



Caesar takes what Caesar wants... unless you choose to remove yourself from Caesar's grasp.

Memoirs of a Tax Protester

[Editor's note: What you are about to read is a true story from the front lines of the Great American Tax \$windle, written by an underground author who -- for reasons that will become obvious -- wishes to remain anonymous. Address feedback to parascope@aol.com.]

I used to pay income tax. The IRS used to take a big chunk out of my paycheck. Most of it went straight to the Federal Reserve to service the interest on the escalating national debt. The rest went into an alphabet soup of federal agencies, many of which I had no desire to fund with my hard-earned money. And while taxes on my labor kept going up, the taxes on the corporate entities I worked for stayed the same or even dropped. After a while, it just didn't make a whole lot of sense anymore.

It took me a long time to learn the full extent to which American citizens have been deceived regarding the true nature of the income tax. And it took even longer to learn how to avoid the pitfalls inherent with being blacklisted as a "tax protester." But consider this: I haven't paid taxes since 1988. Believe me, it's worth the effort. It is a lot of effort, but that's life -- freedom requires eternal vigilance.

The evolution of the income tax in America is hidden in the shadows of history. But every long journey begins somewhere, so let's start with the U.S. Constitution:

--Representatives and direct Taxes shall be apportioned...

--The Congress shall have Power to lay and collect taxes...

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

These three crucial components of our Constitution, in theory, work together in harmony. But in reality, they are rife with contradictions. Point by point:

--Representatives and direct Taxes shall be apportioned...

Over the life of our nation, Congress has tried unsuccessfully to implement a direct tax, and these attempts have always eventually been declared unconstitutional by the Supreme Court. So, at the moment, we need not worry about the application of a direct tax.

--The Congress shall have Power to lay and collect taxes...

Currently, taxes are collected by the Internal Revenue Service, a supposed indirect agency of the Executive Branch. People might ask how our federal government allows this blatant violation of the Constitution. To grant the Treasury the power to collect taxes is by Congress' own words unconstitutional, and this Congressional standing has been upheld as law since 1787. (Starting to get confused yet?) Now let's look at the 16th Amendment:

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

Sounds pretty powerful doesn't it? But how come the 16th Amendment didn't affect the other two Constitutional clauses on taxation? Would you believe me if I told you that the Supreme Court concluded long ago that the 16th Amendment had no change or affect on the Constitution? It's actually wasted print. No joke.

Now I must warn you, unless you're courageous enough to bear the title of "tax protester" on your IRS tax record, you won't ask these questions of the IRS. The average person would think that the answers would be so simple and obvious that the IRS wouldn't resort to harassment tactics to avoid answering them. If you ask these questions and are fortunate enough to get an IRS worker on a good day, they'll send you a tax protester form letter telling you that they have the authority to do whatever the hell they want, and that they can find a judge willing to prove it if you dare ask again.

After my first futile attempts to get a straight answer from the IRS, I knew that I would have to find the truth on my own. Convinced that the IRS was hiding something by their shady responses to my inquiries, I took all my savings -- about \$500 -- and hit several used book stores to grab any and every book that might contain a clue.

It didn't take long to figure out that public libraries often sell their "Do Not Circulate" books to local used book stores. I had found my gold mine. At the end of three days, I had accumulated a library of sixty of the best books an American could ever have.

With my army of books on Constitutional issues, I dug in for a year-long investigation. I started with the Federalist debates and discovered the difference between internal and external taxes and direct and indirect taxes. I proceeded along to early Congressional records, where I discovered Congress' declaration in 1787 that passing tax collection to the department of the treasury

(IRS) is unconstitutional.

Naturally, this led to even more questions. I had to turn to the Supreme Court for answers. From my reading, I discovered [the Pollock decision](#), which declared direct taxes -- including income taxes -- to be unconstitutional. This case resulted in Congress [passing the 16th Amendment](#). With the 16th Amendment in hand, Congress thought it had outsmarted the Supreme Court... until 1916, when the Supreme Court declared in [the Brushaber case](#) that the 16th Amendment did not change the Constitution, since the Amendment only applied to excise taxes which the U.S. government already had the power to assess and collect without apportionment.

By then I was REALLY getting confused. Here was all this history and precedent stacked up against the income tax. I had also come across case after case in which various courts had repeatedly affirmed that the income tax applied only to gains and profits, not to compensation for labor -- a fundamental Right which cannot be legally taxed. The Courts even agreed that the tax on one's labor (all of a person's compensation) was a tax on total receipts and thus was also unconstitutional.

I knew there had to be an explanation for how the IRS could make their income tax stick. While reviewing my research material, I remembered the definition of ["internal" and "external" tax](#). After remembering that "internal" taxes originate from within the States and that "external" taxes originate from the Federal government, it dawned on me that there was a problem with the Federal "internal" income tax. I had to dig through the Constitution to find the answer.

It took several months of digging and reading, but over time I found several Supreme Court cases that hinted that something was going on which enabled the Federal government to bypass the Constitution, to the satisfaction of the Supreme Court. But how could this legally be done?

The door finally opened when I read *Downes v. Bidwell*, in which Justice Harlan explained the existence of [two national governments](#). A quick rereading of the Constitution allowed me to locate the loophole. I now realized that the Federal income tax was, in essence, a tax on the incomes of citizens of the District government -- that is, Washington D.C. and its Territories, such as Guam, Puerto Rico and Wake Island. But how could Citizens of the States be classified as Federal citizens, and when did this happen?

The answer is rooted in the 14th Amendment, which apparently was [never ratified](#), but nevertheless holds full force and effect of law. The 14th Amendment, which was drafted and "ratified" specifically for the purpose of [granting 2nd class federal citizenship for the freed slaves](#), has been deliberately misconstrued to assume that all Americans become Federal citizens. This Amendment gave Federal District citizenship to those persons, namely those of African blood who were slaves, but who did not qualify for State citizenship under existing law. Since the Federal Congress has Absolute Legislative power over Federal (District) citizens, it can rule over them the same way each State can rule within their borders. But Congress has one

additional advantageous power that the States do not have. The Bill of Rights [does not apply to 14th Amendment district citizens](#). (This prompted the creation of Civil Rights for Federal citizens, but still does not guarantee even the most basic Constitutional protections.)

So that was the hidden secret that allowed Congress to apply unconstitutional law upon [U.S. citizens](#) (district citizens). But another question remained unanswered: How do laws such as the Federal Internal Income tax reach into the States in defiance of Constitutional restrictions?

After more research, I learned that in 1939, Congress established the Public Salary Tax Act to tax any and all federal workers. Congress was, at the time, unable to impede within the States and tax their federal workers. So in 1940, Congress passed the Buck Act, which authorized them to reach into the domain of the States and impose the Public Salary Tax Act, thus forcing federal employees working within a State to pay this Federal Salary Tax. (Notice that they didn't call it income.) At the time, only 3 to 5 percent of the American population was required to pay a salary or income tax to the Federal government. But that's how the Feds got their foot in the States' door. And thanks to FDR and World War II, the income tax snowballed into the beast we have to contend with today.

In 1942, Congress needed money for the war effort and passed a Constitutional two-year income tax called the Victory Tax. FDR invented [the Voluntary W-4 Tax Withholding system](#), making income tax and withholdings mandatory for all citizens of the Union. Again, this was a two-year tax, and as expected, both the Victory tax and W-4 withholdings legislation [were repealed by Congress](#) in 1944.

Unfortunately, they forgot to tell America.

Under the guise of the 1913 Internal Income tax, the machinery of the Victory tax remained in operation. Voluntary compliance with the Federal internal income tax jumped from an anemic 5 percent to a robust 60 percent in a matter of a couple years via the repealed Victory tax system of tax collection.

By using two illegitimate tax systems, Congress created the beast we have today, taxing us under rates and conditions exceeding those which prompted the Boston Tea Party and the Declaration of Independence.

You may have heard the rumblings, a whisper here, a thinly-veiled news report there. [IRS Commissioners complain](#) that 34 million Americans no longer file personal income taxes. Most people are smart enough to see the obvious flip side of those figures: 30 to 40 percent of America doesn't file and pay the Federal income tax.

I fall in that 30 to 40 percent category. I am often questioned by people about how I have "survived" non-compliance for nearly a decade without going to prison. Although this is an easy question for me to answer, it's very difficult for most people to understand.

By understanding my status as a citizen of the States, by knowing how to exercise my Rights under the Constitution, and by knowing who the Federal Internal Income tax does apply to, I have been able to stand up to the IRS without flinching. Some have accused me of being unAmerican. My response to those critics: If I commit fraud against you, you send me to jail. When did participating in government fraud become one's patriotic duty?

Besides, knowledge of the truth is empowering. For example, I know I can sue any IRS employee who violates my Rights. This seems to strike terror to Revenue employees. You see, [the IRS is legal fiction](#). Their employees cry wolf, assuming you'll take their bait. But when you request signatures on all communication or notify them that you record your phone calls, a miraculous transformation of their attitude occurs.

Another example: If you understand how the Code of Federal Regulations works and discover that the policing and collection powers that the IRS claims to have were only delegated to the Bureau of Alcohol, Tobacco and Firearms, IRS agents tend to quickly reassign your case to another unsuspecting minion of the agency.

If they know you understand your Rights, their only resort is to what I call "faxscimile warfare." This is where the think tank of the IRS bombards you with Civil Notices which are not signed or connected with any employee's name. Usually, there isn't a return address to specifically reply to or a phone number to call the person assessing you with yet another groundless penalty.

I found it quite easy to stop this type of harassment by responding to them with questions about the purpose of the assessment. This puts a wrench in their trickery, since they are required to respond as part of the Civil procedure. The response, if there ever is one, is usually another form letter stating that you are a tax protester and that there is no legal requirement for them to answer your questions. Whether such tactics will ever hold up in Court, I will never know. Echoing their thug-like threats, I've told them to take me to court, but they never seem willing to oblige me.

I don't hear much from the IRS these days. I occasionally get the \$500 penalty notice for using "unreasonable excuses" like my Constitutional Rights to avoid the income tax. I can only guess that the IRS is only doing their job of running the numbers and maximizing revenues from an increasingly agitated tax base. I'm still waiting for the \$500 penalty for breathing Federal air or not recycling the 1040 pamphlet they sent me several years ago. At this point, nothing would surprise me. But hopefully I won't run into anything I can't handle, either.

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