Privacy Act Reconsidered

I don't receive much criticism from my readers. Not because the articles in the AntiShyster are always right or perfectly accurate – far from it. But most readers seem to understand that this publication explores ideas near the "cutting edge" of the constitutionalist movement and therefore each article usually contains significant elements of uncertainty and conjecture. Our articles are not intended to provide absolute truth so much as intriguing questions and possibilities. For me, it's the uncertainty, conjecture and intellectual risk tht make the articles fascinating.

Anyone who's read the AntiShyster for long should also realize I seldom focus on facts in this magazine; I focus on thought, conjecture, relationships, theories and possible insights. In fact, any reader would be hard-pressed to find a single article where I declared that some theory or opinion was the absolute truth. I never ask people to believe – only consider – what I publish.

Further, the AntiShyster is not a monologue (I speak, you listen; I write, you read), but a dialogue in which I present intriguing theories, and then my readers reply with information to support, refute, or clarify those theories. I don't write merely to educate my readers, but to stimulate them to respond and thereby educate <u>me</u>. Then I, in turn, report what I've learned from my readers, and another round of replies follows. In this way, the AntiShyster is intended to educate both my readers and me.

In Volume 7 No. 4, I published "FOIA, the Privacy Act & the IRS" based on interviews with Eddie Kahn and Larry Maxwell, two longtime adversaries of the IRS. The gist of the article was this: Kahn and Maxwell discovered that the IRS would provide records on several "taxpayers" under FOIA (the Freedom of Information Act) but not under the Privacy Act. It appeared that FOIA kept records on artificial entities and the Privacy Act only kept records on real people. If the IRS had no records on real people, it would prove the IRS only taxes artificial entities – not real people – and pound a pretty big spike in the taxman's coffin.

Well, the poo quickly hit the impeller. I received half a dozen serious, even virulent letters and faxes criticizing Kahn, Maxwell and me for publishing the article. (At times, our critics seemed almost to "protest too much.") The response from Wayne C. Bentson (Western Information Network of Payson, Arizona) was typical: Dear Publisher: A friend just provided me a copy of an article recently published in your newspaper relevant to the Freedom of Information Act and the Privacy Act, authored by Eddie Kahn and Larry Maxwell.

Obviously, neither Mr. Kahn or Mr. Maxwell are serious students of, or understand either the FOIA or the PA.

The Privacy Act is relevant to "residents" or "individuals" and on occasion it is relevant to a "person". Whether the resident or individual is a "human being" or not has nothing to do with the tax laws or the Privacy Act.

By law, a Privacy Act request *must specify* the particular *system of records* to be accessed. And if the agency denies the request for failure to identify the specific system of records to be searched, the agency is 100% correct.

It is true that the alleged IRS maintains more than 100 systems. Knowing the details of each system of records is a major and important asset when confronting either an audit situation or a criminal investigation. The Privacy Act is not impossible to use as asserted by the authors. It is in fact rather easy, and a major weapon to be executed as often as necessary when dealing with the enemy IRS, or other agencies associated with the alleged IRS.

One last complaint. Mr. Maxwell states (incorrectly), that the alleged IRS has no regulations relating to the Privacy Act. Wrong again.

Why you publish crap like the Kahn/ Maxwell article I don't know. But the public is not well served with the misinformation provided by Mr. Kahn and Mr. Maxwell, no matter how well intended.

No single FOIA or PA request provides the necessary and complete

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data enabling us to be successful during a conference level or even DOJ level investigation. Every new client requires at least 4 or 5 FOIA and PA requests to establish the information foundation that permits proceeding on an equal or superior level with the agency. A criminal case will require several additional requests, and some will be filed with agencies other than the alleged Internal revenue Service.

But [to] not bother to know the details of the IRS and other agencies system of records. That is unthinkable.

Respectfully, Wayne C. Bentson Golly. Why so tense? Did the AntiShyster publish something imperfect? I'd feel awful about that except I don't know of any other modern publication that's able to always (or even ever) publish the absolute truth. In fact, I'm willing to bet that Mr. Bentson has also published or spoken opinions over the last five or ten years that today, even he would admit were flawed.

None of us have perfect information. The only reasonable criteria for evaluating someone's intellectual credibility is whether that person is willing to keep learning, changing and growing as newer and more accurate information becomes available – or whether he claims to be an "expert" (a person who, according to Frank Lloyd Wright, has stopped thinking).

Eddie Kahn and Larry Maxwell aren't "experts," they're warriors. They'd be the first to admit that whatever they suspect may be true today is not the absolute final truth. But they're willing to stick their necks out and risk being wrong in order to learn. Bumping heads with the IRS is not an intellectual exercise for these guys, it's a contact sport that involves significant personal risk.

Eddie Kahn has been in the IRS's face for nearly fifteen years. He developed such an effective administrative strategy to stop the IRS, that the IRS changed it's modus operandi to avoid meeting "taxpayers" who might ask questions the IRS refuses to answer.

Larry Maxwell has taken twentytwo cases from Texas to courts in Washington D.C. to try to prove (and risk disproving) his theory on the Privacy Act. It takes time, money and dedication to take those cases all the way to Washington. The courts dismissed one of Maxwell's cases; but in another three, an assistant U.S. Attorney has inadvertently conceded that Mr. Maxwell's arguments are correct.

Does this concession prove Larry's right? No. But it does suggest that the Privacy Act arguments might be right. And that's worth reporting.

So why do I publish this "crap"? First, I don't know that it's "crap" so I publish to find out. Second, even a U.S. Attorney has implicitly conceded it might not be "crap". And third, by publishing, I get letters like Mr. Bentson's which may ultimately help Eddie Kahn, Larry Maxwell and everyone else in the constitutionalist movement to better understand the tax laws. In the end, the most important issue is not the quality of Kahn's and Maxwell's information, but their courage and determination to use it.

Even Eddie Kahn agrees there were errors in the article. But Eddie's not embarrassed by mistakes since he has sense enough to learn from them:

Dear Al, This letter is in regards to a particular section of the interview you and I did in the AntiShyster magazine, volume 7 number 4, page 38. I know this will be hard for you to believe, Al, but I made a boo-boo.

In the specific section, you ask, "You're saying an individual need not sign under penalty of perjury?" And I



replied, "That's what their book says. That means signing the 1040, for example, is entirely *voluntary*."

The highlighted section is incorrect. My apologies for the misstatement. At American Rights Litigators (ARL), we never make such a statement. Our position is, until the IRS identifies what *particular* tax the client is liable for, the form itself is a moot issue.

The 1040 is not the only IRS tax form, but simply one of many. It cannot be used for every tax listed in the IR Code, but only for the one's that have been authorized by the Office of Management and Budget (OMB) as per the Paperwork Reduction Act.

For eighteen months, the attorney and CPA that work with ARL have been asking the IRS, "What particular tax is our client liable for?" Most of the time, IRS personnel try to evade the question. However, we've had a few agents that wrote back stating, "The client is liable for the Individual Income Tax and must file it on form 1040."

A letter was then promptly sent back to the agent with a copy of 26 CFR 602.101 cross reference index (1994 edition) and the SF 83 form. The cross reference shows the only OMB approved form for information gathering for the Individual Income Tax is the form 2555, not the 1040. In addition, on the SF 83 form, the IRS lists all the regulations and IR Code sections applicable to the form 1040. However, the regulation 1.1-1, entitled Income tax on *individuals*, is *not* listed on form SF 83.

We have *never* had a rebuttal from anyone in the IRS concerning the documents presented. Also, OMB-approved form 2555 is completely in harmony with the statement in the historical notes of IR Code section 6065: "The exception to this rule (signing an IRS form under penalty of perjury) is an income tax return filed by an *individual*." Form 2555 does not have a penalty of perjury clause on the signature line. In fact, it does not even have a signature line! (Does this form comply with IRC 6065??)

In conclusion, we should always keep in mind the people we are dealing with at the IRS are, by and large, not your Sunday-go-to-meeting kind of folks. Our experience with them indicates they will lie, cheat and steal at every opportunity. I feel this is just another example of how they deal deceitfully with Americans.

Al, again I apologize for the snafu. Hope this explanation clears up any misunderstanding.

Sincerely,

Eddie Kahn

Eddie also sent a letter concerning Larry Maxwell's Privacy Act suit which reads in part:

Larry Maxwell's organization, Family Advocates, has fled 22 lawsuits against the IRS for violation of the Privacy Act. The violation stems from the fact that a Privacy Act request was done for the clients asking to see certain records that should have been in a file maintained by the IRS if this person was a "Taxpayer". The IRS did not produce a copy of the requested records as required by law....

The first 4 suits were filed on November 17, 1997. They were filed in Washington, D.C. because that's where the defendant, Robert Rubin, Secretary of the Treasury, resides. The first case was dismissed when the judge stated the plaintiff could not use the Privacy Act to determine the possible existence of a federal tax liability. This decision is currently on appeal. The next three cases were consolidated into one. During the February 5,1998 hearing, the U.S. attorney agreed that the plaintiffs were not trying to determine a tax liability, but were just trying to get access to their records.

Larry Maxwell, senior family minister, stated the REAL VICTORY

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came near the end of the hearing when the government conceded that "*line* records that are sought by the Plaintiffs <u>do not exist</u>". In our opinion, the importance of this admission is monumental. All "Taxpayers" have a file on them that is maintained by the Agency. That file would contain such things as:

1) How, When and Where you became a Taxpayer; what Tax you are liable for; what Form you are required to file; assessments; copies of all correspondence and supporting documents.

When they said *no records exist*, they admitted, in essence, the Plaintiff was not a "Taxpayer"!...

So are Kahn and Maxwell right about the Privacy Act?

I don't know.

But in a sense, it's not too important if they're "right" since nothing is permanent in our modern legal system except government's appetite for money. They already take 55% of what we earn, and Clinton has publicly declared they expect to take over 80% of what our children earn.

Wake up. Government does not exist to serve us any more than farmers exist to serve sheep.

Fundamental truth: You have money, government wants it.

Fundamental truth #2: Government does not respect law, it respects fighters.

End of lesson.

Once you understand those fundamentals, you'll see that no matter what laws or agencies we challenge or topple, government will continue to devise new and "improved" laws and agencies to extort our wealth.

Even if Kahn and Maxwell's Privacy Act argument is valid, it'll only stop the IRS for twelve to twenty-four months. By then, government will devise another strategy to extort your money. But, fortunately, Kahn and Maxwell will be there to devise yet another counter-strategy to minimize our taxes and help keep us free. There is no silver bullet, only temporary strategies and victories in the endless struggle between producers and parasites.

Even if the IRS disappears, I guarantee government will not reduce your taxes. They'll simply hire the same old IRS agents, give 'em an new agency name with a "kinder gentler" facade, and send 'em out gunnin' for your cash.

Each of us faces a fundamental choice: We can either surrender the fruits of our labor to a non-productive, parasitic government, or we can fight to retain our wealth and sustain our families. Whether Kahn and Maxwell use the Privacy Act, Administrative Procedure or 5th Amendment arguments to stop the IRS is irrelevant. The quality of their information is important, but the most important point is not whether they're right, but that they fight and more, also teach and encourage others to fight. That makes Eddie Kahn and Larry Maxwell worthy of our interest and respect.

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