

The Informer

WHAT TO PRESENT ADMINISTRATIVELY THAT YOU HAVE NO INCOME.

Here is an observation that no one realizes or even knows it exists. Here is a problem that may be brought before a court if you are drug into one. But it is better used administratively. Just a hypotheses. Could it work? Who knows?

- (1) You work for a company
- (2) You receive a negotiable instrument for your work
- (3) You have to cash it at a bank
- (4) You are given federal reserve notes in exchange.
- (5) You have not been paid anything but worthless securities.

So now let's put on your thinking caps and do some digging starting with

TITLE 26 > Subtitle A > CHAPTER 1 > Subchapter B > PART VI > § 165

§ 165. Losses

Release date: 2003-05-15

(a) General rule

There shall be allowed as a deduction any loss sustained during the taxable year and not compensated for by insurance or otherwise.

(b) Amount of deduction

For purposes of subsection (a), the basis for determining the amount of the deduction for any loss shall be the adjusted basis provided in section 1011 for determining the loss from the sale or other disposition of property.

(c) Limitation on losses of individuals

In the case of an individual, the deduction under subsection (a) shall be limited to----

(1) losses incurred in a trade or business;

(2) losses incurred in any transaction entered into for profit, though not connected with a trade or business; and

(3) except as provided in subsection (h), losses of property not connected with a trade or business or a transaction entered into for profit, if such losses arise from fire, storm, shipwreck, or other casualty, or from theft.

(d) Wagering losses

Losses from wagering transactions shall be allowed only to the extent of the gains from such transactions.

(e) Theft losses

For purposes of subsection (a), any loss arising from theft shall be treated as sustained during the taxable year in which the taxpayer discovers such loss.

(f) Capital losses

Losses from sales or exchanges of capital assets shall be allowed only to the extent allowed in sections 1211 and 1212.

(g) Worthless securities

(1) General rule

If any security which is a capital asset becomes worthless during the taxable year, the loss resulting therefrom shall, for purposes of this subtitle, be treated as a loss from the sale or exchange, on the last day of the taxable year, of a capital asset.

(2) Security defined

For purposes of this subsection, the term "security" means-

(A) a share of stock in a corporation;

(B) a right to subscribe for, or to receive, a share of stock in a corporation; or

(C) a bond, debenture, **note**, or certificate, or **other evidence of indebtedness, issued by a corporation or by a government or political subdivision thereof**, with interest coupons or **in registered form**.

Ok so now you have been given "evidences of debt" for your work. You have never made "income" but received evidences of debt. The US Treasury admits to (g) above in its website <http://www.ustreas.gov/education/faq/currency/legal-tender.shtml> wherein the website states,

Federal Reserve notes are legal tender currency notes. The twelve Federal Reserve Banks issue them into circulation pursuant to the Federal Reserve Act of 1913. A commercial bank belonging to the Federal Reserve System can obtain Federal Reserve notes from the Federal Reserve Bank in its district whenever it wishes. It must pay for them in full, dollar for dollar, by drawing down its account with its district Federal Reserve Bank.

Federal Reserve Banks obtain the notes from our Bureau of Engraving and Printing (BEP). It pays the BEP for the cost of producing the notes, which then become liabilities of the Federal Reserve Banks, and obligations of the United States Government.

Congress has specified that a Federal Reserve Bank must hold collateral equal in value to the Federal Reserve notes that the Bank receives. This collateral is chiefly gold certificates and United States securities. This provides backing for the note issue. The idea was that if the Congress dissolved the Federal Reserve System, the United States would take over the notes (liabilities). This would meet the requirements of Section 411, but the government would also take over the assets, which would be of equal value. **Federal Reserve notes represent a first lien on all the assets of the Federal Reserve Banks, and on the collateral specifically held against them.**

Federal Reserve notes are not redeemable in gold, silver or any other commodity, and receive no backing by anything This has been the case since 1933. The notes have no value for themselves, but for what they will buy. In another sense, because they are legal tender, Federal Reserve notes are "backed" by all the goods and services in the economy.

Now they, not you, have established that their confidence game, what you received in exchange for the company draft (check) was absolutely nothing. They are valueless so you exchanged your labor for valueless paper that has a lien on it already. They are identified in two statutes (Code) and they are Title 18 Section 8 where in it states

TITLE 18 > PART I > CHAPTER 1 > § 8 Release date: 2004-08-06

§ 8. Obligation or other security of the United States defined

The term "**obligation or other security of the United States**" **includes** all bonds, certificates of indebtedness, national bank currency, **Federal Reserve notes, Federal Reserve bank notes**, coupons, United States notes, Treasury notes, gold certificates, silver certificates, fractional notes, certificates of deposit, bills, checks, or drafts for money, drawn by or upon authorized officers of the United States, stamps and other representatives of value, of whatever denomination, issued under any Act of Congress, and canceled United States stamps.

And the second statute (Code) is

CITE-

12 USC SUBCHAPTER XII - FEDERAL RESERVE NOTES

01/23/00

-EXPCITE-

TITLE 12 - BANKS AND BANKING

CHAPTER 3 - FEDERAL RESERVE SYSTEM

SUBCHAPTER XII - FEDERAL RESERVE NOTES

-HEAD-

SUBCHAPTER XII - FEDERAL RESERVE NOTES

-CITE-

12 USC Sec. 411

01/23/00

-EXPCITE-

TITLE 12 - BANKS AND BANKING

CHAPTER 3 - FEDERAL RESERVE SYSTEM

SUBCHAPTER XII - FEDERAL RESERVE NOTES

-HEAD-

Sec. 411. Issuance to reserve banks; **nature of obligation;**
redemption

-STATUTE-

Federal reserve notes, to be issued at the discretion of the Board of Governors of the Federal Reserve System for the purpose of making advances to Federal reserve banks through the Federal reserve agents as hereinafter set forth and for no other purpose, are authorized. **The said notes shall be obligations of the United States** and shall be receivable by all national and member banks and Federal reserve banks and for all taxes, customs, and other public dues. **They shall be redeemed in lawful money on demand at the Treasury Department of the United States, in the city of Washington, District of Columbia, or at any Federal Reserve bank.**

-SOURCE-

(Dec. 23, 1913, ch. 6, Sec. 16 (par.), 38 Stat. 265; Jan. 30, 1934, ch. 6, Sec. 2(b)(1), 48 Stat. 337; Aug. 23, 1935, ch. 614, title II, Sec. 203(a), 49 Stat. 704.)

-REFTEXT-

REFERENCES IN TEXT

Phrase "hereinafter set forth" is from section 16 of the Federal Reserve Act, act Dec. 23, 1913. Reference probably means as set forth in sections 17 et seq. of the Federal Reserve Act. For classification of these sections to the Code, see Tables.

-COD-

CODIFICATION

Section is comprised of first par. of section 16 of act Dec. 23, 1913. Pars. 2 to 4, 5, and 6, 7, 8 to 11, 13 and 14 of section 16, and pars. 15 to 18 of section 16 as added June 21, 1917, ch. 32, Sec. 8, 40 Stat. 238, are classified to sections 412 to 414, 415, 416, 418 to 421, 360, 248-1, and 467, respectively, of this title. Par. 12 of section 16, formerly classified to section 422 of this title, was repealed by act June 26, 1934, ch. 756, Sec. 1, 48 Stat.

1225.

-MISC3-

AMENDMENTS

1934 - Act Jan. 30, 1934, **struck out from last sentence provision permitting redemption in gold.**

-CHANGE-

CHANGE OF NAME

Section 203(a) of act Aug. 23, 1935, changed name of Federal Reserve Board to Board of Governors of the Federal Reserve System.

-CROSS-

CROSS REFERENCES

Gold coinage discontinued, see section 5112 of Title 31, Money and Finance.

Since there is no more real "money" to be redeemed then as the Treasury Web Site stated they are worthless in conformity with 26 USC 165 (g). Ergo you cannot go into and bank and demand gold or silver coin for a federal reserve note.

So the question is, Have I received any income that is reportable for filing a tax form? Have I objected openly that I do not accept federal reserve notes as "payment" for my labor? See the PadleFord case 14 Ga. 438 wherein they stated,

"Supposing this not to be taxed for inspection purposes, has Congress consented to it being laid? It is certain that Congress has not expressly consented. But is express consent necessary? There is nothing in the Constitution which says so. There is nothing in the practice of men, or in the Municipal Law of men, or in the practice of nations, or the Law of nations that says so. Silence gives consent, is the rule of business life. A tender of bills is as good as one of coin, unless the bills are objected to. To stand by, in silence, and see another sell your property, binds you. [Ok people how many times has your property (labor included) been stolen and turned over to the tax man in your silence? Did you file a refusal for good cause shown?] These are mere instances of the use of the maxim in the Municipal Law. In the Law of nations, it is equally potent. Silent acquiescence in the breach of a treaty binds a nation. (Vattel, ch. 16, sec.199, book 1. See book 2,

sec. 142 et seq. as to usucaption and prescription, and sec. 208 as to ratification). Express consent, then, not being necessary, is there anything from which consent may be applied? There is--length of time."

Has the company caused a theft when issuing you a draft that only will result in you receiving evidences of debt that are no longer "at Par" with a face value US Silver Eagle dollar denominated coin? This is what the court stated on this type money issue,

Westfall vs. Braley, 10 Ohio 188, 75 Am. Dec. 509;

Bank notes are the representative of money, and circulate as such, only by the general consent and usage of the community. But this consent and usage are based upon the convertibility of such notes into coin, at the pleasure of the holder, upon their presentation to the bank for redemption. This is the vital principle which sustains their character as money. So long as they are in fact what they purport to be, payable on demand, common consent gives them the ordinary attributes of money. But upon failure of the bank by which they are issued, when its doors are closed, and its inability to redeem its bills is openly avowed [See Letter, Oct. 26, 1989, Dept. of Treasury, Russell Munk, Asst. Gen. Council, (International Affairs) as recorded in the Office of the Clerk & Recorder, Bacca County, Colorado, admitting the notes are worthless and not redeemable at par.], they instantly lose the character of money, their circulation as currency ceases with the usage and consent upon which it rested, and the notes become the mere dishonored and depreciated evidences of debt . . . It is only upon this idea that they can honestly be tendered as money, and when accepted as such, under the same supposition, the mutual mistake of facts should no more be permitted to benefit one party, or prejudice the other, than if the notes had been spurious, or payment had been made in base or adulterated coin."

Again the question begs of any court what the last sentence in that you have never received any income in "money", but evidences of a debt issued with a lien already on it thereby taking them out of the realm of money as they are a debt obligation or in reality an I.O. U. issued by a private banking system that are trademarked as such.

Want more statutes and code on the matter for you to decide? Here is more info that is incontrovertible?

So with your question in mind as to what statutes say in regard to federal reserve notes, read all of this

TITLE 31 > SUBTITLE IV > CHAPTER 51 > SUBCHAPTER II >

Sec. 5119.

Sec. 5119. - Redemption and cancellation of currency

(a) Except to the extent authorized in regulations the Secretary of the Treasury prescribes with the approval of the President, the Secretary may not redeem United States currency (**including Federal reserve notes and circulating notes of Federal reserve banks** and national banks) in gold. However, the Secretary shall redeem gold certificates owned by the Federal reserve banks at times and in amounts the Secretary decides are necessary to maintain the equal purchasing power of **each kind of United States currency**. When redemption in gold is authorized, the redemption may be made only in gold bullion bearing the stamp of a United States mint or assay office in an amount equal at the time of redemption to the currency presented for redemption.

COMMENT. As stated in the CODE, in red above, it can be taken as not being U.S currency like you say, until you read all the statutes and the words "IN KIND". Then the worthless note IS taken as currency by the government. True, it is not a pay to, but only a legal offer (tender). That's all they care about is a legal offer. You can decline a legal offer even if in federal reserve notes as stated on the US Treasury web site. Go back and read all of it if you have to.

(b) (1) Except as provided in subsection (c)(1) of this section, the following are public debts bearing no interest:

(A) gold certificates issued before January 30, 1934.

(B) silver certificates.

(C) notes issued under the Act of July 14, 1890 (ch. 708, 26 Stat. 289).

(D) **Federal Reserve notes** for which payment was made under section 4 of the Old Series Currency Adjustment Act.

(E) United States currency notes, including those issued under section 1 of the Act of February 25, 1862 (ch. 33, 12 Stat. 345), the Act of July 11, 1862 (ch. 142, 12 Stat. 532), the resolution of January 17, 1863 (P.R. 9; 12 Stat. 822), section 2 of the Act of March 3, 1863 (ch. 73, 12 Stat. 710), or section 5115 of this title.

(2) Redemption, cancellation, and destruction of currency. -

The Secretary shall -

(A) redeem any currency described in paragraph (1) from the general fund of

the Treasury upon presentment to the Secretary; and

(B) cancel and destroy such currency upon redemption.

The Secretary shall not be required to reissue United States currency notes upon redemption.

(c) (1) The Secretary may determine the amount of the following United States currency that will not be presented for redemption because the currency has been destroyed or irretrievably lost:

(A) circulating **notes of Federal reserve banks** and national banks issued before July 1, 1929, for which the United States Government has assumed liability.

COMMENT. Does this mean that the notes are no longer assumed by the United States? Kinda presumes they are assumed by the IMF/fed. Res. that issues them as first liens on the U.S., huh?

(B) outstanding currency referred to in subsection (b)(1) of this section.

(2) When the Secretary makes a determination under this subsection, the Secretary shall reduce the amount of that currency outstanding by the amount the Secretary determines will not be redeemed and credit the appropriate receipt account.

(d) To provide a historical collection of United States currency, the Secretary may withhold from cancellation and destruction and transfer to a special account one piece of each design, issue, or series of each denomination of each kind of currency (**including circulating notes of Federal reserve banks** and national banks) after redemption. The Secretary may make appropriate entries in Treasury accounts because of the transfers

Here are the actual statutes on the above that you wanted.

Notes on Sec. 5119.

SOURCE

Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 985

Pub. L. 102-390, title II, Sec. 226(b), Oct. 6, 1992, 106 Stat. 1630

Pub. L. 103-325, title VI, Sec. 602(g)(14), Sept. 23, 1994, 108 Stat. 2294.

Historical and Revision Notes Revised Section

Source (U.S. Code) Source (Statutes at Large)

5119(a) 31:408a(less last proviso). 31:444(1st sentence words between 2d and 3d semicolons). 31:822b. Jan. 30, 1934, ch. 6, Sec. 6(less last proviso), 11, 15(1st sentence words between 2d and 3d semicolons), 48 Stat. 340, 342, 344. 5119(b)(1)

31:405a-3. 31:911. 31:915(a), (b). June 24, 1967, Pub. L. 90-29, Sec. 1, 2, 81 Stat. 77. June 30, 1961, Pub. L. 87-66, Sec. 2, 5, 6, 9, 10, 75 Stat. 146, 147.

5119(b)(2) 31:404. 31:420. 31:914. 31:916. May 31, 1878, ch. 146, 20 Stat. 87; June 30, 1961, Pub. L. 87-66, Sec. 7, 75 Stat. 47. R.S. Sec. 3580.

5119(c)(1) 31:915(c)(words before last comma).

5119(c)(2) 31:405a-2. 31:915(c)(words after last comma).

5119(d) 31:917. In subsection (a), the words "Secretary may not redeem" are substituted for "no . . . shall be redeemed" in 31:408a(less last proviso) because of the source provisions **restated** in section 321 of the revised title. The words "United States currency (including Federal reserve notes and circulating notes of Federal reserve banks and national banks)" are substituted for "currency of the United States" and the text of 31:444(1st sentence words between 2d and 3d semicolons) for consistency with section 5103 of this title and to eliminate unnecessary words.

COMMENT. Can't be any plainer than this, right?

In subsection (b)(1), before clause (A), the words "upon completion of the transfers and credits authorized and directed by section 912 of this title" in 31:915 and "and the amount of the payment credited as a public debt receipt in accordance with such section" are omitted as executed. In clause (B), the text of 31:405a-3(last sentence) and 31:915(a)(4) is consolidated. The text of 31:405a-3(1st sentence) is omitted as executed. In clauses (C) and (E), the citations in parentheses are included only for information purposes.

In subsection (b)(2), the words "cancel and destroy" are substituted for "retired" in 31:914 for consistency in the revised section. The words "paragraph (1) of this subsection" are substituted for "Any currency the funds for the redemption or security of which have been transferred pursuant to the provisions of section 912 of this title, and any Federal Reserve notes as to which payment has been made under section 913 of this title" because of **the restatement**. The words "presented to the Secretary" are substituted for "presentation at the Treasury" because of the source provisions restated in section 321(c) of the revised title. The text of 31:916 is omitted as unnecessary because of the restatement. The text of 31:404 and 31:420 is omitted as superseded by the source provisions restated in this subsection and subsection (c). The words "All acts and parts of acts in conflict herewith are hereby repealed" in the Act of May 31, 1878 (ch. 146, 20 Stat. 87), are omitted as executed.

In subsection (c)(2), the words "When the Secretary makes a determination under this subsection" are added because of the restatement. The words "on the books of the Treasury" are omitted as surplus.

The text of 31:405(e)(2)(1st sentence) is omitted as superseded by the source provisions restated in subsection (b).

In subsection (d), the word "paper" is omitted as surplus. The words "(including circulating notes of Federal Reserve banks and national banks)" are substituted for "including bank notes" for consistency in the section. The words "heretofore or hereafter issued" are omitted as surplus

REFERENCES IN TEXT

Act of July 14, 1890, ch. 708, 26 Stat. 289, referred to in subsec. (b)(1)(C), which was known as the Sherman Purchase of Silver Act of July 14, 1890, was classified to sections 408, 410, 412, and 453 of former Title 31, and sections 122 and 145 of Title 12, Banks and Banking, and was repealed by Pub. L. 97-258, Sec. 5(b), Sept. 13, 1982, 96 Stat. 1069.

Section 4 of the Old Series Currency Adjustment Act, referred to in subsec. (b)(1)(D), is section 4 of Pub. L. 87-66, June 30, 1961, 75 Stat. 146, which was classified to section 913 of former Title 31, and was repealed by Pub. L. 97-258, Sec. 5(b), Sept. 13, 1982, 96 Stat. 1079.

Acts February 25, 1862, July 11, 1862, and March 3, 1863, and resolution January 17, 1863, referred to in subsec. (b)(1)(E), are acts Feb. 25, 1862, ch. 33, 12 Stat. 345, July 11, 1862, ch. 142, 12 Stat. 532, and Mar. 3, 1863, ch. 73, 12 Stat. 709, and resolution Jan. 17, 1863, 12 Stat. 822, respectively, which are not classified to the Code

AMENDMENTS

1994 - Subsec. (b)(2). Pub. L. 103-325 inserted concluding provisions. 1992 - Subsec. (b)(2). Pub. L. 102-390 amended par. (2) generally. Prior to amendment, par. (2) read as follows: "The Secretary shall redeem from the general fund of the Treasury and cancel and destroy currency referred to in paragraph (1) of this subsection when the currency is presented to the Secretary."

Now let's go here

TITLE 31 > SUBTITLE IV > CHAPTER 51 > SUBCHAPTER I >
Sec. 5103.

Sec. 5103. - Legal tender

United States coins and currency (including Federal reserve notes and circulating notes of Federal reserve banks and national banks) are legal tender for all debts, public charges, taxes, and dues. Foreign gold or silver coins are not legal tender for debts

Now here is something people do not know in the notes which I will put in

blue.

TITLE 31 > SUBTITLE IV > CHAPTER 51 > SUBCHAPTER I > Sec. 5103.

Notes on Sec. 5103.

SOURCE

Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 980

Pub. L. 97-452, Sec. 1(19), Jan. 12, 1983, 96 Stat. 2477.

Historical and Revision Notes 1982 Act

Revised Section Source (U.S. Code) Source (Statutes at Large)

5103 31:392. 31:456. July 23, 1965, Pub. L. 89-81, Sec. 102, 79 Stat. 255. R.S.
Sec. 3584.

The words "All . . . regardless of when coined or issued" are omitted as unnecessary because of **the restatement**. The word "debts" is substituted for "debts, public and private" to eliminate unnecessary words. The words "public charges, taxes, duties, and dues" **are omitted as included in "debts"**

1983 ACT

This restores to 31:5103 the reference to public charges, taxes, and dues **because they are not considered to be debts**. See, Hagar v. Reclamation District No. 108, 111 U.S. 701, 706 (1884).

AMENDMENTS

1983 - Pub. L. 97-452 inserted ", public charges, taxes, and dues" **after "all debts"**.

EFFECTIVE DATE OF 1983 AMENDMENT

Amendment effective Sept. 13, 1982, see section 2(i) of Pub. L. 97-452, set out as a note under section 3331 of this title

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 5112, 5132 of this title.

Now as to taxation of these "notes" and coin read this.

TITLE 31 > SUBTITLE IV > CHAPTER 51 > SUBCHAPTER V >
Sec. 5154.

Sec. 5154. - State taxation

A State or a territory or possession of the United States may tax United States

coins and currency (including Federal reserve notes and circulating notes of Federal reserve banks and national banks) as money on hand or on deposit in the same way and at the same rate that the State, territory, or possession taxes other forms of money. This section does not affect a law taxing national banks

Here are the statutes for the above and are you ready for this? Read on
TITLE 31 > SUBTITLE IV > CHAPTER 51 > SUBCHAPTER V > Sec. 5154.

Notes on Sec. 5154.

SOURCE

Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 992

Pub. L. 97-452, Sec. 1(22), Jan. 12, 1983, 96 Stat. 2477.

Historical and Revision Notes 1982 Act

Revised Section Source (U.S. Code) Source (Statutes at Large)

5154 31:425, 426. Aug. 13, 1894, ch. 281, 28 Stat. 278.

The words "United States coins and currency (including Federal reserve notes and circulating notes of Federal reserve banks and national banks)" **are substituted** for "Circulating notes of national banking associations and United States legal tender notes and other notes and certificates of the United States payable on demand and circulating or intended to circulate as currency and gold, silver, or other coin" in 31:425 to eliminate unnecessary words and for consistency with section 5103 of the revised title

1983 ACT

This restates 31:5154 to clarify the intent of the section. See 26 Cong. Rec. 7152, 7170 (1894).

AMENDMENTS

1983 - Pub. L. 97-452 substituted "other forms of money" for "United States coins and currency circulating within its jurisdiction".

EFFECTIVE DATE OF 1983 AMENDMENT

Amendment effective Sept. 13, 1982, see section 2(i) of Pub. L. 97-452, set out as a note under section 3331 of this title

So I think you have enough statutes you wanted to show that federal reserve notes, although worthless, ARE considered to be legal tender (offer) as currency of the United States. The key in all the above relies on that "restatement" of law. Best to get it and read what they had to say about currency and the worthless note.

Now, were you ever "paid" in "money" or evidences of debt? Is that reportable and income when there is no worth attached as stated in Title 26 USC 165 (g) and in the U.S. Treasury Web site quoted above plus all the other sources including the court cases? Would it not be feasible to bring this argument in the administrative forum rather than wait for your butt to be dragged into their court where you will never be allowed to present this as evidence? Better to get it on the administrative record as NOT your argument, but their proofs you have no income with which requires you to file any IRS form whatsoever. Says so right on your master file in a code that is theirs, not yours. After all you are hitting them with their own admissions. Never put -0- income on any 1040 or you will have defeated this plain proof that you have no reportable income.. Now you know why the IRS considers your labor value as -0- and anything above that is pure profit to you. Never thought of it that way did you? Well, when is the onslaught gonna happen? Don't take my word for this, read it for yourself and draw your own conclusions from the very statutes I gave you here. This ought to really put the binders on them for a long time once you people see the truth they place before you every day.

Peace be with you

The Informer

2-05-05