

BATF/IRS -- Criminal Fraud  
by

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CAJI News Service -- Exclusive

"The Congress shall have Power to lay and collect Taxes, Duties, Imposts and Excises, to pay the Debts and provide for the common Defence and general Welfare of the United States; but all Duties, Imposts and Excises shall be uniform throughout the United States; ...."

The Constitution for the United States of America  
Article I, Section 8, Clause 1 ("1:8:1")

"No Capitation, or other direct, Tax shall be laid, unless in Proportion to the Census or Enumeration hereinbefore directed to be taken."

The Constitution for the United States of America  
Article I, Section 9, Clause 4 ("1:9:4")

#### CAJI Investigation

Investigation of the alleged Internal Revenue Service and the Bureau of Alcohol, Tobacco and Firearms has disclosed a broad, premeditated conspiracy to defraud the Citizens of the United States of America. Examination of the United States Code, the Code of Federal Regulations, the Statutes at Large, Congressional Record, the Federal Register, and Internal Revenue manuals too numerous to list, reveals a crime of such magnitude that words cannot adequately describe the betrayal of the American people. What we uncovered has clearly been designed to circumvent the limitations of the Constitution for the United States of America and to implement the Communist Manifesto within the 50 States. Marx and Engels claimed that, in the effort to create a classless society, a "graduated income tax" could be used as a weapon to destroy the middle class.

#### The Art of Illusion

Magic is the art of illusion. Those who practice magic are called Magi. They have created a web of obfuscation and confusion in the law. When the courts have ruled them unconstitutional or unlawful, they merely stepped outside jurisdiction and venue. By fooling the people, they continued the crime. These Magicians have convinced Americans that we have a status we do not. We are led to believe we must do things that are not required. Through the clever use of language, the government promotes the fraud.

#### Not Created by Congress

The Bureau of Internal Revenue, and the alleged Internal

Revenue Service, were not created by Congress. These are not organizations or agencies of the Department of the Treasury, or of the federal government. They appear to be operated through pure trusts administered by the Secretary of the Treasury (the Trustee). The Settler of the trusts and the Beneficiary or Beneficiaries are unknown. According to the law governing trusts, the information does not have to be revealed.

#### Not Found in 31 U.S.C.

The organization of the Department of the Treasury can be found in 31 United States Code, Chapter 3, beginning on page 7. You will not find the Bureau of Internal Revenue, the Internal Revenue Service, the Secret Service, or the Bureau of Alcohol Tobacco and Firearms listed. We learned that the Bureau of Internal Revenue, Internal Revenue, internal revenue, Internal Revenue Service, the Bureau of Internal Revenue Service, internal revenue service, Official Internal Revenue Service, the Federal Alcohol Administration, Director Alcohol Tobacco and Firearms Division, and the Bureau of Alcohol Tobacco and Firearms are all one organization. We found this obfuscated.

#### Constructive Fraud

The investigation found that, except for the very few who are engaged in specific activities, the Citizens of the 50 States of the United States of America have never been required to file or to pay "income taxes." The Federal government is engaged in constructive fraud on a massive scale. Americans who have been frightened into filing and paying "income taxes" have been robbed of their money. Millions of lives have been ruined. Hundreds of thousands of innocent people have been imprisoned on the pretense they violated laws that do not exist. Some have been driven to suicide. Marriages have been destroyed. Property has been confiscated to pay taxes that were never owed.

#### Lincoln's War Tax

During the Civil War, Abraham Lincoln imposed a war tax upon the citizens. The war tax lawfully applied only to those citizens who resided within the federal District of Columbia and the federally owned territories, dockyards, naval bases, or forts, and those who were considered to be in rebellion against the Union. Many Citizens of the several States volunteered to pay. After the war, the tax was repealed. This left the impression that the President and Congress could levy an unapportioned direct tax upon the Citizens of the several States, when, in fact, no such tax had ever been imposed. The Tax was not fraud, because nothing was done to deceive the people. Those who were deceived, in fact, deceived themselves.

#### Philippine -- Trust #1

In the last century, the United States acquired by conquest the territory of the Philippine Islands, Guam, and Puerto Rico.

The Philippine Customs Administrative Act was passed by the Philippine Commission during the period from September 1, 1900, to August 31, 1902, to regulate trade with foreign countries and to create revenue in the form of duties, imposts, and excises. The Act created the federal government's first trust fund called Trust Fund #1, the Philippine special fund (customs duties), 31 U.S.C., Section 1321. The Act was administered under the general supervision and control of the Secretary of Finance and Justice.

#### Philippine Trust #2 Bureau of Internal Revenue

The Philippine Commission passed another Act known as the Internal Revenue Law of Nineteen Hundred and Four. This Act created the Bureau of Internal Revenue and the federal government's second trust fund called Trust Fund #2, the Philippine special fund (internal revenue), 31 U.S.C., Section 1321. In the Act, Article I, Section 2, we find:

"There shall be established a Bureau of Internal Revenue, the chief officer of which Bureau shall be known as the Collector of Internal Revenue. He shall be appointed by the Civil Governor, with the advice and consent of the Philippine Commission, and shall receive a salary at the rate of eight thousand pesos per annum. The Bureau of Internal Revenue shall belong to the department of Finance and Justice."

And in Section 3, we find:

"The Collector of Internal Revenue, under the direction of the Secretary of Finance and Justice, shall have general superintendence of the assessment and collection of all taxes and excises imposed by this Act or by any Act amendatory thereof, and shall perform such other duties as may be required by law."

#### Customs & BIR Merged

It is clear that the Customs Administrative Act was to fall within the jurisdiction of the Bureau of Internal Revenue which bureau was to be responsible for "all taxes and excises imposed by this Act," which clearly included import and export excise taxes. This effectively merged Customs and Internal Revenue in the Philippines.

#### Demon Alcohol

When Prohibition was ratified in 1919 with the 18th Amendment, the government created federal bureaucracies to enforce the outlaw of alcohol. As protest and resistance to prohibition increased, so did new federal laws and the number of bureaucrats hired to enforce them. After much bloodshed and public anger, Prohibition was repealed with the 21st Amendment, which was ratified in 1933.

## Federal Alcohol Act

In 1933, President Roosevelt declared a "Banking Emergency." The Congress gave the President dictatorial powers under the "War Powers Act of 1917." Congress used the economic emergency as the excuse to give blanket approval to any and all Presidential executive orders. Roosevelt, with a little help from his socialist friends, was prolific in his production of new legislation and executive orders. In 1935, the Public Administration Clearinghouse wrote, and Roosevelt introduced, the Federal Alcohol Act. Congress passed it into law. The Act established the Federal Alcohol Administration. That same year, the Supreme Court, in a monumental ruling, struck down the act, among many others on a long list of draconian and New Deal laws. The Federal Alcohol Administration did not go away, however; it became involved in other affairs, placed in a sort of standby status.

## Internal Revenue (Puerto Rico)

At some unknown date prior to 1940, another Bureau of Internal Revenue was established in Puerto Rico. The 62nd trust fund was created and named Trust fund #62 Puerto Rico special fund (Internal Revenue). Note that the Puerto Rico special fund has Internal Revenue, capital "I" and "R". The Philippine special fund (internal revenue) is in lower-case letters.

Between 1904 and 1938, the China Trade Act was passed to deal with opium, cocaine, and citric wines shipped out of China. It appears to have been administered in the Philippines by the Bureau of Internal Revenue.

## China Trade Act

We studied a copy of The Code of Federal Regulations of the United States of America in force June 1, 1938, Title 26 -- Internal Revenue, Chapter I -- (Parts 1-137). On page 65, it makes reference to the China Trade Act, where we find the first use of such terms as: income, credits, withholding, Assessment and Collection of Deficiencies, extension of time for payment, and failure to file return. The entire substance of Title 26 deals with foreign individuals, foreign corporations, foreign insurance corporations, foreign ships, income from sources within possessions of United States, citizens of the United States and domestic corporations deriving income from sources within a possession of the United States, and China Trade Act Corporations.

## Narcotics, Alcohol, Tobacco, Firearms

All of the taxes covered by these laws concerned the imposts, excise taxes, and duties to be collected by the Bureau of Internal Revenue for such items as narcotics, alcohol, tobacco, and firearms. The alleged Internal Revenue Service likes to make a big do about the fact that Al Capone was jailed

for tax evasion. The IRS will not tell you that the tax Capone evaded was not "income tax" as we know it, but the tax due on the income from the alcohol which he had imported from Canada. If he had paid the tax, he would not have been convicted. The Internal Revenue Act of 1939 was clearly concerned with all taxes, imposts, excises, and duties collected on trade between the possessions and territories of the United States, and foreign individuals, foreign corporations, or foreign governments. The income tax laws have always applied only to the Philippines, Puerto Rico, District of Columbia, Virgin Islands, Guam, Northern Mariana Islands, territories, and insular possessions.

#### FAA becomes BIR

Under the Reorganization Plan Number 3 of 1940 which appears at 5 United States Code Service, Section 903, the Federal Alcohol Administration, and offices of members and Administrator thereof, were abolished and their functions directed to be administered under direction and supervision of the Secretary of the Treasury through the Bureau of Internal Revenue. We found this history in all of the older editions of 27 U.S.C.S., Section 201. It has been removed from current editions. Only two Bureaus of Internal Revenue have ever existed: one in the Philippines and another in Puerto Rico. Events that have transpired tell us that the Federal Alcohol Administration was absorbed by the Puerto Rico Trust #62.

#### Victory Tax Act

World War II was a golden opportunity. Americans were willing to sacrifice almost anything if they thought that sacrifice would win the war. In that atmosphere, Congress passed the Victory Tax Act. It mandated an income tax for the years 1943 and 1944 to be filed and paid in the years 1944 and 1945. The Victory Tax Act automatically expired at the end of 1944. The federal government, with the clever use of language, created the myth that the tax was applicable to all Americans. Because of their desire to win the war, Americans filed and paid the tax. Because of their ignorance of the law, Americans filed and paid the tax. The government promoted the fraud and threatened those who objected. Americans forgot that the law expired in 2 years. When the date had come and gone, they continued to keep "records"; they continued to file; and they continued to pay the tax. The federal government continued to print returns and collect the tax. Never mind the fact that no Citizen of any of the several States of the Union was ever liable to pay the tax in the first place.

#### Federal Power Limited

The fiction, "that because it was an excise tax, it was legal," is not true. The power of the federal government is limited to its own property, as stated in Article I, Section 8, Clause 17, and to "regulate Commerce with foreign Nations, and among the several States, and with the Indian tribes;" as stated in Article I, Section 8, Clause 3. 18 U.S.C., Section 921,

Definitions, states, "The term 'interstate or foreign commerce' includes commerce between any place in a State and any place outside that State, or within any possession of the United States (not including the Canal Zone) or the District of Columbia, but such term does not include commerce between places within the same State but through any place outside of that State. The term 'State' includes the District of Columbia, the Commonwealth of Puerto Rico, and the possessions of the United States (not including the Canal Zone)." Only employees of the federal government, residents of the District of Columbia, residents of naval bases, residents of forts, U.S. citizens of the Virgin Islands, Puerto Rico, territories, and insular possessions were lawfully required to file and pay the Victory Tax.

#### BIR becomes IRS

In 1953, the United States relinquished its control over the Philippines. Why do the Philippine pure Trusts #1 (customs duties) and #2 (internal revenue) continue to be administered today? Who are the Settlers of the Trusts? What is done with the funds in the Trusts? What businesses, if any, do these Trusts operate? Who are the Beneficiaries? Coincidentally, on July 9, 1953, the Secretary of the Treasury, G. K. Humphrey, by "virtue of the authority vested in me," changed the name of the Bureau of the Internal Revenue, BIR, to Internal Revenue Service when he signed what is now Treasury Order 150-06. This was an obvious attempt to legitimize the Bureau of Internal Revenue. Without the approval of Congress or the President, Humphrey, without any legal authority, tried to turn a pure trust into an agency of the Department of the Treasury. His actions were illegal, but went unchallenged. Did he change the name of the BIR in Puerto Rico or the BIR in the Philippines? We cannot find the answer.

#### Mutual Security Act

In 1954, the United States and Guam became partners under the Mutual Security Act. The Act and other documents make reference to the definition of Guam and the United States as being mutually interchangeable. In the same year, the Internal Revenue Code of 1954 was passed. The Code provides for the United States and Guam to coordinate the "Individual Income Tax". Pertinent information on the tax issue may be found in 26 C.F.R. 301.7654-1: Coordination of U.S. and Guam Individual income taxes, 26 C.F.R. 7654-1(e): Military personnel in Guam, and 48 U.S.C. Section 1421(i): "Income-tax laws" defined. The Constitution forbids unapportioned direct taxes upon the Citizens of the several States of the 50 States of the Union; therefore, the federal government must trick (read "defraud") people into volunteering to pay taxes as "U.S. citizens" of either Guam, the Virgin Islands, or Puerto Rico. It sounds insane, and it is, but it is absolutely true.

#### BATF from IRS

On June 6, 1972, Acting Secretary of the Treasury Charles E.

Walker signed Treasury Order Number 120-01 which established the Bureau of Alcohol, Tobacco and Firearms. He did this with the stroke of his pen, citing "by virtue of the authority vested in me as Secretary of the Treasury, including the authority in Reorganization Plan No. 26 of 1950." He ordered the ...

"... transfer, as specified herein, the functions, powers and duties of the Internal Revenue Service arising under laws relating to alcohol, tobacco, firearms, and explosives (including the Alcohol, Tobacco and Firearms Division of the Internal Revenue Service) to the Bureau of Alcohol, Tobacco and Firearms (hereinafter referred to as the Bureau) which is hereby established. The Bureau shall be headed by the Director, Alcohol, Tobacco and Firearms (hereinafter referred to as the Director). The Director shall perform his duties under the general direction of the Secretary of the Treasury (hereinafter referred to as the Secretary ) and under the supervision of the Assistant Secretary (Enforcement, Tariff and Trade Affairs, and Operations) (hereinafter referred to as the Assistant Secretary)."

BATF = IRS

Treasury Order 120-01 assigned to the new BATF Chapters 51, 52, and 53 of the Internal Revenue Code of 1954 and sections 7652 and 7653 of such code, chapters 61 through 80 inclusive of the Internal Revenue Code of 1954, the Federal Alcohol Administration Act (27 U.S.C. Chapter 8) (which, in 1935, the Supreme Court had declared unconstitutional within the several States of the Union), 18 U.S.C. Chapter 44, Title VII Omnibus Crime Control and Safe Streets Act of 1968 (18 U.S.C. Appendix, sections 1201-1203, 18 U.S.C. 1262-1265, 1952 and 3615, and etc.) Mr. Walker then makes a statement within T.O. 120-01 that is very revealing:

"The terms 'Director, Alcohol, Tobacco and Firearms Division' and 'Commissioner of Internal Revenue' wherever used in regulations, rules, and instructions, and forms, issued or adopted for the administration and enforcement of the laws specified in paragraph 2 hereof, which are in effect or in use on the effective date of this Order, shall be held to mean 'the Director'."

Walker seemed to branch the Internal Revenue Service (IRS), creating the Bureau of Alcohol, Tobacco and Firearms (BATF), and then, with that statement, joined them back together into one. In the Federal Register, Volume 41, Number 180, of Wednesday, September 15, 1976, we find: "The term 'Director, Alcohol, Tobacco and Firearms Division' has been replaced by the term 'Internal Revenue Service'."

We found this pattern of deception and obfuscation everywhere we looked during our investigation. For further evidence of the fact that the IRS and the BATF are one and the same organization, check 27 U.S.C.A. Section 201.

The Gift of the Magi

This is how the Magi perform magic. Secretary Humphrey, with no authority, creates an agency of the Department of the Treasury called "Internal Revenue Service", out of thin air, from an offshore pure trust called "Bureau of Internal Revenue". The "Settler" and "Beneficiaries" of the trust are unknown. The "Trustee" is the Secretary of the Treasury. Acting Secretary Walker further launders the trust by creating, from the alleged "Internal Revenue Service", the "Bureau of Alcohol, Tobacco and Firearms."

#### Person Becomes Thing

Unlike Humphrey, however, Walker assuaged himself of any guilt when he nullified the order by proclaiming:

"The terms 'Director, Alcohol, Tobacco and Firearms Division' and 'Commissioner of Internal Revenue' wherever used in regulations, rules, and instructions, and forms, issued or adopted for the administration and enforcement of the laws specified in paragraph 2 hereof, which are in effect or in use on the effective date of this Order, shall be held to mean 'the Director'."

Walker created the Bureau of Alcohol, Tobacco and Firearms from the Alcohol, Tobacco and Firearms Division of Humphrey's Internal Revenue Service. He then says that, what was transferred is the same entity as the Commissioner of Internal Revenue. He knew he could not legally create something from nothing without the authority of Congress and/or the President, so he made it look like he did something that he had, in fact, not done. To compound the fraud, the Federal Register published the unbelievable assertion that a person had been replaced with a thing: "the term Director Alcohol, Tobacco and Firearms Division has been replaced with the term Internal Revenue Service."

#### Stroke of Genius

The Federal Alcohol Administration, which administered the Federal Alcohol Act, and offices of members and Administrator thereof, were abolished and their functions were directed to be administered under direction and supervision of the Secretary of Treasury through the Bureau of Internal Revenue, now the Internal Revenue Service. The Federal Alcohol Act was ruled unconstitutional within the 50 States, so it was transferred to the BIR, which is an offshore trust, which became the IRS, which gave birth to the BATF and, somehow, the term Director, Alcohol, Tobacco and Firearms Division, which is a person within the BATF, spawned the alleged Internal Revenue Service via another flick of the pen on September 15, 1976.

In a brilliant flash of logic, Wayne C. Bentson determined that he could check these facts by filing a Freedom of Information Act ("FOIA") request, asking the BATF to "name the person who now administers the Federal Alcohol Act." If we were wrong, then a reply would state that no record exists as to any

name of any person who administers the Act. The request was submitted to the BATF. The reply came on July 14, 1994, from the Secret Service, an unexpected source, which discloses a connection we had not suspected. The reply states that John Magaw of the Bureau of Alcohol, Tobacco and Firearms, of the Department of the Treasury, administers the Federal Alcohol Act. You may remember from the Waco hearings that John Magaw is the Director, Alcohol, Tobacco and Firearms. All of our research was confirmed by that admission.

#### Smoke and Mirrors

Despite all the pen flicking and the smoke and mirrors, there is no such organization within the Department of the Treasury known as the "Internal Revenue Service" or the "Bureau of Alcohol, Tobacco and Firearms." Title 31 U.S.C. is "Money and Finance" and therein are published the laws pertaining to the Department of the Treasury ("DOT"). Title 31 U.S.C., Chapter 3, is a statutory list of the organizations of the DOT. Internal Revenue Service and/or Bureau of Alcohol, Tobacco and Firearms are not listed within Title 31 U.S.C. as agencies or organizations of the Department of the Treasury. They are referenced, however, as "to be audited" by the Controller General in 31 U.S.C. Section 713.

#### BATF - Puerto Rico

We have already demonstrated that both of these organizations are, in reality, the same organization. Where we find one, we will surely find the other. In 27 C.F.R., Chapter 1, Section 250.11, Definitions, we find: "United States Bureau of Alcohol, Tobacco and Firearms office. The Bureau of Alcohol, Tobacco and Firearms office. The Bureau of Alcohol, Tobacco and Firearms office in Puerto Rico ..." and "Secretary -- The Secretary of the Treasury of Puerto Rico" and "Revenue Agent -- Any duly authorized Commonwealth Internal Revenue Agent of the Department of the Treasury of Puerto Rico." Remember that "Internal Revenue" is the name of the Puerto Rico Trust #62. It is perfectly logical and reasonable that a Revenue Agent works as an employee for the Department of the Treasury of the Commonwealth of Puerto Rico.

#### Where is IRS?

Where is the alleged "Internal Revenue Service"? The Internal Revenue Code of 1939, aka Internal Revenue Code of 1954, etc., etc., etc., 27 C.F.R. refers to Title 26 as relevant to Title 27, as per 27 C.F.R., Chapter 1, Section 250.30, which states that 26 U.S.C. 5001(a)(1) is governing a Title 27 U.S.C. law. In fact, 26 U.S.C. Chapters 51, 52, and 53 are the alcohol, tobacco and firearms taxes, administered by the Internal Revenue Service; alias Bureau of Internal Revenue; alias Virgin Islands Bureau of Internal Revenue; alias Director, Alcohol, Tobacco and Firearms Division; alias Internal Revenue Service.

### Must be Noticed

According to 26 C.F.R. Section 1.6001-1(d), Records, no one is required to keep records or file returns unless specifically notified by the district director by notice served upon him, to make such returns, render such statements, or keep such specific records as will enable the district director to determine whether or not such person is liable for tax under subtitle A of the Code. 26 C.F.R. states that this rule includes State individual income taxes. Don't get yourself all lathered up, because "State" means ... the District of Columbia, U.S. Virgin Islands, Guam, Northern Mariana Islands, Puerto Rico, territories, and insular possessions.

### No Implementation of Law

44 U.S.C. says that every regulation or rule must be published in the Federal Register. It also states that every regulation or rule must be approved by the Secretary of the Treasury. If there is no regulation, then there is no implementation of the law. There is no regulation governing "failure to file a return." There is no computer code for "failure to file." The only thing we could find was a requirement stating "where to file an income tax return." It can be found in 26 C.F.R., Section 1.6091-3, which states that, "Income tax returns required to be filed with Director of International Operations." Who is the Director of International Operations?

### Delegation of Authority

No one in government is allowed to do anything unless they have been given specific, written authority in the law, or else someone who has been given authority in the law gives that person a delegation of authority order, spelling out exactly what they can and cannot do under that specific order. We combed the Department of the Treasury's Handbook of Delegation Orders and we found that no one in the IRS or BATF has any authority to do most of the things they have been doing for years.

### No Authority to Audit

Delegation Order Number 115 (Rev. 5) of May 12, 1986, is the only delegation of authority to conduct Audits. It states that the IRS and BATF can only audit themselves, and only for amounts of \$750 or less. Any amount above that amount must be audited by the Controller General, according to Title 31 U.S.C. No other authority to audit exists. No IRS or BATF agent, or representative, can furnish us with any law, rule, or regulation which gives them the authority to audit anyone other than themselves. Order Number 191 states that they can levy on property, but only if that property is in the hands of parties.

### Authority to Investigate

The manual states, on page 1100-40.2, of April 21, 1989, Criminal Investigation Division, that ...

"... the Criminal Investigation Division enforces the criminal statutes applicable to income, estate, gift, employment, and excise tax laws ... involving United States citizens residing in foreign countries and nonresident aliens subject to Federal income tax filing requirements by developing information concerning alleged criminal violations thereof, evaluating allegations and indications of such violations to determine investigations to be undertaken, investigating suspected criminal violations of such laws, recommending prosecution when warranted, and measuring effectiveness of the investigation processes ...."

#### Authority to Collect

On page 1100-40.1, it states in 1132.7 of April 21, 1989, Director, Office of Taxpayer Service and Compliance:

"Responsible for operation of a comprehensive enforcement and assistance program for all taxpayers under the immediate jurisdiction of the Assistant Commissioner (International) .... Directs the full range of collection activity on delinquent accounts and delinquent returns for taxpayers overseas, in Puerto Rico, and in United States possessions and territories."

#### 50 States not Included

1132.72 of April 21, 1989, Collection Division, says:

"Executes the full range of collection activities on delinquent accounts, which includes securing delinquent returns involving taxpayers outside the United States and those in United States territories, possessions and in Puerto Rico."

#### U.S. Attorney's Manual

The United States Attorney's Manual, Title 6 Tax Division, Chapter 4, page 16, October 1, 1988, 6-4.270, Criminal Division Responsibility, states:

"The Criminal Division has limited responsibility for the prosecution of offenses investigated by the IRS. Those offenses are: excise violations involving liquor tax, narcotics, stamp tax, firearms, wagering, and coin-operated gambling and amusement machines; malfeasance offenses committed by IRS personnel; forcible rescue of seized property; corrupt or forcible interference with an officer or employee acting under the internal revenue laws; and unauthorized mutilation, removal or misuse of stamps." See 28 C.F.R. Sec. 0.70.

## "Act of Congress"

We found this revelation in 28 U.S.C. Rule 54(c),  
Application of Terms:

"As used in these rules the following terms have the designated meanings. 'Act of Congress' includes any act of Congress locally applicable to and in force in the District of Columbia, in Puerto Rico, in a territory or in an insular possession."

## It is the Law

28 U.S.C. contains the "Rules of Courts." They were written and approved by the Justices of the Supreme Court. The Supreme Court, in writing 28 U.S.C., has already ruled upon this issue. They are the Law.

## Where is the Money?

Where does the money go that is paid into the IRS? It spends at least a year in what is called a "quad zero" account under an Individual Master File, after which time the Director of the IRS Center can, apparently, do whatever he wants with the money. It is sometimes dispersed under Treasury Order 91 (Rev. 1), May 12, 1986, which is a service agreement between the IRS and the Agency for International Development ("AID").

## We Financed Soviet Weapons

When William Casey, Director of the Central Intelligence Agency during Iran-Contra, was the head of AID, he funnelled hundreds of millions of dollars to the Soviet Union, which money was spent building the Kama River Truck Factory, the largest military production facility for tanks, trucks, armored personnel carriers, and other wheeled vehicles in the world. The Kama River Truck Factory has a production capability larger than all of the combined automobile and truck manufacturing plants in the United States.

## IRS/AID Service Agreement

The agreement states:

"Authority is hereby delegated to the Assistant Commissioner International to develop and enter into the service agreement between the Treasury Department and the Agency for International Development."

The Secretary of the Treasury is always appointed U.S. Governor of the International Monetary Fund in accordance with the international agreement that created the IMF. The Secretary of the Treasury is paid by the IMF, while serving as Governor.

### Agent of Foreign Powers

Lloyd Bentsen held the following positions at the same time as he was the Secretary of the Treasury: U.S. Governor of the International Monetary Fund, U.S. Governor of the International Bank for Reconstruction and Development, U.S. Governor of the Inter-American Development Bank, U.S. Governor of the African Development Bank, U.S. Governor of the Asian Development Bank, U.S. Governor of the African Development Fund, and U.S. Governor of the European Bank for Reconstruction and Development. Mr. Bentsen received a salary from each of these organizations which literally made him an unregistered agent of several foreign powers.

### Citizen vs citizen

By birth, we are each a Citizen of the State of California, or a Citizen of the State of Arizona, or a Citizen of whatever Union State wherein we were born and, at the same time, we are all Citizens of the United States of America, and are not subject to any Acts of Congress, other than the 18 powers specifically enumerated in the Constitution for the United States of America. People who are born, or who reside, within the federal District of Columbia, Guam, the U.S. Virgin Islands, Puerto Rico, the Northern Mariana Islands, any territory, on any naval base or dockyard, within forts, or within insular possessions, are called U.S. citizens and are subject to Acts of Congress. Within the law, words have meanings that are not the same meanings that are accepted in common usage. Our Constitution is the Constitution for the United States of America. The U.S. Constitution is the Constitution of Puerto Rico.

### Volunteer Taxpayers

We are subject to the laws of the jurisdiction which we volunteer to accept. In the law governing income tax, "income" is defined as foreign earned income, offshore oil well or windfall profits, and war profits. A "return" is prepared by a taxpayer to submit to the federal government taxes that he/she collected. A "taxpayer" is one who collects taxes and submits the taxes as a return to the federal government. An "employee" is one who is employed by the federal government. An "employer" is the federal government. An "individual" is a citizen of Guam or the U.S. Virgin Islands. A "business" is defined as a government, a bank, or an insurance company. A "resident" is an alien citizen of Guam, the U.S. Virgin Islands, or Puerto Rico, who resides within one of the 50 States of the Union known as the United States of America, or one of the other island possessions.

### 1040 for "Aliens"

A form 1040 is the income tax return for a nonresident alien citizen of the U.S. Virgin Islands, residing within one of the 50 States of the several States in the Union known as the United States of America. If you volunteer that you are a U.S. citizen,

you have become a U.S. citizen. If you write or print your name on a line labeled "taxpayer," you have become a taxpayer. Since these forms are affidavits which you submit under penalty of perjury, you commit a crime every time you fill one out and sign, stating that you are what you are not. The federal government is delighted by your ignorance, and will gladly accept your returns and your money. As proof, refer to the Virgin Islands Tax Guide, which states:

"All references to the District Director or to the Commissioner of Internal Revenue should be interpreted to mean the Director of the Virgin Islands Bureau of Internal Revenue. All references to the Internal Revenue Service, the Federal depository and similar references should be interpreted as the BIR, and so forth. Any questions in interpreting Federal forms for use in the Virgin Islands should be referred to the BIR."

#### Codes Tell the Tale

In Internal Revenue Service publication 6209, Computer Codes for IRS, "TC 150" is listed as the code for "Virgin Island Returns" and the Codes 300 through 398 are listed as "U.S. and UK Tax Treaty claims involving taxes on narcotics which were financed in the Cayman Islands and imported into the Virgin Islands."

#### Narcotics Dealer?

When Freedom of Information Act requests have been filed for the Individual Master File ("IMF") for people who are experiencing tax problems with the IRS, every return has been found to contain the above codes, except for some which are coded as "Guam" returns. Every return shows that the unsuspecting Citizen is being taxed on income derived from importing narcotics, alcohol, tobacco, or firearms into the United States, or one of its territories or possessions, from a foreign country, or from Guam, Puerto Rico, the Virgin Islands, or into the Virgin Islands from the Cayman Islands.

#### Who Is Required to File?

26 C.F.R., Section 601.103(a), is the only place which tells us who is required to file a return, provided that person has been properly noticed by the District Director to keep records, and then is properly noticed that he/she is required to file. It states, "In general each taxpayer (or person required to collect and pay over the taxes) is required to file a prescribed form of return ...." Are you a taxpayer?

#### Who Are These Thugs?

The scam manifests itself in many different ways. In order to maintain the semblance of legality, hats are changed from moment to moment. When you are told to submit records for

examination, you are dealing with Customs. When you submit an offer in compromise, you are dealing with the Coast Guard. When you are confronted by a Special Agent of the IRS, you are really dealing with a deputized United States Marshall. When you are being investigated by the alleged Internal Revenue Service, you are really dealing with an agent contracted by the Justice Department to investigate narcotics violations. When the alleged Internal Revenue Service charges you with a crime, you are dealing with the Bureau of Alcohol, Tobacco and Firearms. Only a small part of 26 U.S.C. is administered by the alleged Internal Revenue Service.

Most of the Code is administered by the Bureau of Alcohol, Tobacco and Firearms, including Chapters 61 through 80, which is enforcement. In addition, 27 C.F.R. is BATF, and states in Subpart B, Definitions, 250.11, Meaning of terms: "United States Bureau of Alcohol, Tobacco and Firearms office -- Bureau of Alcohol, Tobacco and Firearms office in Puerto Rico." Every person we find, who is being prosecuted by the alleged Internal Revenue Service, has a code on their IMF which puts them in "tax class 6" which designates that they have violated a law relating to alcohol, tobacco, or firearms, in Puerto Rico.

#### No Jurisdiction

The Bureau of Alcohol, Tobacco and Firearms has no venue or jurisdiction within the borders of any of the 50 States of the United States of America (the "Union"), except in pursuit of an importer of contraband alcohol, tobacco, or firearms who failed to pay the tax on those items. As proof, refer to the July 30, 1993, ruling of the United States Court of Appeals for the Seventh Circuit, in 1 F.3d 1511; 1993 U.S. App. Lexis 19747, where the court ruled in United States v. D.J. Vollmer & Co. that the BATF has jurisdiction over the first sale of a firearm imported to the country, but they don't have jurisdiction over subsequent sales.

#### Feds Lie

Attorneys, including your defense attorney, the U.S. Attorney, Federal Judges, and alleged Internal Revenue Service and Bureau of Alcohol, Tobacco and Firearms personnel routinely lie in depositions and on the witness stand to perpetuate this fraud. They do this willingly and with full knowledge that they are committing perjury. Every Judge intentionally lies every time he/she gives instructions to a Jury in a criminal or civil tax case brought by the IRS or BATF. They all know it, and do it willingly, and with malice aforethought.

#### Where Do They Get These Guys?

How does the government hire people who will intentionally work to defraud their fellow Americans? Most of those who work on the lower levels for the IRS, BATF, and other agencies simply do not know the truth. They do as they are told to earn a living until retirement. Executives, U.S. Attorneys, Federal Judges,

and others do know, and are, with full knowledge and malice aforethought, participating in the crime of the century. Many of these people, including the President, are paid lots of money.

#### Monetary Awards

The Internal Revenue Manual, Handbook of Delegation Orders, January 17, 1983, page 1229-91, outlines the alleged Internal Revenue Service's system of monetary awards "of up to and including \$5,000 for any one individual employee or group of employees in his/her immediate office, including field employees engaged in National Office projects; and contributions of employees of other Government agencies and armed forces members" with the approval of the Deputy Commissioner, "of \$5,001 to \$10,000 for any one individual or group" with approval of the Deputy Commissioner, "of \$10,001 - \$25,000 for any one individual or group" with the Commissioner's concurrence, "an additional monetary award of \$10,000 (total \$35,000) to the President through Treasury and OPM" with the Commissioner's concurrence.

#### Legal Bribery

These awards include cash awards. They are not limited as to the number that may be awarded to any one person or group. There is no time limitation placed upon any award. Any person or group of persons can be awarded this money, including U.S. Attorneys, Federal Judges, your Certified Public Accountant, the President of the United States, members of Congress, your mother, H&R Block, etc. The awards may be given to the same person or group, each minute, each hour, every day, every week, every month, every year, or not at all. In other words, the U.S. Government and the alleged Internal Revenue Service, aka Bureau of Alcohol, Tobacco and Firearms, has a perfectly legal system of bribery. The bribery works against the Citizens of the several States of the United States of America.

#### Warning!

Our investigation uncovered a lot. We have printed only a little. Successful use of this material requires a lot of study, and an excellent understanding of the legal system. Please do not compound errors by attempting to extract some imaginary magic bullet to use against the alleged Internal Revenue Service, or the Bureau of Alcohol, Tobacco and Firearms. It is not enough to discover this information; you must know it inside and out, backwards and forwards, like you know the smell of your own breath.

#### Trust Betrayed

We have been betrayed by those we trusted. We have been robbed of our money and property. It happened because we trusted imperfect men to rule imperfect men, and we failed in our duty as watchdogs. It happened because we have been ignorant, apathetic, and even stupid.

By Choice and Consent

"A nation or world of people, who will not use their intelligence, are no better than animals that do not have intelligence; such people are beasts of burden and steaks on the table by choice and consent."

from "Behold a Pale Horse," by William Cooper,  
Light Technology Publishing, Sedona, Arizona state

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