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**littlehammer's**  
**Weekly Tax Exempt Newsletter**  
**with**  
**Questions and Answers**  
**and**  
**Conference Call Reminder**

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Tuesday, August 21, 2001

- [1] Welcome: New Items, Q&A, & CAFR's
- [2] Questions and Answers: A Mixed Bag
- [3] News Briefs & Comments: CAFR's - Do You Know What They Are?
- [4] Conference Call Reminder: **Wed, August 22nd, 9pm EST, 1-305-503-1874, Pin 940**
- [5] Contact Information, Legal Notice & Notice of Copyright explanation.

In this section (below), I explain why I use the bracketed phrases [THE COMPANY] and [THE FOUNDER] to refer to the founder and his company, who achieve the money-back-guaranteed results of having the IRS change their internal records to reflect the fact that each client is exempt from income taxes on any income, regardless of amount or source, unless the source of the income is the federal government itself or a trade or business under the sovereign jurisdiction of the government. [THE COMPANY] accomplishes this fully (and only) in accord with the Internal Revenue Code, and thus, none of their clients ever experience adverse IRS confrontation or court proceedings. (I also explain how to "unsubscribe" to this newsletter in this section).

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[1] Welcome

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Dear Friends,

Just two quick announcements, and then we'll get into the question and answer section.

FIRST: Anyone planning on applying to [THE COMPANY] as a client, from this point on, MUST do so on the NEW & REVISED application form. Although the revision was made effective as of August 1, it is from THIS point on that [THE COMPANY] wants you to use the new application. I now include this application in the regular information I send out, as should every company representative. Since [THE COMPANY] now goes back for "Status Determination" for ten years prior to the current year, this application allows them to get some important information that was not priorly necessary.

SECOND: [THE COMPANY] has also revised what I refer to as "the Tax Status booklet". It's actual title is: "Do You Know Your Proper IRS Tax Status? Are You Sure??" I have this booklet available in "PDF" format (what else?) for any who want it. If you already have the "old" one, you're not missing anything in not having this one. Actually, the new folks will be missing something. [THE FOUNDER] simply felt it advisable to remove some of the "red-flag" words, because we don't want to be "painted" with a color that does not truly represent what we do, or conveys less than a "law-abiding" and

respectful attitude. This revised edition, with it's 48 pages, is actually 7 pages shorter than the former one. If you don't have this, and particularly if you tend to be "technically" minded - meaning you like to dabble in some of the intricacies of the Internal Revenue Code itself - then be sure to request this booklet. It's FREE, just as is all the other information we provide.

YOUR [COMPANY] representative (if I'm not that for you), should be able to provide you with either of these revised items.

Now, let's go to the questions and answers...

Your friend,  
Paul Leinthall  
661-822-7889, Noon-8pm Mon-Fri EASTERN time  
email: littlehammer@primemail.com

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[2] Questions and Answers  
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To: Dxx Mxxx  
From: Paul Leinthall <littlehammer@primemail.com>  
Subject: Re: answers to my questions

Hi, Dxx.

I'll do my usual"

Paul:

Thanks for your answers to all my questions. As always, I appreciate your thorough and insightful responses.

Because of your thoroughness I actually don't need any further clarification except on one issue. The information you originally sent out to me indicated that voting and using the P.O. might be our way of volunteering into the tax system. Are these activities, or any other activities, ones that I should avoid? Am I just being too paranoid about this?

It is merely a "suggestion" to not "register" for voting in the FEDERAL election, because the language used on most registration forms provided by each State is "similar" to the Internal Revenue Code. It is not a mandate, and I'm sure many clients continue to vote, even in the federal election; after all, it's supposed to be private, is it not? No client has ever got in trouble doing it. I think it's entirely a personal matter, although I know some in [THE COMPANY] feel quite strongly about it.

Regarding the Post Office, we don't ever suggest not using it; we do suggest, however, that you list your "return" address, with the last line showing your "city", then the "zip code" in brackets, followed by your fully spelled-out "State". This the the way the Postal Manual indicates "foreign" addresses should be listed. This is our way of recognizing we are "foreign" to the "federal districts". You really can't control how other people send mail to you; but, in this manner, you can indicate how you prefer it to come to you. Using this type of address is just another "evidence" that you're aware of who you ARE in relationship to the federal government. Again, I don't think anyone will get in trouble for not doing it this way; but you'll notice any communication coming to you from [THE COMPANY] is addressed to you in this manner.

As you might know, I received my Year 2000 filing statement from the company several days ago. So obviously they had all the info that they needed to submit that package. It looks very thoroughly prepared. It really seems to put the burden on the IRS to dispute any of the issues addressed by [THE FOUNDER]. I like it. There is no refund amount shown on any form. Does the IRS just go to the IMF to determine the amount that they owe me? Does the IMF indicate penalty amounts too?

Yes - to both questions.

Has the email that I sent you with those few questions for [THE FOUNDER] been answered? Actually, the only remaining question is about the original forms being sent to Florida for my wife and not for me. This should be a really easy and quick question for someone to answer.

Your questions revealed some of the "typos" and other issues which they're trying to correct as they "automate" the database for filing purposes, and which can vary from State to State and from client to client, depending on various circumstances. Since Florida has no income tax, your noticing that this occurred in your paperwork uncovered a "flaw" in the database which is being addressed. It's a minor detail, but I'm glad you detected it. It's a good lesson, actually, that EVERY client ought to READ everything that is being filed on her behalf.

I am happy to give you 'fodder' for the newsletter. Unfortunately, I did not receive one this past week (8/08/01 version). I am sure it contains a lot more than goodies than our questions and answers. Could you please forward one to me?

I've already done that. Come to find out, in my own "tinkering" with my list last week, your name got "accidentally moved". I tend to think I'm perfectly organized, until something like this shows up. There your name and email address were, sitting in a folder that I would never "copy" when I send out the newsletter. So, it's a good thing you let me know you didn't receive it.

Which AGAIN, is a good point for me to include in my newsletter, i.e.: IF ANYONE notices they're not receiving the newsletter, they might want to communicate that to me. Mistakes happen, sometimes.

Well that's really it for now. I enjoy speaking to you and corresponding with you, so I'm going to try real hard to hold any further questions for you.

I would like a periodic update on the status of my paperwork from time to time. I especially look forward to seeing the request for refund package and request for determination letter.

There is no automatic mechanism established for updating each client on "where" his/her paperwork is in the process. Now that the IRS requires your original signature on any filing which requires a signature, the best way to keep updated is to sign the papers when they come from [THE COMPANY] and immediately put them in the mail to the IRS, then put the "certified receipt slip" in the envelope [THE COMPANY] provides for it to go back to them, and then peruse your copies of the filing, which should always be included.

For any communication with the IRS on your behalf, which doesn't require your signature, you should receive copies, because they should be sent to you at the same time as the originals are sent to the IRS.

And, if I or [THE COMPANY] notifies you that they need some information from you (for example, each year, after during "tax season" when they send you a letter telling you they need your "income" information) - get that to them as soon as you can, because until they get it, the file simply awaits YOUR action, before [THE COMPANY] can take action. [THE COMPANY] is not going to baby sit any client, and keep nudging him to do what only he/she can do.

Sincerely,  
Paul Leinthall

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What is the issue is regarding the cashing in of a mutual fund (vis-a-vis backup withholding) and why might they withhold up to 20% anyway?

Depending on the mutual fund (or retirement program, or anything like that, where you have put, or invested, money with the expectation of "gain", and depending on the "rules" of the particular organization or fund with which you're working, THEY may have "rules" (not "laws" - although for the organization, itself, the rules are like laws to their personnel) that require them to withhold a certain amount when you "cash in" or "withdraw" or "close out" the program. Then, like with an employer, an "exempt" W-4 may work; and with some, they don't care; they'll withhold anyway. In which event, [THE COMPANY] will collect that money on the back-end. [THE COMPANY] does not charge a collection fee in the event the client has not choice about that type of matter.

There are two times a collection fee is applied to refunds which [THE COMPANY] secures for a client: First, for those tax periods that apply PRIOR to the client becoming a client. In those cases, the "collection fee" is the standard one-third; Second, the only other time a collection fee is charged AFTER a person becomes a client (and it's 10%, in this case) is where the client has chosen to "not rock the boat" with an employer (or "fund manager," as in a case such as you're bringing out here) and, consequently, never turned in an "exempt W-4" to "stop" the withholding. If an exempt W-4 is submitted, and they still withhold, giving the client no choice in the matter, then no collection fee applies when withheld monies are refunded.

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Hi Paul and thanks for the docs on the corporation sole. Tech question if I may: The founder or [the company] acts under a power of attorney for their clients; Is the founder an enrolled agent (I doubt that) or one of the other entities specified on the POA form? How does one get around that? Thanks!

He's an "Unenrolled Agent" - and that IS specified on the IRS Form 2848 (the standard, limited "Power of Attorney" form), but there's no having to "get around" anything. It's just that the Unenrolled Agent doesn't have to play the same kind of game as the other three categories of "agents". (Attorneys, CPS's and Enrolled Agents).

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To: Mxxxxxxx Cxxxxxxxxxxxx

From: Paul Leinthall <littlehammer@primemail.com>

Subject: Re: need the 3 attached documents from intro letter, please

You Wrote:

Dear Paul, WOW, yes I am excited. Yes, it is too good to be true, BUT I BELIEVE. I want so desperately to be exempt from the FEDS. I've been fighting them for years like you did as I took Lynn Meredith's classes but it hasn't worked. Obviously, I was going about it the wrong way.

I can't seem to bring up the 3 attachments (exempt, txnl, apply), so need your help, please. I also will work on getting acrobat reader and hopefully will be able to bring up your newsletter.

I have a friend who does not have email. May I have permission to send her a copy of the "Tax Exempt Info" or what do you suggest? She also will flip out when she gets this info.

Thank you Jxxxx Vxxxxx more than words can say for introducing me to PAUL.

Sincerely,  
Mxxxxxx Cxxxxxxxxxx

Hi Mxxxxxx,

I can feel your excitement all the way over here!

Let me suggest something about the trouble you're having with being able to bring up the attachments. There could be one of several problems.

You mentioned the first one, which is to be sure you have the latest version of Acrobat Reader on your system, or at least version 3.0. If the reader program is not on your system, trying to access an attached "PDF" file would be like trying to open a Microsoft Word document without the Word Program. (Actually worse, because sometimes OTHER word-processing programs have the capability to open Word documents; whereas I'm unaware of any "other" programs, than an Acrobat program, which can open "PDF" (Portable Document Format) files.

Secondly, once you download the Acrobat Reader program, you'll want to remember to what file or directory you downloaded it. Within the folder/file/directory, you will find a "plug-in" called "PDFViewer", and you have to MOVE that "plug-in" to the plug-in folder in your Internet browser (which I assume is either Internet Explorer or Netscape Navigator/Communicator). When that's in the proper folder, then double clicking on the PDF attachment should open it.

Third, there's another way to open PDF files also. That is to download the attached file ON TO your hard disk, and then, from within the Acrobat Reader Program, select "Open" from the menu, and select the particular PDF document you want to open. (Similar to going to your "correspondence" folder from within Microsoft Word, for example, and opening a letter or document created in Word).

Fourth, one other thing you might want to check. Sometimes, the "free" email address providers have a "size" limitation for how much email for each client they can (or are

willing to) keep on THEIR servers. So, if you're in the habit of leaving your email on THEIR server, in distinction to downloading it all to your own computer, so it stays on your hard drive, your email provider may be automatically "eliminating" the extra mail; and they often START by leaving off attachments. Sometimes, they even truncate (cut off short of completion) longer emails.

If that is the case, then you might try a couple of things: First, does the email provider allow you to INCREASE the email size (space) they allow. Second, and even if the answer to the first is a "yes," you may want to get in the habit of eliminating old email (or downloading) your email from their server.

Regarding your friend who does not have email: Yes, you can send her copies of "anything" I send you. It's all "free", of course. If your friend has a fax (or access to one), I can get it to her that way, too. (Same for you, of course, if you find you can't resolve the Acrobat Reader issue; although, I must say, if you can solve that issue, you'll be really happy you did. Almost every company who is distributing information these days, via the Internet and email, is using "PDF" files as their format of choice. Even the IRS makes ALL of their forms and documents available in "PDF" format; people with computers no longer have to go the the post office, or the IRS office, or even their accountant for forms or instructions. Not that I'm saying [THE COMPANY's] clients even have to worry about that; I'm just making the "point" for the value of Acrobat Reader and "PDF" files).

I think I'll resend my original information to you, in the event the attachments were "lost" along the way.

If I can be of any other help, let me know.

Sincerely,  
Paul Leinthall

[For newsletter readers who ONLY have WebTV as their access to this newsletter, I must apologize for that last answer, since you folks can't receive attachments in any form or format - at least not yet, that I know of].

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From: Kxxxx Cxxxxxxx  
To: "Paul Leinthall" <littlehammer@primemail.com>  
Subject: Questions about comments on a past Wednesday call!  
Date: Sun, 19 Aug 2001 08:50:25 -0700

Let me do my usual in answering your questions:

Dear Paul,

Several weeks ago I listened in on a Wednesday night conference call and Joe mentioned something to the effect that the IRS is not a US Government agency.

I also thought I heard someone say that the US Postal Service was also not a government agency. Can you tell me where this information can be proven?



As you've probably heard me say (or seen me write), I'm not really a good one to come to when you're looking for the legal "cites" or locators for particular references of words delivered by someone else. But let's see what I can do.

As to whether or not the IRS is actually a government agency, from my perspective, it really doesn't matter, because the only power the IRS has come from laws the U.S. Congress passes, and "our" relationship to the IRS is governed by "private contract".

I don't know a cite for your second question, but I do know that [THE COMPANY] can be just as effective in the case of almost ANY postal employee as they are for any other Private State Citizen. As long as the postal employee does not RESIDE in a federal district or territory, there is no difference. IF the postal employee were being paid directly by the federal government, this could not be the case. The ONLY postal "employee" whom we can NOT help, on this basis, would be the "Post Master General". Also, any postal employee living in a federal district or territory, we could also not benefit

I have at least one client who is a postal employee (and management person, at that). Also, one of [THE COMPANY's] reps is a postal employee.

I've also heard that the IRS is actually located in Puerto Rico. Is that the U.S. IRS, or the Internal Revenue Service of Puerto Rico using the same name? Where can one look for confirm any connection?

In the booklet entitled: "Do You Know Your True IRS Tax Status", which [THE COMPANY] is now (again) making available (FREE) for people who are interested, you will find this entry in the "glossary"

#### Internal Revenue Service

The current name of the "Bureau of Internal Revenue" (BIR) of Puerto Rico. The "Federal Alcohol Administration" created on 8-29-1935, 49 Stat. 977; 27 USC § 201, was abolished and absorbed in the BIR on 4-2-1940 by Reorganization Plan No. III of 1940, 5 F.R. (Federal Register) 2107, 54 Stat. 1232, set out in the Appendix to Title 5, Government Organization and Employees. Department of the Treasury Order (TDO) 221 of July 1, 1972, established the BATF and transferred to it the alcohol and functions of the Internal Revenue Service. Public law 97-258 §5(b), Sept 13, 1982, 96 Stat. 1068, 1085 repealed §2 of the 1940 Reorganization Plan No III and the first section of which enacted Title 31, Money and Finance. Reference: US Statues at Large and 27 USC §201

Finally, I have heard on past calls people mention that not one cent of taxes is paid to the Federal Government, or to the Treasury of the United States of America. Again, how can this be confirmed. Does the company have documentation to support these claims made on the Wednesday night calls? Where can people get confirmation?

I'd really appreciate your response to this as I had several clients on calls in the past who did not believe any of these claims and decided not to use the company services. Had I known where they could verify these claims, it would have helped perhaps. Best Regards, Kxxxx Cxxxxxxx

President Reagan's Grace Commission is probably the most recent "authority" on this matter. You'll see a reference to that in just a moment.

In addition to what I'm going to cover in the next section (Section 03: News and Comments), I took the following page (copied) directly from the "taxgate.com" web site. Here's the place to go find it, if you want to read it there:

<[http://www.taxgate.com/docs/fair\\_share.htm](http://www.taxgate.com/docs/fair_share.htm)>

Here's the copied page:

Last edited: July 06, 2000

### THE GOVERNOR TOLD THE TRUTH...

#### "TAXES FOR REVENUE ARE OBSOLETE"

Have you ever stopped to ask yourself this simple question: If the government can print as much money as it needs, then why is there an income tax?

In 1946, Beardsley Ruml - then Governor of the Federal Reserve Bank of NYC, told the truth in a speech titled "Taxes For Revenue Are Obsolete".

Mr. Ruml explained [I've included the web page location, below] that, since a government can easily print all the paper money it needs, in any amount, and therefore does not need to tax anyone, an income tax is maintained to siphon excess paper out of circulation, to stabilize the purchasing power of paper money (i.e., regulate inflation) and prevent the hyperinflation that would ordinarily result from printing too much paper!

Now you know the truth behind the 'income tax'. Yet, not one American in a million heard Mr. Ruml's speech (And that is a good thing or they might have marched on Washington!).

Ample paper must continuously be taxed (siphoned) out of circulation to keep pace with the interest payments on the national debt, being made to the mostly foreign bankers who designed and control the Federal Reserve System.

In 1982, the prestigious, private-sector Grace Commission, in their cost-cutting report to President Reagan, confirmed the ineptness of the income tax to control inflation. The following quote by the Commission confirms that they do not even understand how the income tax functions, and that the present rate of taxation does not pay the interest for the use of the money printed by the Federal Reserve Bank and thus cannot even begin to affect the growth of the national debt... "100% [of income taxes] collected is absorbed solely by interest on the federal debt ... all income tax revenues are gone before one nickel is spent on the services taxpayers expect from the government." [I added the BOLD emphasis].

(This position has no semblance of reality with the position of the Federal Reserve Bank. Anyone care to guess why?)

Shocked? You should be! The Commission's report was apparently written to make certain that most hard-working Americans will never know, or even believe, the hidden connection between fraudulent paper money and the taxes they pay on their own labor (fraudulently seized from their paychecks and bank accounts by the Federal Reserve Bank's "strong arm" collection agency, the IRS).



Read Ruml's the full speech...click here. [In our case, for newsletter readers go to:

<<http://www.taxgate.com/docs/ruml.htm>> ]

I hope that helps.

Remember, also, when talking with other folks about the possibilities that seem so evident to us, some folks have just been so "programmed" that it may take some repeated exposure before they can even allow themselves to become interested. Truth is, we really don't have to convince or persuade anyone. I still suggest to people, who tell me they believe in paying their "fair share," that if they have any idea what their fair share is (or even if they don't), that they can "donate" that "fair share" to whomever they think ought to get it, should they chose to become a client of [THE COMPANY]; which is a lot more of a choice about where their money goes than they currently enjoy. Of course, I bet, that of they're willing to consider that, their definition of "fair share" would be less than they're actually, presently paying in income taxes. What do you think?

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Paul -

I've been going over the forms you sent for applying to [THE COMPANY]. No where on the form (or at least that I can find) does it discuss or disclose that they plan to or will execute a procedure to make me "exempt" from taxes. If I understand these forms, it simply states that they will represent me to the IRS. What can you do to help me understand the work done for exempt status.

Mxxx Kxxx

To: Mxxx Kxxx  
From: Paul Leinthall <littlehammer@primemail.com>  
Subject: Re: You Requested This: TAX EXEMPT Information

Hi Mxxx,

The application is designed for gathering information from people who have decided to become clients - it is not for the purpose of telling you what we've already told you via the other information we send you, or as you might gather from being on a company conference call.

For example, let me give you an analogy. I assume that up till now, you've been filing a 1040 tax return each year. But it is not on that 1040 where they tell you all the terms and conditions of all that applies to that form. That form (an it's accompanying schedules, etc.) is YOUR communication to the THEM, and where THEY get the information they want from you in your relationship to them. The way you came to filling out that form in the first place came from information provided to you by other means.

The same with [THE COMPANY]. So, when you chose to have [THE COMPANY] "represent" you, that's why the application says that. It is only by contracting with you, via that application and the "revocation process", that we accomplish the results we talk about elsewhere.

Another analogy: When you buy a car, the contract for the purchase of the car does not give a whole rundown of all the features and benefits you read and heard about prior to your decision to buy the car; it only lists the car and the specific "attachments" and "options" you decided to purchase as a result of the marketing and sales information, which you saw in brochures, magazines and TV or which you heard the car dealer/salesperson describe.

If you read ALL the material I sent you, and you read my newsletter each week, and you get on AT LEAST ONE conference call, you will "understand the work done for exempt status". [Except approximately 15% of how the processes actually work, which [THE COMPANY] keeps as proprietary knowledge and which makes them a viable business].

Sincerely,  
Paul Leinthall

.....

To: Dxxxx and Rxxxxxxx  
From: Paul Leinthall <littlehammer@primemail.com>  
Subject: RE:

Hi Dxxxx,

Let me answer your questions, as I often do, by interspersing my answers and comments among what you've written:

Paul,

You sent me some information a few days ago and I have a couple of questions. I have an interest in your program but I do have a concern. I am involved with a company named Anderson's Ark. You may or may not know of them but they help people become employees (agents) for IBC's.

The difficulty is that the IRS attacked the company and about 30 others on Feb 28th. AA has hired some major 'in the system' attorneys who feel strongly that in the end AA will win (a judge in Boston told the IRS that they had no case so the charges were dropped in Boston and reinstated in California were they hope for a better judge). In the end there is no valid case (assuming honest courts) but the aggravation will go on for awhile. We have not been personally contacted yet but there is always the possibility that they may want records (although to date that has been a bust for them). There is also a chance for an audit when they find they can't take down AA and start to go after clients. We are not particularly concerned about whatever the IRS may do but still we do not want to be stupid.

I can't (and wouldn't, if I could) speak with any authority about the company you mentioned, although I've heard of them, and [THE COMPANY] has clients who were (and perhaps still are) associated with them.

However, I would ask you: What were your motives and intentions and desires, to which desires that company addressed and appealed in the first place? Were your desires primarily to be free of the "income tax man"? Or, were they to actually have an

IBC (International Business Corporation) for "other" business reasons (reasons other than trying to be free of income taxes)?

What [THE COMPANY] addresses is the actual, legal, fully-in-accord-with-the-IRS-(and their code) way of returning your relationship with the IRS to the place it existed from the time you were born (if you were born in one of the 50 States), or from the time you chose to RESIDE in one of the 50 States (if you were born and lived in a federal district or territory, or after your naturalization date) - a status that is actually your's and has been all along.

At some point, however, as did most people, you ELECTED to begin signing and filing certain legal (contractual) documents (particularly the "1040 Form U. S. Individual Tax Return") which, while it certainly was within your constitutional and voluntary right to choose to do that, you had no inherent, legal obligation to do it. The moment you signed, however, you obligated yourself into a contract, the terms and conditions of which we all know as "the Internal Revenue Code", the 10,000+ pages of Title 26, with it's regulations, of the United States Code.

I understand, "nobody told you that". At the time of our first submission of a W-4 and the consequent 1040 forms each year (the FIRST one is all it took), most of us were ignorant of the actual law and it's requirements (or lack thereof) as they applied to us. The problem arose when we actually "signed" the contract. And, yes, I know, nobody told us we were signing a contract, either, did they? Unfortunately, as the Supreme Court has ruled numerous times: "Ignorance of the Law is NO EXCUSE..."

...ANY TIME you sign your name to a piece of paper with other writing/printing on it, in relationship with anyone else, you're signing a contract; each "check" you write, for example, is actually a contract, or an "agreement".

There is NEVER a law that REQUIRES you to sign a contract. But, from the founding of this country, it has always been inherent in the law (and the Constitution, Article 1, Section 10, "No State shall...pass any..Law impairing the Obligation of Contracts...") that, once you have voluntarily elected to sign any contract, there are explicit (or implicit, or both) terms and conditions, for which you become responsible, and from which no one can rescue you, short of fulfilling the terms of the contract, or "getting out of the contract" by the terms that were there from the beginning. Should you decide to NOT fulfill those terms and conditions, and don't get the agreement of the other party, or parties, to the changing or cancellation or "revocation" of the contract, the other principals in the contract can take you to court for "breach of contract", (if something can't be worked out before it get to that point).

Depending on which terms a person breaches in the IRS contract, the IRS can (ultimately) take someone to court (among other unpleasant things they can do), and the charges they bring against the person can include such things as "Willful Failure to File", "Fraud", "Evasion", "Attempt to Defraud the government," etc.

However, the IRS also says that ANY problem or issue can be handled ADMINISTRATIVELY, in distinction to JUDICIALLY. In fact, the only time the IRS takes an issue with a person to court is when the issue has NOT been handled administratively.

What [THE COMPANY] does is an administrative process which is 100% effective because it has existed inherently in the Internal Revenue Code from the very beginning.

(Speaking about the terms and conditions inherent in the contract). In order to invalidate the process [THE COMPANY] uses, the IRS would have to get Congress to change, the ENTIRE Internal Revenue Code (not simply the typical twiddlings and fiddlings Congress does, from time to time); PLUS, they would have to change other critical portions of some of the other of the fifty titles in the U.S. Code, the Statutes at Large, and ultimately, the Constitution itself (and NOT simply by amendment).

Because of the way the LAW already is (in distinction to the emphasis some folks make on "the law that never was") - because of the way the LAW actually is, that is, because your relationship with the IRS has been governed all along by "CONTRACT", when [THE COMPANY] addresses the issue on THAT basis, and on the administrative level, it appears to clients that "magic" happens.

It is primarily due to ignorance of the law and ignorance of the fact that ALL the power of the IRS in the lives of most people has occurred "by contract" which gets so many individuals (and companies) in trouble. When people don't understand this, they think the "answer" and the "way out" is via some convoluted mechanism. And it's not because some of those "convoluted mechanisms" don't work or that all of them are invalid. Some are valid and some aren't. Sometimes they work; at other times they don't; and some never work from the get-go. What gets most folks in trouble is that their INTENTION for freedom, COMBINED WITH THEIR IGNORANCE OF THE LAW, tends to open them up to all the information about all of these various mechanisms that are "supposed to work" - and then they often find themselves in trouble. About 15% of [THE COMPANY's] client base falls into the category of people who have been "burned" before, by "information" that didn't work in their case.

ALL (or MOST) of that can be avoided, however; and for those folks who have been burned before, [THE COMPANY] can help ALMOST everyone. Minus a judge's gavel having come down on a person's particular tax situation, we can usually take care of it and achieve the same results as with any other client, albeit [THE COMPANY] may have to do some extra work. This is why clients who have stepped into some "doo-doo" with the IRS and want [THE COMPANY] to get all the "stink" off their shoes, pay a little more for [THE COMPANY's] services (in the case of liens, levies, seizures, and sales, etc.). [THE COMPANY] can even help clients who have been indicted for tax offenses, as long as the court has not already ruled and the actual trial date is not so close that [THE COMPANY] has no time to closely examine that person's situation and accomplish the necessary results. Even for the people they can't help in time, [THE COMPANY] can clean up (and get credits for taxes paid for) any years in the past which are NOT affected by the indictment and court ruling. (Remember, however, that while we can guarantee the results of revocation of election, [THE COMPANY] does NOT guarantee refunds, because the power to write the refund check is not in [THE COMPANY's] hands).

A person IS who he IS, and when the work is based on who a person IS (by birth, naturalization, and residence), there is no agency or court or authority who has any ground in law to argue with it, as long as it IS PRESENTED PROPERLY, in a timely manner, VIA ADMINISTRATIVE PROCEDURE. And THAT's what [THE COMPANY] does. (I've just given you the "conceptual" secret to "why" they are successful, although, obviously, I haven't given away the proprietary, procedural knowledge of "how" they actually accomplish it).

I was talking to someone very generally about your program and was asked if the company is a reincarnation of a company that had some trouble earlier? I, of course, did not know the answer but said I would ask.

No, [THE COMPANY] is not a reincarnation of a company previously in trouble. What the "someone" you talked with "may" have had in mind - although you said he spoke "very generally" - was another company with the same "initials", who were raided last year by the IRS, and whose principal was indicted and convicted in Spring of this year. [THE FOUNDER] of [THE COMPANY] knew him prior to his trouble and warned him several years ago that he was headed for trouble. I don't know if that's the company the person had in mind, but my answer serves the question, nonetheless.

The other comment is of more concern and that is: at this time given that we may or may not have the attention of the IRS, is it wise to go and attract more attention by addressing the IMF situation? Or would it be wiser to wait until things calm down in our current situation. At this time we have no direct reason to have any concern but cannot rule out some minor annoyances in the future.

Any comments or observations about this situation will be welcome.

IF, what [THE COMPANY] is doing, were something that, for example, bordered on the "edge of the law, or operated on some loophole in the law that the IRS hadn't yet discovered, and, that were they to discover it, they could take some manner of action to close the loophole and then round-up [THE COMPANY's] clients - if that were the case, then I might be prone to align with your consideration, which, in essence suggests that requesting the IMF, via a FOIA request, might "rattle the bear's cage," so-to-speak.

However, as I've already explained (albeit in different words than I'll use right now) if the Internal Revenue Code and the Laws of the United States were not EXACTLY AS THEY ALREADY ARE, [THE COMPANY] could not be doing what they are doing. We are 100% successful BECAUSE it IS the law, and because we use ONLY IRS procedures and forms and processes which are in harmony with their own code, regulations, manuals and procedures (not to mention other U.S. Code laws AND the Constitution).

Should you choose to become a client, what will actually happen is that you will be relieved of having to handle ANY thing with the IRS yourself, and you will be relieved of having to communicate with them in any way. When the IRS, themselves, determine that YOU are a NON taxpayer, they have no more interest in you and no more jurisdiction over you (even if they were interested). That's why, in the almost 30 years that we know the "revocation process" has been handled properly, no person has been adversely confronted or taken to court by the IRS.

Sorry there was no call tonight.

dxxxx

Yes, unfortunately, every once in a while, Joe Lansing, the conference call presenter, has to cancel the conference call. Usually, he tries to anticipate it enough in advance so he can announce it the week before, or at least, for readers of my newsletter, readers can find out the day before; but last night [Wednesday, August 15] was one of those rare exceptions. I didn't even find out about it, myself, until I called in for the call.

I hope my comments have helped answer your questions and concerns. I'm here, should you have more.

Sincerely,  
Paul Leinthall

.....

To: Mxxx Sxxxx  
From: Paul Leinthall <littlehammer@primemail.com>  
Subject: Re: THE COMPANY

Hi Jxx,

...let me intersperse my comments among yours:

Dear Paul,

I receive your newsletter and read each one with delight. My delay in using the companies services is based on a variety of factors. I spent \$795 for the services of another revocation company. I received a large packet in the mail with confusing directions and no support phone numbers.

It sounds like you paid for "information", not "services." This is a keen distinction I make between [THE COMPANY] and most of the other purveyors of information in the "tax protester/tax honesty/patriot/sovereign citizen" movements. I'm not wanting to invalidate many of the well-intentioned folks who are doing their best to follow their beliefs, with varying degrees of success/failure. But I do want to make a distinction between a person buying information, and one paying a company for "results-guaranteed" services.

I had to track down the gentleman who sold me this packet. He,by the way, was an xxx rep who had some disagreements with the company and left. then after sending the packets(1040NR'S) off, I found out he no longer was involved with this company. a new person had taken over and he worked with me. Then he closed down his website and company.

Since I don't know all the details of that which you speak, I cannot say with absolute certainty what I'm about to say here.

What you've just described does NOT sound like you interacted with a "former rep" of [THE COMPANY], although it's possible he was with [THE COMPANY] and thought he knew all he needed to know to go off on his own. I say this for two reasons:

FIRST, [THE COMPANY] does NOT send packets of material with directions on how to accomplish the results for yourself. We provide ALL the information we have available, up-front and FREE (although, occasionally a rep may require a small postage & handling fee for information sent via snail mail, and when people get on the conference call, they have long-distance phone charges from their long-distance carrier for the time they're on the call).

Some folks think [THE COMPANY's] secret of success is in some magic (silver-bullet) "form" that they file, and this is mistake often made by purveyors of information. I keep trying to emphasize in this newsletter that what [THE COMPANY] does is a



"PROCESS" - and that's a lot more than a simple "form" or two. And now, [THE COMPANY] has TWO processes; one that gets the job done and one that confirms that the IRS did their job.

When a person decides she feels comfortable at the prospect of becoming a client, she completes an application and sends it in with her first year's fee. The client then receives a "second Pack", usually within a couple weeks. (The "first pack" was the initial information and application). When the client has received the second pack, she will sign and notarize the prepared paperwork, in the places indicated, keep her copies of it, and send the originals back to [THE COMPANY] for the final processing. That "revocation paperwork" will then be attached to many of the resulting filings that [THE COMPANY] will be making with the IRS, on the client's behalf. The client will never see a 1040NR, or any other in the "1040" series of "returns", since [THE COMPANY] does not use these in their IRS filings, including the annual filings. The client always gets copies of EVERYTHING [THE COMPANY] files with (or sends to) the IRS, which is required by law.

After the initial "two packs" are completed, [THE COMPANY] does ALL the work, except, in the event some already prepared paperwork requires the client's signature, in which case [THE COMPANY] will send the "fully prepared," with postage-attached, paperwork to the client for her signature. The client signs and dates the paperwork and takes it to the post office. At the post office, the client will have the postal clerk hand-stamp the envelope going to the IRS, along with the attached certified mail receipt. When the postal clerk hands the certified receipt back to the client, the client will immediately (still standing at the clerk's window) put the certified receipt into the other "addressed-back-to [THE COMPANY]-with-postage-attached envelope" [THE COMPANY] provided, seal it, and give it back to the postal clerk, so [THE COMPANY] has a record (and dated receipt) of when the package was mailed to the IRS.

The only other "work" required of each client is that of providing her annual income information to [THE COMPANY] each year (at "tax time"), and that of immediately sending [THE COMPANY] any form of communication received from the IRS (if applicable), so they can respond to the IRS in a timely manner.

SECOND, [THE COMPANY] does not, and never will, have a web site, because it is impossible to control who "links to" a web site. With all the "crazies" out there, [THE COMPANY] is not interested in being painted with the same "brush", so to speak, as some who might choose to link to any web site they had. (Please keep in mind, I am NOT calling everyone crazy, nor invalidating any information that is valuable and viable via the internet). Also, [THE COMPANY] does not do any "mass advertising," (magazine, newspaper, TV, radio, or email "spamming", etc.), nor do they allow their representatives to do those things.

[He referred me to another person who I paid additional funds to. all along mind you, I'm receiving nastygrams from the IRS. I have just received \(8-17-01\) more paperwork stating that the IRS cannot process my 1040NR's for tax years 1998,1999. I now face the possibility of a NOD \(notice of deficiency\) and 32,000 dollars in penalties and interest and taxes. I may be beyond help from the company...](#)

"Most" people are not beyond help. The only situation that [THE COMPANY] can NOT help is one where the judge's gavel has already come down, "ordering" some kind of pay plan or other "sentence". Even in those cases, we can usually help the person in

regards to other years for which the IRS (or State Taxing Agency) did not pursue the person to the point of a judicial decision, unless there is some judicially prescribed "probation period", during which the client has no choice but to play the ordinary "tax-filing" game. But even in that case, it might be possible now, with the added "determination of tax-status" process, that [THE COMPANY] can go back to the prior, unaffected years. (I'm not positive about that, so don't take that as a "given"; it may be that a client under probation is completely "untouchable"; and as I think about it, that is probably the case).

Having said that, however, let me add that when a client comes to [THE COMPANY] who is already in some degree of "doo-doo" with the IRS or State Income Taxing Agency, one of the purposes served by the application process is that [THE COMPANY] makes a determination as to whether they can, in fact "guarantee" success. Occasionally, a prospective client has "colored himself" with such a "coat of protester paint", that it becomes more difficult for [THE COMPANY] to peel off those layers of paint and get the IRS to see the person in his true "color". Although I seriously doubt you are "beyond help," the only way to find out for sure, is to submit your application with fee, and, in the unlikely possibility [THE COMPANY] decides they can NOT help, they'll send back your original (un-deposited) check.

...but this whole tax resister/patriot thing has changed my marriage and life. I want to have peace again for my wife and myself. She has had a hard time dealing with the revelations of CAFR's, no liability and other items that she always believed, a new paradigm and disbelief that the government could be so untrustworthy.

This desire to be free from having to look over one's shoulder in fear of the IRS, while, at the same time, being free of liability for having to pay federal and State income taxes is probably the primary reason most clients were attracted to [THE COMPANY] in the first place.

[Regarding "the revelations of CAFR's", which this questioner mentioned, I'll be addressing this in the next section, as I indicated earlier].

If you feel that the company can help me, send me an email with the appropriate forms attached to begin the process. I also can be reached at XXX-XXX-XXXX. If I;m out, I will return a call as soon as possible.  
regards,

Jxx Bxxxxxx

As I promised, it's coming under separate cover.

Sincerely,  
Paul Leinthall

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[3] News Briefs & Comments  
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I promised twice in the last section that I would provide more information about CAFR's. This topic also addresses the question about whether, or not, the government "needs" income tax money from the Citizens of the united States of America to operate and provide benefits and services.

I took what you're about to read from a page sent to me by a client/friend. This page is most of the text from a page at "ebay", where Walter J. Burien, Jr., from Mesa, Arizona, was selling a CD containing further information about this subject. In preparing for this edition of the newsletter, I could not find it on ebay; but if you want to see Mr. Burien's web site dealing with this information, and where he links to a lot of other information, you can go to his website. Here's the address:

[http://members.aol.com/\\_ht\\_a/cafr1/CAFR.html](http://members.aol.com/_ht_a/cafr1/CAFR.html)

Here's what was on the page my friend sent me:

**CAFR The True Accounting of Government Wealth The Comprehensive Annual Financial Report.**

Starting in 1946 an organization located in Chicago called Government Financial Officers Association (GFOA) Created the Comprehensive Annual Financial Report accounting structure (CAFR).

By 1979 the CAFR became the Standard for most Local Government Corporate Operations - States, Cities, Counties, School Districts, Universities, Pensions, Road Authorities, etc.

In 1981 at the request of GFOA, the Federal Government required all local Governments (over 85,000 unique local government corporations in this country) to complete a CAFR or in the alternative a Combined Financial Statement.

When looking at totals of all Government operations it appears that Government has amassed over 60 Trillion Dollars in wealth from their operations over the decades!

We hear that our local City, County, and State has a shortfall of "Budgetary" revenue! They want more Money to run their operations!

Well, now for the wake up call!

A budget report is the annual operating expense for that local government! Just for the Year!

**A BUDGET REPORT WILL NOT SHOW THE INCOME COMING IN FROM THE DECADES OF INVESTMENT WEALTH THAT HAVE BUILT UP WITHIN THE MANY GOVERNMENT INVESTMENT ACCOUNTS!**

**A BUDGET WILL NOT SHOW THE BILLIONS OF DOLLARS OF INCOME FROM GOVERNMENT FOR PROFIT OPERATIONS THAT HAVE BEEN BY STATUTE SEPARATED FROM THAT GOVERNMENTS GENERAL OPERATING BUDGET REPORT!**

**A BUDGET REPORT WILL NOT SHOW THE OBSCENE GROWTH OF THAT LOCAL GOVERNMENT OR THE MONEY TAKEN OUT OF YOUR POCKET BY GOVERNMENT OVER 5 YEARS, 10 YEARS, 15 YEARS, ETC.!**

The CAFR will show ALL of the Above!

When looking at the TRUE Income of established Government entities, from ALL income sources, in many cases, only 1/3 rd of Government's Income comes in from direct Taxation!

2/3 rds of Government's income comes in from the return on investments and revenue generated from Venture and Enterprise Operations kept separate from the Budget Report accounting!

With restructuring of Government, ALL Taxation can be phased out and eliminated!

Government can become "Self Sufficient" without taxation!

Why do you always hear there is a Deficit for the "Budget", and government needs to take more money through taxation? Why have you never heard of this "Holy Grail" of government reports? Their accounting "Bible" that has been in publication since 1946!

The answer is too obvious!

Because the CAFR shows the TOTAL Gross Income, the Wealth held from Investments, and the Obscene Growth!

How could "Business As Usual" continue for the building of those inside player's empires, if the public was aware of the complete takeover of the wealth by Government as shown in the CAFRs!

Why, hardly one word on TV, the Radio, or in your local Paper as to the CAFR or the massive wealth shown?

Well Folks, the CAFR from most states has been sent to the Editors, Producers, Directors, and Owners, of the syndicated media for over 25 years! It has been sent to your Congressman, Senators, Governors, President, the Deans of the Government Universities and Colleges!

Why would those from the inside mention the CAFR and jeopardize their membership into the exclusive "Millionaires" or "Billionaires" club

Anyone smelling a cooperative effort for nondisclosure YET???

The words fraud and theft come to mind, when looking at the growth coming from the Corporate Government Empire over the last 60 years? It is obscene!

Examples:

\*\* Revenue Growth for Arizona State Government in 15 years = 1000%, and Tennessee 600%.

\*\* In Washington state, One out of every five workers is a government employee, and in 1998 government employees in Washington state were paid 15.5 billion dollars for the year!

\*\* In New Jersey, if you equated the revenue and liquid assets of "ALL" local government operations to determine the value of ownership by the Residents of NJ, then each man, woman, and child's share would be about \$235,000.00 or a family of 5 would be \$1,175,000.00!! Is someone getting the short end of the stick here? I think many fell asleep at the wheel! It's time to wake up while you still can!

Another interesting site, where CAFR's appear to be available, from many branches of State and local governments (again, in "PDF" format - as I said, everybody's doing it, these days), you can try this site:

<<http://www.financenet.gov/financenet/state/cafr.htm>>

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[4] Call Reminder  
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The TAX EXEMPT Conference Call, takes place Wednesday night, August 22, 2001, (and every Wednesday) at 9 PM EASTERN time. The number is: 305-503-1874, pin code 940 (No # required).

I want to mention something to new readers and to folks who have never been on THIS conference call. This call is NOT what you may be expecting when I talk about a "conference call". A lot of people today are used to big sales-hype conference calls, with a lot of "Rah-Rah-Rah". This conference call is NOT a "sales" call. No one is trying to get you to enroll in something, or asking or suggesting that you try to get your friends to enroll. This is a TEACHING call. It consists almost entirely of questions and answers. It's a great place to hear other folks ask all sorts of questions, and get any questions of your own answered, and it provides you the opportunity to get a pretty well-rounded understanding of what this is all about in 45 to 90 minutes. I think you'll find it's one of the best \$3 to \$5 values you can find today. (The telephone long distance charges for most people).

May I ask, that when you call, you use a regular "connected-to-the-wall telephone", not an internet phone, a cellular phone, or even a cordless phone. Also, please, not a speaker phone, either, because often speaker phones seem to disrupt the quality of the call. Pressing the number 5 on your phone will mute your end of the line, so everyone can hear better; then, when you want to ask a question, you can press the number 4 to go off mute. If you can hear the noises, conversations, kids-playing, dishes clanging, and phones & faxes ringing where you are, we can hear it, too, and it makes it much more difficult to hear whoever is speaking at the moment. Thanks for your consideration.

If you like what you hear on the call, and you want to talk further to someone (including the call presenter) or ask more "personal" questions, remember how you heard about the call. No contact numbers are given out on the call, not because anyone is trying to hide anything, but because various representatives of [THE COMPANY] bring folks to the call. The call itself is not a "sales" forum and doesn't get involved in the sales "hierarchy".

See you on the call. Tell your friends about it, too.

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[5] Contact Information  
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**Paul Leinthall**  
**Phone: 661-822-7889, Mon. - Fri. NOON to 8 PM (Eastern)**  
**Email: [littlehammer@primemail.com](mailto:littlehammer@primemail.com)**

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"Taxexempt@primemail.com" (minus quotation marks). Put the word  
"UNSUBSCRIBE" in the subject heading.

You may notice that I refer to [THE COMPANY] or to the founder of the company [THE FOUNDER] in various places throughout the Newsletter. I choose those expressions, instead of providing the actual names of the company or it's founder, for a couple of reasons...reasons which you'll also find reflected in my explanation of the copyright notice (below). I want to insulate [THE COMPANY] and [THE FOUNDER] from undue and unwarranted attention (especially negative attention or reaction), whether from a casual reader or from any taxing agency or authority, their attorneys, or representatives. Therefore, it is my desire that the reader be absolutely clear who is responsible for what appears in this newsletter. This newsletter is NOT sponsored directly by [THE COMPANY] or [THE FOUNDER], and while I believe I am being representative of [THE COMPANY's] and [THE FOUNDER's] philosophy, goals, ideals and the truth in law and in fact on which [THE COMPANY] stands to perform its valuable service for its clients (of which I am one), and while I may quote [THE FOUNDER], or someone else, I always seek to maintain each person's privacy, unless their words are already in the public (published) domain; thus I will take the heat for any negative attention, response or reaction.

Also, this allows anyone, including other representatives of [THE COMPANY], who find this information valuable, and who want to share it with others, to substitute their name and contact information for mine, and not have to worry about potential clients of the company going over their heads and bypassing them. Since [THE COMPANY] sponsored conference call and Joe Lansing, the conference call presenter, follow this same philosophy of client protection for their representatives, the information in this newsletter can, then, be more widely disseminated for the value and education of others. In the newsletter, I may occasionally use the name of the conference call presenter, Joe Lansing; but that's because he is also out in the public forum with his conference call.

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