,558,320

Check No. 


12 13 13 20091800 KANSAS CITY, MO 4034 03092946
 000176397137 4034 03092946 I 00002013339181

Pay to the order of **GARY METAIRIE**

\$*6639*47**

VOID AFTER ONE YEAR

AUSTIN 12/2012 TAX REFUND 30
 INT \$ 126.47



⑆40348⑆ ⑆000000518⑆ 03092946⑆ 041213


FACE OF THIS CHECK HAS A COLORED BACKGROUND ON WHITE PAPER

State of Maryland
 COMPTROLLER OF MARYLAND
 ANNAPOLIS, MARYLAND

REFUND IMPREST FUND

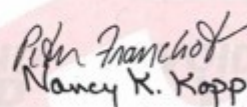
PAY: TWO THOUSAND SEVEN HUNDRED FORTY AND 00/100 DOLLARS

TO THE ORDER OF:
 PERSONAL REFUND



\$2,740.00
 DOLLARS CENTS

TRANSACTION I.D.


 Nancy K. Kopp

CHECK VOID 1 YEAR AFTER DATE

⑆0022898230⑆ ⑆052000113⑆ 19083117⑆

THE BACK OF THIS WARRANT CONTAINS A SECURITY MARK - DO NOT ACCEPT WITHOUT HOLDING AT AN ANGLE TO VERIFY SECURITY MARK

STATE OF KANSAS
 Department of Administration
 Division of Accounts and Reports

No. 5001332969

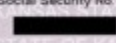
Date: 05-23-13

Amount
\$***599.00**

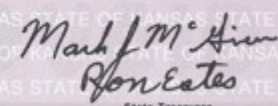
Pay to the order of: **K L W**

FIVE HUNDRED NINETY-NINE DOLLARS AND 00 CENTS

Agy. No. Fund Acct. No.
 565 9038 9370

Social Security No. 

Cash Immediately - Void One Year From Date of Issue


 Ron Estes
 State Treasurer

THIS IS WATERMARKED PAPER - DO NOT ACCEPT WITHOUT NOTING WATERMARK - HOLD TO LIGHT TO VERIFY WATERMARK

State Form 44589 (R4/1-12)

Form approved by State Board of Accounts, 2012

AUDITOR OF STATE OF INDIANA

20-103
745

WARRANT NO.

503788721

SECURITY
FEATURES INCLUDED
DETAILS ON BACK

THIS WARRANT VOID AFTER 1 YEAR AFTER DEC. 31 OF THE YEAR OF ISSUE

STATE HOUSE, INDIANAPOLIS, INDIANA 46204

00090 10850 411100 13K0478705049

TAX REFUND

DATE

THE SUM OF

05/14/2013 \$*****283.00

PAY

Two Hundred Eighty-Three and 00/100 Dollars

PAY
TO THE NICOLE

Tim BERRY

R006718483

00800000 211

United States Treasury ¹⁵⁻⁵¹000 K 877,509,286

Check No. 

05 24 13 20 SAN FRANCISCO, CA 3158 

3158 68968839 20098900 I30 OBERU FRESNO TAX REFUND

Pay to the order of 

12/12
39

****7136*36

VOID AFTER ONE YEAR



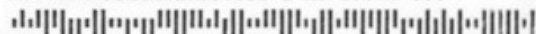
016346

⑆3158⑆ ⑆000000518⑆ 689688395⑆ 040513




Department of the Treasury
Internal Revenue Service
PO Box 9052
Andover, MA 01810-9052

458763.199168.1683.032 1 AT 0.374 800



DENNIS 

Notice CP12
Tax Year 2011
Notice date May 21, 2012
Social Security number 
To contact us Phone 1-800-829-0922
Your Caller ID 779060
Page 1 of 3

53

Changes to your 2011 Form 1040

Adjusted refund: \$30,423.34

We believe there's a miscalculation on your 2011 Form 1040, which affects the following area of your return:

- Tax Payments

We made changes to your return that correct this error. As a result, you are due a refund of \$30,423.34.

Summary

Payments you made	- \$30,423.34
Tax you owed	0.00
Refund due	\$30,423.34

United States Treasury ¹⁵⁻⁵¹000 K 876,541,459

Check No. 3158 68133632

05 17 13 74 SAN FRANCISCO, CA
3158 68133632 20098900 130 OMARN FRESNO TAX REFUND

Pay to the order of NICOLE

12/12
32

****2887*32

VOID AFTER ONE YEAR

REGIONAL TREASURY OFFICER 007

040513

31581

United States Treasury ¹⁵⁻⁵¹000 K 877,542,707

Check No. 3158 [REDACTED]

05 24 13 17 SAN FRANCISCO, CA
3158 69011288 20098900 130 OGOOD FRESNO TAX REFUND

Pay to the order of [REDACTED]

12/12
88

****4733*26

VOID AFTER ONE YEAR

REGIONAL TREASURY OFFICER 007

040513

31581

000000518 690112885

United States Treasury ¹⁵⁻⁵¹000 B 087,991,939

Check No. [REDACTED]

03 22 19 [REDACTED] KANSAS CITY, MO 45 [REDACTED] 490
00047 [REDACTED] I 2019 [REDACTED] 00

Pay to the order of [REDACTED]

\$***10169*84

VOID AFTER ONE YEAR

008 [REDACTED]

Vona S. Robinson

005675 [REDACTED] FRESNO 12/2018 TAX REFUND 30

⑈4500⑈ ⑆0000005⑈ 712834903⑈ 040319

STATE OF ARIZONA
A.R.S. 42-1117

VOID AFTER

MO	DAY	YEAR	BANK	WARRANT NO.
09	11	2019	24	[REDACTED]

91-113
1221

ACCOUNT NUMBER	CLAIM NO.	WARRANT NO.	DOCUMENT NO.	DATE ISSUED	REFUND AMOUNT
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	MO DAY YEAR 03 15 2019	\$4,955.00

*****FOUR THOUSAND NINE HUNDRED FIFTY-FIVE AND 00/100 DOLLARS

PAY TO THE ORDER OF [REDACTED]

Payable through State Servicing Bank to State Treasurer of Arizona

DEPARTMENT OF ADMINISTRATION
Douglas A. Duany
COUNTERSIGNED GOVERNOR

[REDACTED]

United States Treasury

L 007,796,748



02 02 07 62 BIRMINGHAM, AL
4500 52221440 20184904 S1 2 D

Doc No



SOC SEC
FOR JAN

*****750+00

VOID AFTER ONE YEAR



*4 500 4# *0000005 48# 5222 44,40 ?# 070 20? #00000?5000,

FOR REPORT ONLY
WACHSIPA 2500
OCS FINANCIAL SERVICES, INC
c/o The Chase Carding Store
Cocoma Creek
2000020170270

0631075134
WASHOTA WA 98056 1112T
ORLANDO FL 02962007 12PX
4433569001

[illegible]



United States Treasury 9 472,107,971

04/06/12 51 SAN FRANCISCO, CA 3158 20739748
3158 20739748 20090900 130 LIMIT KANS CYTAX REFUND
12/11
\$***1200.00
VOID AFTER ONE YEAR
454
Patricia

⑈3354⑈ ⑈0000000518⑈ 307397487⑈ 04041⑈



Department of the Treasury
Internal Revenue Service
P.O. Box 9052
Andover, MA 01810-9052

009260.318294.0036.001 1 AT 0.384 530



JOSEPH C HARRISON
[REDACTED]

0

Changes to your 2012 Form 1040

Adjusted refund: \$3,988.79

We believe there's a miscalculation on your 2012 Form 1040, which affects the following area of your return:

- Tax Payments

We made changes to your return that correct this error. As a result, you are due a refund of \$3,988.79.

Summary

Payments you made	-\$3,988.79
Tax you owed	0.00
Refund due	\$3,988.79

What you need to do

Review this notice, and compare our changes to the information on your tax return.

If you agree with the changes we made

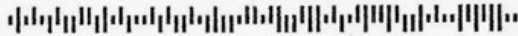
- If you haven't received a refund for \$3,988.79, you should receive it within 4-6 weeks as long as you don't owe other tax or debts we're required to collect.

Notice	CP12
Tax Year	2012
Notice date	April 22, 2013
Social Security number	[REDACTED]
To contact us	1-800-829-0922
Your Caller ID	788706
Page 1 of 3	9H



Department of the Treasury
Internal Revenue Service
P.O. Box 9019
Holtsville, NY 11742-9019

276831.415139.22168.3523 1 AT 0.406 468



CHRISTOPHER A LECCE

Notice	CP49
Tax Year	2011
Notice date	February 24, 2014
Social Security number	[REDACTED]
To contact us	1-800-829-0922
Your Caller ID	217906
Page 1 of 2	9H

Your 2011 Form 1040 overpayment was applied to tax you owe

Refund due: \$0.00

We applied your 2011 (Form 1040)
overpayment to the amount you owe for other
tax years.

As a result, you are due a refund of \$0.00.

Summary

Overpayment for 2011	- \$1,853.35
Amount applied to tax owed for 2008	1,458.92
Amount applied to tax owed for 2009	394.43
Refund due	\$0.00



Department of the Treasury
Internal Revenue Service
P.O. Box 9019
Holtsville, NY 11742-9019

276832.415139.22168.3523 1 AT 0.406 468



CHRISTOPHER A LECCE

Notice	CP49
Tax Year	2012
Notice date	February 24, 2014
Social Security number	[REDACTED]
To contact us	1-800-829-0922
Your Caller ID	217906
Page 1 of 2	9H

Your 2012 Form 1040 overpayment was applied to tax you owe

Refund due: \$1,084.28

We applied \$2,192.65 of your 2012 (Form
1040) overpayment to the amount you owe for
2009.

As a result, you are due a refund of \$1,084.28.


Summary

Overpayment for 2012	- \$3,271.68
Interest we owe you	-5.25
Amount applied to tax owed for 2009	2,192.65
Refund due	\$1,084.28

UNITED STATES DEPARTMENT OF THE TREASURY
United States Treasury 15-51 000 B 020,361,441
FIRST CLASS PRESORT
Check No. [QR Code]
05 12 17 20098900 KANSAS CITY, MO 4038 14192973
000385473203 4038 14192973 I 20171248910000
Pay to the order of DESIREE [REDACTED]
\$*****58*98
VOID AFTER ONE YEAR
REGIONAL DISBURSING OFFICER 007 [Signature]
STUM FRESNO 12/2016 TAX REFUND 30
⑈4038⑈ ⑆0000005⑈ ⑆141929733⑈ 040517

UNITED STATES DEPARTMENT OF THE TREASURY 15-51 000 P 589,625,648
Check No. [QR Code]
06 23 17 20090900 KANSAS CITY, MO 4038 17286559
000391594996 4038 17286559 I 20171660910000
Pay to the order of ANTHONY C [REDACTED]
\$****6000*00
VOID AFTER ONE YEAR
REGIONAL DISBURSING OFFICER 007 [Signature]
CARR KANSAS 12/2016 TAX REFUND 30
⑈4038⑈ ⑆0000005⑈ ⑆172865594⑈ 040617


United States Treasury ¹⁵⁻⁵¹000 P 563,888,868

Check No. 

06 06 16 20098900 KANSAS CITY, MO 4034 91798022
000332152931 4034 91798022 I 20161478910000

Pay to the order of ALLIE [REDACTED]

*****352*89
VOID AFTER ONE YEAR

REGIONAL DISBURSING OFFICER 007 

OLLE FRESNO 12/2015 TAX REFUND 30
INT \$ 1.58

055002

[REDACTED]

STATE OF UTAH
RICHARD K. ELLIS, UTAH STATE TREASURER
DIVISION OF FINANCE, 2110 STATE OFFICE BLDG, SALT LAKE CITY, UTAH 84114

INCOME TAX REFUND

PAY THREE THOUSAND ONE HUNDRED THIRTY EIGHT DOLLARS AND 86 CENTS

TO THE ORDER OF LARRY

UT 84062-2010



WARRANT NUMBER
T 5064664

PAYABLE ON 12-28-13
UTAH STATE TREASURER
SALT LAKE CITY, UTAH 84114

VOID ONE YEAR FROM DATE
MONTH DAY YEAR
07 22 13

PAY THIS AMOUNT
\$3138.86**


DIVISION OF FINANCE

#5064664# 12240028901531003677441#

United States Treasury 15-51 000 B 073,109,166

Check No. [QR Code]

05.30 18 20098900 KANSAS CITY, MO 4038 44281925
000443900886 4038 44281925 I 20181418910000

Pay to the order of MICHAEL & PATRICIA

\$****8972*34
VOID AFTER ONE YEAR

REGIONAL DISBURSING OFFICER 007 [Signature]

JOHN FRESNO 12/2017 TAX REFUND 30

012894

⑈4038⑈ ⑆000000518⑆ 442819256⑈ 040518

United States Treasury 15-51 000 P 524,823,062

Check No. [QR Code]

02 27 15 20098900 KANSAS CITY, MO 4034 40187297
000247267705 4034 40187297 I 20150508910000

Pay to the order of [REDACTED]

\$***16402*00
VOID AFTER ONE YEAR

REGIONAL DISBURSING OFFICER 002 [Signature]

[REDACTED] FRESNO 12/2013 TAX REFUND 30

003502

⑈4034⑈ ⑆000000518⑆ 401872977⑈ 040215

United States Treasury 15-51 000 A 609,216,644

Check No. [QR Code]

04 10 09 54 AUSTIN, TEXAS 2309 76986506
2309 76986506 20098900 130 OMETC FRESNO TAX REFUND

Pay to the order of BENJAMIN MET

12/08 06 \$***6824*00
VOID AFTER ONE YEAR

REGIONAL DISBURSING OFFICER 001 [Signature]

000092

⑈2309⑈ ⑆000000518⑆ 769865063⑈ 040409

United States Treasury ¹⁵⁻⁵¹000 A 347,567,022

Check No. 2306 60862859

11 26 04 03 AUSTIN, TEXAS

60862859 130 012014962SHEP MEMPHISTAX REFUND

Pay to the order of MITCHELL GLENN [REDACTED]

12/01 59

***50680*00

VOID AFTER ONE YEAR

007 OFFICIAL

23067 0000000518 608628592 041104

United States Treasury ¹⁵⁻⁵¹000 K 702,538,597

Check No. 2310 07547474

03 05 10 95 AUSTIN, TEXAS

2310 07547474 20090900 130 OSPEN KANS CYTAX REFUND

Pay to the order of JOHN [REDACTED]

12/09 74

VOID AFTER ONE YEAR

***9193*74

REGIONAL DISBURSING OFFICER

0077

07547474

011093

23100 0000000518 075474740 040310

United States Treasury ¹⁵⁻⁵¹000 A 609,216,644

Check No. 2309 76986506

Month Day Year 04 10 09 54 AUSTIN, TEXAS

2309 76986506 20098900 130 OMETC FRESNO TAX REFUND

Pay to the order of BENJAMIN MET [REDACTED]

12/08 06

DOLLARS CTS

***6824*00

VOID AFTER ONE YEAR

001

Robert C. Nanga

000092

2309 0000000518 769865063 040409

SEE REVERSE SIDE FOR OPENING INSTRUCTIONS

0006234614



State of Louisiana
Department of Revenue
P.O. Box 5128
Baton Rouge, LA 70821-5128

PRESORTED
FIRST CLASS MAIL
U.S. POSTAGE PAID
BATON ROUGE, LA
PERMIT 655



GARY D

METAIRIE LA 700

R-11854(2/08)



State of Louisiana
Department of Revenue
Baton Rouge, LA 70821

Keep this portion for your records.

Issuance of this refund does not prohibit further examination of
your return and the assessment of additional taxes if found due.

INDIVIDUAL INCOME

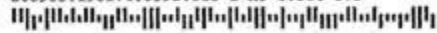
REMARKS:

TAX PERIOD:	12/2012	SSN: xxx-xx
ACCOUNT NO:		
DATE:	02/04/2014	
CHECK NO:	0006234614	
REFUND:	\$4,223.00	
REFUND INTEREST:	\$122.65	
TOTAL REFUND:	\$4,345.65	
REFUND KEY:	631059201	



Department of the Treasury
Internal Revenue Service
P.O. Box 9019
Holtsville, NY 11742-9019

208953.198174.0592.013 1 AT 0.384 373



NATHAN N COOLEY



208953



Notice	CP218
Tax Year	2008
Notice date	July 1, 2013
Social Security number	[REDACTED]
To contact us	1-800-829-8374
Your Caller ID	[REDACTED]
Page 1 of 2	29H

Changes to your 2008 Form 1040

Refund due: \$7,710.00

Based on the information you provided, we changed your 2008 Form 1040 to correct your:

- account information.

As a result, you are due a refund of \$7,710.00.

Summary

Account balance before this change	\$ -7,517.00
Increase in credit for tax withheld	-7,710.00
Decrease in credit	7,517.00
Refund due	\$7,710.00

What you need to do

If you agree with the changes we made

- If you haven't already received a refund for \$7,710.00, you should receive it within 2-3 weeks as long as you don't owe other tax or debt we're required to collect.

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