

=====

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

Copyright (except quotations) © 2000, 2001, 2002 by Paul Leinthall

=====

Tuesday, June 18, 2002

- [1] Welcome & Editorial: Red and Black and Blue
- [2] Questions and Answers: From the Mailbag
- [3] News Briefs & Comments: Contrast is Increasing
- [4] Conference Call Reminders: **“Question & Answer “ Call - for New Folks**  
**Wednesday NIGHTS - 9 pm EASTERN**  
**1-620-584-8202, Pin 2974#**  
**"\*6" (Star 6) MUTES and UN-MUTES your line**  
**ALSO**  
**Corporation Sole (specific) Conference Call**  
**Friday MORNINGS - 10:00 AM EASTERN**  
**Same Number and Pin as Above**  
**PLUS**  
**A CLIENT'S ONLY CALL**  
**Call Your Representative for Number and Time**
- [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 100% effective 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.

-----NOTICE-----

In compliance with Title 17 U.S.C. section 107, this material is distributed freely, without profit or payment, for educational purposes only.

=====

To **SUBSCRIBE/UNSUBSCRIBE**: If you have received information DIRECTLY from the author (Paul Leinthall), you are already and automatically subscribed. If you are not already subscribed, you may send an email to "TaxExempt@primemail.com," with the word "subscribe" in the subject heading AND your name in the body of the email. I do NOT provide your private information to ANYONE else. To unsubscribe, simply put the word "unsubscribe" in the subject heading.

## =====

[\[1\] Welcome & Editorial](#)

Dear Friends,

As you see above, I titled this section this week: "Red and Black and Blue". A reader asked me last week if I would (and could) not use the color blue for all the quoted material, because apparently the person's blue ink cartridge runs out pretty quickly when printing the newsletters, which is a possibility I had never considered (not having a color printer). I was inclined at first to switch to another color, but for the colors to provide enough contrast for my purposes, it seems I'm limited in my choice to red, blue and black - which are the colors I'm already using. I'm willing to change the quoted material to showing up in red, but I thought I'd ask those who may want to respond with their input a chance to express their opinion. In Section Three this week, I'll put all the quoted material in red. You can provide me feedback, if you're so inclined.

Personally, I find a lot of red print to be more difficult to read than blue; but I'm writing this for your reading, not mine. Another consideration I have — and pardon my ignorance of color printers, since I don't know if they have a "red cartridge" — is that Red is also a primary color, and if there's a separate red cartridge in the printer, it would simply cause a problem of a different color. (Perhaps someone would let me know about this "ink cartridge business"). One solution, of course, for folks who have the concern of using too much of one color, might be to print the letter in "black and white". I am assuming, of course, that color printers provide that option.

I write my newsletters in two different versions (one in "PDF" file format, for uniform transmission no matter what computer platform receives it, and another in regular email format, for folks who have difficulty receiving or accessing email attachments) - but I use the same colors in both, i.e., black, blue and red. See what you think about lots of "red" print (in this edition, reserved to only Section three). In the meantime, I've toned down the intensity of the blue (in quotes only) - but I think that was more a function of my "fooling around" in my email software, trying to find a desirable alternative, and that's no guarantee that when I go to my word processor, for formulating the PDF version, that the blue in that document will not be uniformly "blue".

On another subject of: "There's more than one way to skin a cat", I appreciated this feedback from a reader this week:

[Subject: Cat Skinning](#)

[Date: Sat, 15 Jun 2002 07:54:47 -0400](#)

[Paul, As a potential customer of \[The Company's\] services, I read your information avidly. I expect to be taking advantage of both sides of the offering relatively soon.](#)

[Thanks for continuing to send this valuable information. I read it, reference it, and cross check it with known case law. I am impressed.](#)

By the way, "More than one way to skin a cat" refers to CATFISH, not our feline companions. Catfish have no scales, but a skin surface similar to a shark or tuna. And from my deep south friends I have learned, there is definitely more than one way to skin a cat.

In His Service, T

I guess the cats of the world breathe a sigh of relief - although my experience of cats is that they're generally not bothered by much, but rather are a good example of "living in the moment". I have no experience of catfish, but the idea of skinning a cat, in the context of it's applying to catfish, seems to be more acceptable to my senses, since I've often had the experience of an appreciative cat's purring.

With that, we're off to the next section.

Your friend,  
Paul Leinthall  
661-822-7889, 9am-8pm, Mon-Fri., PACIFIC time  
email: littlehammer@primemail.com

=====  
[2] Questions and Answers  
=====

Paul; First, thanks for answering my specific questions so far. I appreciate this.

Second, (some background info): I began to receive Social Security about a year ago, now to the tune of about \$230/mo. Incidentally, I paid FICA tax since I was 16, and I am now approaching 65 in July. However, I worked for the Fed Govt and retired in 1990. Because of this service, my Social Security income was markedly reduced from close to a Grand, despite the fact that I paid my FICA taxes while working for the Govt, because I was working part time on the weekends to supplement my income. My Question: If I untax myself, will this also cause my slight Social Security income to be eliminated?

XXX XXXXXXXX

Hi XXX,

What [THE COMPANY] does will not affect your social security (either the benefits or the use of your ss Card or number) either positively or negatively, so, no, you will not lose the little bit you have coming each month.

.....

Hi XXXX,

Let me respond by interspersing my replies:

Paul,

I hope that you don't mind a few questions before I describe my "situation" that concerns me becoming a "client".

(1) First, I agree with you that the Constitution, IRS origins, IRS abuses, and all other similar patriot "arguments" are missing the point and get the "patriot" into trouble. No matter how correct these arguments are, the main issue at hand is CONTRACT! George Mercier has eloquently brought this subject up as well. Until we satisfy this situation, as you know, we will be "hounded".

We can even be "hounded" afterwards, but the analogy I use is that the IRS is like a barking dog, who can't lawfully bite you because the chain link fence of the law prohibits it. However, the hound's barking, growling and snarling may still be heard, until the dog understands you're no longer in his yard.

(2) One question I have....You seem to not address the "contract" we all have made with Social Security. It doesn't seem to have much importance in what you have sent me so far. I have been taught that this is a "big deal" and I really can't understand why we would keep this number and continue to "deal with" SS. It seems that this is one very big "hook" that keeps us "in the system". I've been taught that ANY acceptance of ANY Federal program will keep us in the "Fed zone"....thus liable for all the negative "benefits" ;-). Also, G. Mercier says that even Bank accounts, employer benefits like 401k's...any interest bearing situations keep us "hooked". Please address if you will. I do not want the SSN at all...and am wishing to get rid of it entirely. I want the SSA to really acknowledge that I have recinded. Also to supply "proof" to my employer, banks for a non-interest bearing account, the State I live that DEMANDS it to have the "privilege" of driving ;-). How can I be free of the Fed and State taxes and control if I still have an active number and want its "benefits"? Isn't that trying to live in "both worlds"? Everything I have learned says that anyone having a SSN is a "taxpayer", as far as the IRS is concerned.

The folks who believe that it's the SS# that ties you into the system are only partially correct. Your SS# ties you ONLY to the social security contract, NOT to the separate IRS income tax adherence contract. The reason we don't talk about it is because what we do does NOT affect a persons social security card or benefits in anyway whatsoever.

While folks certainly can choose to believe they are getting out of the system because they give up their social security number, unless you can arrange a life that has absolutely no need for that number (with employers, utility companies, banks, brokerage firms, and all levels of business), while it's not impossible to live, it becomes extremely hard. And after you've given up your social security number, the IRS STILL continues to identify you with THAT EXACT number.

Even after a person is dead, the IRS simply puts a "D" (for "deceased") after the number and retains that number in their system.

We think it's much simpler and easier, and allows for a much nicer sleep at night, to not have to be concerned about those things.

(3) Will you really get my employer to stop withholding? That will be a real feat as far as I'm concerned. I'll tell you why.

I work at a MAJOR XXXXXX company. I am in a union as I am not salaried. I have a Fidelity 401k program. The [place] I work at has signs all over the fences that state: THIS IS A FEDERAL TRADE ZONE...(something like that)...I'll have to write it down someday. They also have out-sourced payroll issues to a company called "XXXXXX"...(I believe the spelling is correct). I'm sure the XXX company, as well as XXXXXX, has teams of lawyers that will block anyone trying to "rock the boat". They will probably imagine that I will recruit others to "do the same" and the IRS will come down on them like the proverbial "ton of bricks" when one employee "pulls the exempt W-4 trick".

Well, that's my situation.

Whether or not your employer (and the other out-sourced payroll company) know and understand the law, or not, what the law SAYS is that the only employees upon which an employer is authorized by law to withhold tax money are those employees who are NOT American Citizens or are federal employees.

The Law also requires an employer to HONOR whatever an employee puts on his W-4. It's only been by propaganda and deception that the IRS has convinced employers otherwise - and employers, themselves, for a great part, are afraid from all the years of intimidation by an organization that is not even a real government agency.

The only one who has "recourse" against an employer for withholding contrary to his submitted W-4, is the employee himself. Unfortunately, [THE COMPANY] can not force the employer to honor it. That's how the IRS succeeds in getting so much power, by getting other people to do their dirty work - such as when employers withhold (steal) money from the employee and give it to the IRS and State taxing agencies.

I understand that the "Company" you represent has a real hurdle to overcome to convince people to: Surrender Power of Attorney, send money to folks we never met or know, state that all will be O.K. and the IRS will be satisfied...especially when so many knowledgeable people have tried and failed. It really does sound "TOO GOOD TO BE TRUE"....to be very honest with you. I'm not trying to be sarcastic, just telling you how I'm thinking that others, as well as myself that have been "involved" in this battle would feel.

No doubt there is much doubt to overcome. But, again, we don't have to prove anything. Our experience is sufficient for us.

We generally don't have any trouble getting thirsty horses to drink. It's with the horses that aren't thirsty that the job is difficult - so we don't try to persuade or convince or force anyone to agree with us.

One way of "calming fears" is if prospective "clients" could meet existing clients near their physical location and chat with them. One would feel better talking to "live people" that are happy "clients". Anyone can claim anything on the internet, and ask for your money as you know.

Unfortunately, as a company (or representatives of that company), we can NOT provide details of other people's affairs. It is an offense punishable up to \$25,000 PER INCIDENT. I agree with you, however, that it might be nicer if we could. But then, a possible liability we might face would be that we "enticed" someone to become a client. For example, we could entice people with private-information-blacked-out copies of refund checks.

Then, we would be facing what David Bossett in Florida is facing - a lawsuit, because of his having put copies of refund checks on a website. Then, we'd be diverted from our purpose, which is to quietly get the job done.

I hope you take these comments in the kind spirit I am writing them in. Perhaps I should dial in to the Wednesday conferences. I'm sure I will learn from them.

No doubt.

Please let me know if I should direct any further questions to someone else. I'm not sure of your Company's "setup" or your personal time schedule. Thanks for the e-mails you have sent so far.

Sincerely,  
XXXX

It's perfectly fine the way you did it.

=====

Paul,

Again, thanks for the reply and info! I understand you are quite busy with your position in the "Company". This, most likely, will wrap up all the questions I have at this time. No one likes an "e-mail pest" and I'm not going to do that to you. My last question this "round" concerns what you already have commented on above.

If the employer refuses to honor the exempt w-4, is it the "Companies" position to submit a 1040NR for the "client" to claim all the taxes back that the employer has kept withholding during the course of tax year? I assume that that's the only recourse to an uncooperative employer until that employer "sees the light", either by being shown the actual laws and he "repents", or the employee takes the employer to court for violating "right to contract". Will the company suggest alternatives like these if a "client" notifies the "company" that his w-4 is being "dishonored"?

Thanks

XXXX

Hi XXXX,

When a client's employer will not honor his "exempt" W-4, [THE COMPANY] files a standard 1040 to reclaim what the employee would normally get back, based on the return filed in the standard way, then immediately files an amended return (as we do for almost every client for the prior three years, when they first become a client).

Because of ignorance of the law within the IRS itself, and because it causes more problems than it cures, we stopped utilizing the 1040NR a couple years ago.

The client must inform [THE COMPANY] when his employer is not honoring his W-4, of course; otherwise, we have no way of knowing what his employer is doing (or should I say, "not doing"?).

.....

Hi XXXXX,

Let me intersperse my answers:

Hi Paul,

I received the application for Corp. Sole. I have some questions:

Is it acceptable for the arbitrator to also be a beneficiary? Or would that be perceived as a conflict of interest

A corporation sole has no beneficiaries. It has successors (or a line of successors), the successor taking over when you pass away or become incompetent to handle the affairs of the corporation sole - but it does not have beneficiaries.

Can I make changes to the CS creation documents any time I like? For example can I change the beneficiaries or arbitrator any time I choose?

You can make changes at any time, but again, there are no beneficiaries. You can change the successor(s), however.

Can you send me info to help me determine which state would be best for the creation of the CS?

That is something that you'll talk about when you're in the process of creating the corporation sole. Most of the 17 States which allow for corporation sole creation have very similar laws and regulations - but I don't know the "best" state. That's a subjective decision. Nevada is considered by some to be the best State, because, as a State, it has



not reciprocity of information sharing with the federal government, and some folks feel this lends a greater degree of privacy.

[What's the deal with memberships? What are the advantages and disadvantages in having members?](#)

If you have a group aligned around one purpose, you may want a membership - but in that mode, you're subject to GROUP decisions, and are not able to make all decisions on your own. For example, a regular "church" may decide they want a corporation sole set up on a membership basis. The membership Corporation Sole also requires the annual keeping and filing of minutes and records, where the "sole" corp sole does not.

[Can you convey property that has encumbrances into a CS? Who would continue to pay the mortgage in such a case?](#)

It depends to a great degree on the mortgage holder. Obviously, for property that belongs to the corp sole, the corp sole pays the bills.

[Does a CS need to pay Property or sales tax \(Like for a new car\)?](#)

Again, it depends on what your corporation sole is doing. The answer to both is: "Sometimes Yes; Sometimes, No".

[Does a certain percentage of the CS funds have to be spent toward its goal or mission?](#)

Theoretically, there must be some evidence of the corporation sole fulfilling the function for which it was created - but there is no magical percentage figure to determine that.

[Can the name for the CS be a single word like "Freedom"? Would that be read as "House of \[Freedom\]?"](#)

Not necessarily - although you could have it that way (i.e., "House of Freedom"). I don't know for sure (you'll get more specific answers from [THE COMPANY's] technicians about this), but I might guess that the word "Freedom," by itself, is too generic a name. I could be mistaken, however.

[Given what you've said, is it acceptable for the arbitrator to also be one of its potential successors?](#)

I would guess "probably not" - but I don't really know. This would be a good question for [THE FOUNDER] on the Friday Morning Corporation Sole conference call.

Sincerely,  
Paul Leinthall

.....

Hi XXXX,



Let me intersperse my replies:

Hey Paul,

I gotta a couple of questions. Since you indicated to me and probably in a few newsletters, that corp. sole is a separate legal entity...does it carry a name per the choice of the individual applying for one...in the sense of...like a business? Or, is it just referred to as corp. sole for everyone, and if so...how is this differentiated between one individual and another?

The corporation sole is the incorporation of a "sole" office (title selected by you) of a particular named entity (name also selected by you). For example, one of [THE FOUNDER's] corporations sole is registered with the State as: "The office of PRESIDING ELDER, and his/her successors, a Corporation Sole, for THE HOUSE OF SCOTT".

I'm asking about this, because if memory serves...and you did indicate that this was a separate legal entity...then how would this apply to a business?

A corporation sole can DO anything you can do. Can YOU own or run a business? So can a corporation sole (even though the responsibility and perhaps the legwork would lie with the SOLE office which you would hold as the creator of the corporation sole).

I'm asking this because I'm learning about corporations and stock etc in my accounting class, and the information there also indicated that a corporation was a separate legal entity, so if corp. sole is one also, would it then own a corporation...if one chose to start a business having corp. sole as an individual...

It could. The corporation sole can do ANYTHING that YOU, as an individual, can do.

...and would the corp. sole have one (business) name and the corporation have another, or would the corporation have the name (if any) of the corp. sole? Are you following me here?

Can you have a business named with any name other than your own? How does that work? Same thing with the corporation sole.

What's confusing me is the separate legal entity thing. It seems to me that both are separate legal entities, one being tax free, and the other taxable.

Correct

But if I own or am the beneficiary of the corp. sole...

Corporation sole has no beneficiaries. It has ONLY one (sole) office, filled (generally) by one (sole) person, which, if you were to have a corporation sole, would no doubt be YOU.

...(and I don't know the applicable terminology here) and I started a business as a corporation, how would that be under the corp. sole, if I am the beneficiary/owner of the corp. sole, and a legal non-owner of a corporation? You follow me? I might be the CEO or on the board, but ultimately, I don't have total control with the business as a corporation...so how what position would I be in if it was under my corp. sole? The owner? The corp. sole is the owner and I am the beneficiary? I'm lost...please help.

Thanks,  
XXXX

You wear the "hat" of the sole officer of the corporation sole. At the same time as you're doing that, you might wear the "hat" of chauffeur for your kids, at the same time as you wear the hat of vice-president of a regular corporation, at the same time as you wear the hat of History Teacher in your local high school, at the same time as you wear the hat of parent, at the same time as you wear the hat of being someone's child. See what I mean?

Sincerely,  
Paul Leinthall

.....

Yesterday I spoke to my CPA, XXX XXXXXXX, who said most of these things didn't work. (He actually tried it once, I believe.) I then told him that I thought this would/ that I wasn't sure what I was going to do, but that I needed my taxes done now, for last year, instead of next month. He said he would try to get to it this week.

How do you think the IRS will react, based on the fact that they think I owe them over \$65,000? What did they do with you? I believe you may have "owed" them more, based on their own calculations. How long does any of this take? Also, I think I saw something in the material that it didn't address liens? Or is the lien just released as a side benefit, eventually?

XXX XXXXX

Hi XXX,

The Law IS the Law - period. CPA's and Attorneys are NOT taught the law for the most part; they are taught to figure out how much or how little a person owes, and are generally always, only trying to figure out how to lower a person's tax burden from the premise that there's no question about the person's liability for paying income taxes. That they were most likely taught by IRS personnel in their "tax law" classes might have something to do with that.

The law, itself, starts from the premise that if you don't have income from specifically delineated sources, spelled out quite succinctly in the Internal Revenue Code AND the Code of Federal Regulations - you are NOT a taxpayer, and if you're not a taxpayer,

you don't have to start calculating how much (or how little) you owe. You have no liability to begin with. If you have no liability, you have no calculations to perform

The IRS' "saying" you owe \$65,000 is based on the DECEPTION that you're liable; when, in fact, you are NOT (if you live in one of the 50 States, and have income only from within any of those 50 States).

Your CPA is counting things (and dollars) and SAYING, from HIS understanding that what we do doesn't work (since I defy him to even know what we do, because if he did, HE wouldn't be saying what he's saying to you); but, as I said, he was taught BY the IRS to not even ask whether you're liable for an income tax, or not, which answer is based on whether or not you have income from "revenue taxable sources" clearly defined in the Code of Federal Regulations; so, he's been taught to assume that you and everyone he knows is liable. Given that foundation of his teaching, he probably ONLY knows to "count the beans" and to see how many you get to turn over to the IRS and how many you get to keep for yourself.

As to how long "this" takes: from the point that a client returns his "second set" to [THE COMPANY] - the "second set" meaning the forms he needs to sign and notarize - the client can go about his life as "income tax free". That does NOT mean all the filing and the processes have had the time they require, but from the standpoint of the law, the client has done everything he can do; the rest falls into the natural order of the processes being completed. Sometimes it takes a while for the IRS or State taxing agency to "get the point" with any particular client, simply because the revenue agents never seem to check in with their international headquarters, where [THE COMPANY] does all the filing. So, sometimes, it takes a while for the local or regional revenue agent to get the whole story and the whole picture pertaining to any specific client.

It can get really confusing, when a person has two separate revenue agents, from two separate offices, with two separate amounts for which they're pursuing the individual, and when neither one knows about the other, and when asked, neither agent knows which IRS office has the supposedly "correct" figures. It can truly be said that their "left hand does not know what their right hand is doing."

Liens (and levies and other sorts of problem issues) are not even addressed (and can NOT be addressed) by [THE COMPANY] until at least 60 days have passed from the time the client has returned his signed and notarized "second set", because certain things have to be done BEFORE [THE COMPANY] can begin addressing liens and levies that have already been in place prior to the person becoming a client. EVENTUALLY, these things get released; but that "eventually" is usually not quick, and often not easy - except, when it is, of course. (And that sometimes happens). If it took you a bunch of years to get into trouble, it can sometimes take nearly the same amount of years to get you fully free from those instances where the taxing agency has got someone else to steal your money from you or enter bad information on your credit report, which is almost always what has occurred with levies and liens.

Sincerely,  
Paul Leinthall

## =====

[\[3\] News Briefs & Comments](#)

More and more today, we're seeing folks becoming exasperated with the deaf ear provided by government agencies to the will and desires of the people. Our subject, in this newsletter, of course, pertains primarily to income taxes, and this first entry, from Larken Rose (whose video "Theft by Deception" I recommended a month ago), reflects this feeling. He makes a good point, however, and he speaks quite well for himself.

Date: Sun, 16 Jun 2002 11:05:43 -0400  
From: Larken Rose <GrandDelusion@erols.com>  
Subject: They Will Come For You  
To: littlehammer@primemail.com

Dear List Subscribers,

This message may sound a bit "preachy," but I'm sending it anyway.

I've long since lost track of how many messages I've received, saying something like "Help, the IRS is trying to [fill in nasty thing], and I don't know what to do." (You all know the horror stories.) I get this from people who know that the income tax is being misapplied and are trying to resist the fraud, AND from those who are doing things the way the IRS wants them to.

Once the IRS decides to be a pain in your neck, I don't have any magic words to make them disappear. I sure wish I did. So here is my "heartless" response to all those who are in trouble: have you done what you could to SPREAD THE TRUTH, or have you been quiet, hoping the federal beast wouldn't notice you? The ONLY way to defeat the IRS permanently is to win the WAR, which can only be done through the education of the general public. Who have YOU educated?

The day the federal extortion racket comes knocking at YOUR door is NOT the time to start fighting. I'm sure you all know that story about the Nazis, "first they came for the Jews, but I wasn't a Jew..." Well there's a whole lot of truth in that story. If and when the IRS turns its attention on YOU, you will wish that the whole country knew the truth. The time to TELL the whole country is NOW, not right after you get a "Notice of Intent to Levy."

Just like the victims of the Nazis, no one "deserves" to be harassed and robbed by the IRS, but it HAPPENS. If you want it to NOT happen, then stop waiting around for OTHER people to end the fraud. Have you written to or called columnists, radio show hosts, etc., to bring the issue to their attention? When you hear your friends whining about their taxes, do you TELL THEM THE TRUTH? Why not? Is it too embarrassing? Does it take too much effort?

Right now many thousands of people are in one way or another being illegally harassed by the IRS about money that the victims DO NOT OWE. Maybe you're one of them, maybe you're not. And right now a bunch of people are working

really hard to get the public to understand how the income tax laws have been grossly misrepresented and misapplied. Maybe you're one of them, maybe you're not.

On July 4th, 2002, I want to see who is willing to stand up, and who will hide in a corner, hoping the beast won't come knocking at their door. If you're one of the latter, I truly hope the IRS never bothers you. But if it does, my response will be "Why didn't you help fight when you could?" Are we the heirs of the attitude of the likes of Patrick Henry ("give me liberty or give me death"), or are we docile subjects of the all-powerful state who will allow ourselves to be stepped on without so much as a whimper? We will soon see.

Sincerely,

Larken Rose  
larken@taxableincome.net  
www.Theft-By-Deception.com

As I indicated last month, up to this point, Mr. Rose has primarily been a researcher and writer, dealing with the IRS mostly pertaining to his own affairs. What he has written here sounds like maybe that will be changing. But his point about all of us educating our fellow Americans has a point - don't you think?

.....

This next piece, from "The Sovereign Society's Offshore A-Letter" editor, Bob Bauman, is not directly about income taxes. I think you'll see, however, that it has everything to do with the government's tracking of money; and if you think their real interest is in tracking money ONLY for anti-terrorist purposes (or even PRIMARILY for anti-terrorist purposes), you've probably got "another thought coming".

=====  
THE SOVEREIGN SOCIETY OFFSHORE A-LETTER  
Your Link to Freedom, Prosperity & Privacy in the Offshore World  
Tuesday, June 4, 2002 - Vol. 4 No. 50  
=====

COMMENT: Failure of Proof.

Dear A-Letter Reader: The USA PATRIOT ACT Act of 2001, Public Law No. 107-56, to the massive extent (125 of 362 pages) to which it is concerned with American banking and finance, constitutes the greatest single governmental assault on personal and financial privacy in American history.

The true dimensions of this unconstitutional 'law' only now are beginning to dawn on Americans, as tentacles of PATRIOT Act rules begin to reach throughout every part of the US financial system.

This host of new rules now being imposed upon mutual funds, hedge funds, insurance companies, et al confirms that this law is a Frankenstein monster; a huge US federal police network over banks, securities firms, domestic and foreign, all in the name of fighting terrorism and -- to aid and abet that all purpose prosecutors' dream criminal indictment -- money laundering.

The anti-money laundering sections of the law aim at very broad and amorphous targets described as "foreign jurisdictions, financial institutions operating outside of the United States, and classes of international transactions or types of accounts that pose particular, identifiable opportunities for criminal abuse."

Last December I predicted that the law "undoubtedly will be interpreted to include any suspect foreign nation, bank or even individual private transactions (trusts, IBCs, investments) the feds decide may offer criminal opportunities." It even appears that due to this law US financial institutions may have to stop taking third party checks, international wire transfers, even cashier's checks.

As you may recall, I've written several times in the past, about how the IRS is on the look-out for folks using the entities he mentioned. I know a lot of folks who are dealing in offshore investments these days, and it seems clear that the government is wanting the money-tracking for a lot more than being concerned about terrorist activities. It's amazing what kind of shenanigans can be gotten away with when the focus of attention of the masses is diverted to a supposed "war" on terrorism.

Proof is now at hand: not only does this law not curb terrorists finances, it is a license for wholesale harassment of persons or groups whose only supposed wrong is to appear 'suspicious' to US bureaucrats.

US attempts to freeze foreign bank accounts illustrate the law's sledge hammer approach. A list of alleged terrorist groups, issued by US in April with 100 names, has been cut to ten after foreign countries challenged its accuracy. Switzerland and Sweden, among other nations, complain there is no way for innocent persons wrongly listed to get off these drumhead blacklists.

Last December police in Luxembourg, at the behest of the US, grabbed 100,000 documents and froze nearly \$200 million in assets, supposedly terrorists funds. Now a court there has released all the funds because of lack of proof. Luxembourg also blocked 18 other accounts based on a US Treasury list of 'terrorist' groups and persons. Now authorities are about to unfreeze 17 of them, because they have no proof.

All of which shows the inherent tyranny of faceless bureaucrats acting as judges and jurors based on hunches. And keep in mind that the Patriot Act allows such depredations not just for alleged terrorist, but for 'money laundering' as well.

As they say in New York: "You ain't seen nuthin' yet."

That's the way that it looks from here.  
BOB BAUMAN, Editor

---

---

[4] Call Reminder

---

---

The **TAX EXEMPT Conference Call**, for “new” folks, takes place **EVERY Wednesday NIGHT** at **9 PM EASTERN** time. The number is: **620-584-8202, pin 2974#**.

The **CORPORATION SOLE (specific) Conference Call**, is on **Friday MORNINGS**, at **10 AM EASTERN** time. The number is the same as above

Also, there is a **CLIENT'S ONLY Conference Call** available (obviously) for Clients Only. If you're already a client, and you would like to be on that call, **CALL YOUR REPRESENTATIVE for the phone number and time, ]**

I want to mention something to new readers and to folks who have never been on the [THE COMPANY] Conference Calls. The calls are NOT what you may be expecting from a typical “conference call” these days. A lot of people are used to big sales-hype conference calls, with a lot of “Rah-Rah-Rah”. The conference calls are NOT “sales” calls. No one is trying to get you to enroll in something, or asking or suggesting that you try to get your friends to enroll. These are ALL TEACHING calls. They consist almost entirely of questions and answers, after a brief introduction. They're a great place to hear other folks ask all sorts of questions and get any questions of your own answered, and they provide you the opportunity to get a pretty well-rounded understanding of what this is all about in 60 to 90 minutes. I think you'll find they're one of the best \$3 to \$5 values you can find today. (The telephone long distance charges for most people).

Pressing “\*6” (Star 6) 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 “\*6” again to go off mute. If you're having a hard time hearing, with various noises in the background from other folk's lines, such as: conversations, kids-playing, dishes clanging, and phones & faxes ringing, then be assured, everyone else can hear the ambient sounds from your environment. It simply makes it much more difficult to hear whoever is speaking at the moment. Thanks for your consideration in this regard.

May I suggest, if possible, that when you call, you use a regular “connected-to-the-wall telephone”, rather than a cellular phone (particularly when driving), or even a cordless phone. Also, please, not a speaker phone, either, unless it has a “mute” button, because speaker phones amplify the ambient sounds in your environment. And PARTICULARLY NOT an Internet phone, a true “killer” of conference call Quality.

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.

=====  
[5] Contact Information  
=====

**Paul Leinthall**

**Phone: 661-822-7889, Mon. - Fri. 9 AM to 5, PM (Pacific)**

**Email: [littlehammer@primemail.com](mailto:littlehammer@primemail.com)**

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 follows 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.

About the copyright notice: The copyright notice covers all the contents herein, except quotations, if any. I value my (and the reader's) freedom, integrity and responsibility, and I desire to maintain an environment where I (and the reader) can utilize and distribute this written material. From the point of view of copyright law, if I don't first copyright this material, someone else could; and then, by law, they could disallow me (and the reader) from using or distributing it. Given that fact, copyright is the best avenue I know to continue allowing freedom for all of us regarding this matter.

Therefore, the reader is free to copy, print, use and distribute this material by personal email, fax, or handout (including substituting her own contact information), as long as BOTH the copyright notice AND this explanation of the copyright notice remain in the material. **However, I do NOT, nor does [THE COMPANY], in its own philosophy and ideals, authorize or condone ANY mass media distribution of COMPANY writing or materials, including (and especially) posting to any web sit. However, material written solely by the herein named copyright owner MAY be posted to a web site or some other media - but ONLY with the copyright owner's express, written, prior permission, in each instance.** The responsibility for the words contained herein resides with the copyright owner. The copyright notice makes absolutely clear who is responsible for what appears here; that way, the buck stops with me, should anyone question or challenge what is written herein.

This material is not intended to be interpreted as legal or financial advice. The copyright owner is neither an attorney nor CPA and has no license to offer legal and financial advise. I encourage the reader to study and think for herself and to make her own informed decisions, based on her own desires and beliefs, in harmony with her own inner sense and self-interested, positive and comfortable, good-gut feeling. For THAT, each reader is, himself/herself, entirely responsible.