The Internal Revenue Service, a Private Corporation

A Thorough review of available 31 U.S.C. sections, Executive Orders of the Secretary of the Treasury (United States of America) disclosed the following Facts:

1. 31 U.S.C. is the designated US Code section for Tax Regulations and Administration of the U.S. Treasury Department Operations. Subsequent regulatory administration activities are covered by Treasury Orders from the Treasury Secretary. Several sections within 31 U.S.C. state explicitly that Authority may only be delegated to subordinates by the Treasury Secretary through Executive Treasury Orders. Public Law 94-455 in 1976 further clarified this, specifically requiring all Regulations and Internal Revenue Code Sections be amended to reflect that only the Treasury Secretary had the Authority to take enforcement actions, and carry out Administration of all Treasury functions, and that any Delegation of Authority had to be by Treasury Order.

2. A close review of 31 U.S.C. disclosed that the Internal Revenue Service, a Private Corporation, is not shown as a division, bureau, or any part of the U.S. Treasury Department. All this can be looked up any time on Firstgov. 31 U.S.C. Chapter 3 does not list the IRS as an agency or part of the Treasury Department. 31 U.S.C. Subtitle VI section 9101 does not show the IRS as a Government Owned Corporation under “Government Corporations“. 31 U.S.C. Subtitle I Chapter 9 section 901 does not list the IRS as an authorized agency.

3. The Internal Revenue Service lists it’s Authority for operation as Internal Revenue Code section 7801 in many of the IRS publications. IRC 7801 does not say one word about the IRS, only the ATF and the US Justice Department. The IRC is not statutory law in any case, and cannot serve to authorize any Agency. Section 7801, section 7802, section 7803 of the IRC are Administrative Sections, added by the IRS Special Council, and are not supported by any CFR, and are not “Law“. Only CFR or U.S.C. is Law, which are promulgated by Acts of the US Congress through Public Law passage.

4. There are two different things called the “Internal Revenue Code“. The official Internal Revenue Code is imbedded in the 5 books of Federal Treasury Regulations, with the correct Citation and Enactment into Law cited in Section 1.1-1 as required. This is the Internal Revenue Code derived by Public Law 951 in 1954. There is a second “Book “ entitled “Internal Revenue Code“, Volume 68A, published by the IRS, which is a reference book of IRS Interpretations of what the CFR and USC underlying Law requires. It is a Novel, and most sections are not conforming to the requirements of the CFR requirements, or the Federal Tax Regulations 5 books. Neither of these books is positive Statute Law, as Public Law 951 never made them so. Only CFR or USC sections are Law, and a Internal Revenue Code Section can only be considered valid as implementing regulations where it is directly supported by CFR or USC sections, word
for word. The 5 books of the Federal Tax Regulations cannot be considered valid at this point, as they deliberately have not been updated with the requirements and Law sections passed by Congress since 1976. Sections which make it more convenient for the Treasury or specifically the IRS to continue their fleecing of American citizens have been updated, but not any of the sections affected by Public Laws intended to correct the misapplication of the laws by the IRS. The IRS was not established by any Act of the US Congress, as most of the US Government Agencies and boards and Commissions have been. The Act of Congress in each case spells out specifically the rights and responsibilities, organizational structure, methods of regulations issue and approval, where the organization fits within the US Federal Government structure, and whether it is to operate autonomously or as part of another divisional structure. The Internal Revenue Service is a private Collections Company, acting as a permanent contractor for the US Treasury department, without any Legal Statute authorization.

5. The IRS says that the Internal Revenue Code (the Novel, Book 68A) gives them the Authority to operate, and regulates its activities. Treasury Order 150-10 delegates Authority to the Commissioner of Internal Revenue (a US Government Employee) to administrate implementation of the Internal Revenue Code, but makes no mention of the Internal Revenue Service, a Private Company. In IRC (Book 68A) section 7802, an appointed Oversight Board is authorized, which can make recommendations on appointments, and makes reports to Congress, but has no actual Oversight Authority over the operations of the IRS. The appointed Commissioner of Internal Revenue, and Deputy Commissioners, the Special Council to the IRS (and staff), and the Taxpayer Advocate are US Government employees. All other IRS personnel work for the Internal Revenue Service, a Private Company contractor. There is NO CFR supporting IRC 7802, it is an administrative Section, added to the IRC by the Special Council. The IRS, in multiple publications (internal) says it can be an authorized contractor by IRC (Book 68A) section 7803, which references 5 USC section 3109 (b). There is no supporting CFR for IRC section 7803, therefore it is Administrative, and is not Law. 5 USC 3109 (b) only provides for Temporary and Intermittent Services to be contracted by Federal Agencies. There is no Public Law which ever established that government Services could be permanently "Privatized", which is the very reason that Congress has been trying desperately to pass a law to allow Privatization of Government functions for 6 sessions. No Public Law ever allowed the Privatization of Tax Administration and collections. Since the IRS was not established by Act of Congress, or approved for implementation by Statute Law, it has no authority whatever to interpret the CFR and USC Laws, which it does with no authority. No US Treasury Order delegates any authority to the Internal Revenue Service. Neither the Internal Revenue Code (in the Federal Tax Regulations 5 books, the official one) or the Novel reference IRC (Book 68A) are statute Law, but promulgated rules of implementation, and cannot by themselves confer any authority not specifically found in CFR or USC supporting Law. It is illegal to refer to the Internal Revenue Code in a public court document, indictment, or publication as 26 USC (it is violation of 18 USC 241 and 18 USC 1018) as it has never been made such by Public Law in an Act of Congress.
6. The contracting of the IRS by the US Department of the Treasury is somewhat problematic, in that the stated 5 USC Section 3109 (b) allows only for “Temporary and Intermittent Services” of contractors to supplement US Government personnel. There is no supporting CFR section to authorize IRC 7802, so it is administrative in nature. There is no Statute which allows the privatization of Government Tax Administration. There are multiple sections of USC which regulate and control the use of contractors, contract proposals, bidding, and transparency of the process. All these provisions have apparently been bypassed, and USC completely disregarded. FOIA Requests to the Treasury Department for the contract between the Treasury Department and the Internal Revenue Service will not be responded to except with rubbish that it is classified, and it is not subject to the FOIA requirements. FOIA Requests to the Internal Revenue Service for a copy of their Corporate Charter, will similarly be responded that it is privileged internal administrative data, and not subject to the FOIA. FOIA Requests to the IRS on what authorizes their activities in Statute Law, come back with the same frivolous gibberish that their activities are authorized by the Internal Revenue Code. FOIA for the Delegation Orders from the Secretary of the Treasury to the IRS for authorization to Implement and Collect the tax programs get the same no answers. FOIA Requests to the IRS for the Delegation Order from the Commissioner of Internal Revenue to the Commissioner of the Internal Revenue Service to implement the administration and collection of US Government Taxes, are only responded with frivolous gibberish that they are unnecessary, as it is all contained in the Internal Revenue Code. The IRS will not define which of the Internal Revenue Code versions is the official version, Book 68A which is the reference book, or the official version in the 5 books of Federal Tax Regulations. Only the Internal Revenue Code version in the 5 Books of Federal Tax Regulations has the required legal citations.

7. Federal Jurisdiction. The zone of Federal Jurisdiction, where the U.S. Federal Government has exclusive legislative authority, is within the District of Columbia, Guam, American Samoa, Puerto Rico and the other American Offshore Territories and possessions, and under admiralty Law in the territorial waters off the continental coasts, (federal zone) outside of the territorial waters controlled by the states (state zone waters). No Federal Legislative Jurisdiction lies within the borders of the 50 States. Federal rules, laws, and jurisdiction can only be applied within the 50 states borders with written permission from the state, for designated Federal Forts, Magazines, Interstate Waterways, and Buildings.

This clearly prohibits the Internal Revenue Code from any application outside of the zone of Exclusive Federal Jurisdiction, and prohibits its application within the borders of the 50 states. Without constitutional amendment, this also clearly prohibits any Federal Contractor (IRS) from exerting any jurisdiction within the borders of the 50 states. United States Constitution, Article 1, Section 8, clause 17. Implementing statute 40 USC part 7, section 7 (3).
7 (a). Citations:
Supreme Court: Spreckles Sugar Refining Co. v. McClain, 192 US 397, page 416

A Citizen is exempt from Taxation, unless the same is imposed by Statute in clear and unequivocal language.

So clearly, per this Supreme Court ruling, and the United States Constitution, no Implementing Regulation, such as the Internal Revenue Code, in either form (imbedded in the Federal Tax Regulations 5 books) or the IRS Novel (Book 68A) can Impose any Tax. A Tax may be imposed only by Statute Law (CFR or USC) which is specifically codified from Public Laws passed by the United States Congress.

Supreme Court: Gould v. Gould, 245 U.S. 150 (1917) ruled that: The Government, in any agency, cannot apply or implicate that one portion of US Code can apply to another US Code section subject matter or application

So clearly, IRC sections supported by 27 CFR for alcohol, tobacco, and firearms cannot be used for 26 CFR activities and subject matter. There are no penalty provisions in 26 CFR as regards Income Taxes. There are no sections of 18 USC addressing non-payment of Income Taxes, or non-filing of returns. There are no sections of 28 USC allowing the IRS to investigate or make submittal of criminal information and complaints to the USDJ, as the Federal District Courts have no Criminal subject matter Jurisdiction for 26 CFR. Congress only gave the Federal District Courts Civil Jurisdiction of 26 CFR matters. The use of Book 68A sections which attach to 27 CFR, claiming they attach to 26 CFR issues is a clear violation of 18 USC 241. The IRS making a Return of Information document to the USDJ to attempt illegal prosecution of a Citizen for a 26 CFR offense (of which there are none) knowingly falsely using IRC sections (the Book 68A) which can only be used for 27 CFR issues is a Felony, violating 18 USC 241 Conspiracy against citizen rights, 18 USC 1018 False writings and fraud, and 18 USC Chapter 73 Obstruction of Justice, and Executive Order 12630 March 15, 1988. No treasury Order gives authority to the IRS to conduct investigations, secure “evidence” by fraud, conduct searches and seizures, or make a Return of Information Complaint to the USDJ. The US District Courts cannot by Case Law make Statute Law, where Statute Law does not exist, nor can the Courts give themselves Jurisdiction where the Legislative body (Congress) by Public Law has not given them specific Subject Matter Jurisdiction. 28 USC section 1340 confers only Civil Jurisdiction for 26 CFR.

8. The IRS (a Private Company) has NO authority to Take by Force any records, property, money, or thing of value, without a Court Order from a United States District Court. Citizens do not have to respond to a request for documents, an Order to Produce Documents, or a Summons from the IRS, which is not issued under Court Order. This ruling also applies to all third party agencies and persons, And includes all administrative orders and directives.

U.S. Court of Appeals, 2nd Circuit, Washington, DC: Schultz v. IRS, case 04-0196-cv
Not appealed to Supreme Court. Subsequent actions to enforce ruling have been made by the 2nd Circuit Court. The second ruling by the Court of Appeals on motion by the IRS for Relief, was substantially stronger in details and Court Ruling clarifications. ** These documents are a must read for Patriots.

The IRS “ Takes the position “ however, that they can disregard the Court Rulings in one Circuit, and continue operations and issue of false documents in any other Circuit, and issue Subpoenas, Liens, Summons, Issue Illegal Levys, Notice of Levy, Letters of Demands for Records, and access ( illegally ) civil fines on their own issue without due process or a hearing of any kind. Any Court Ruling in the favor of the IRS is deemed to apply everywhere. See IRS Publication “ Your Federal Income Tax for Individuals”.

8 A. Supreme Court Citations referenced in the Schultz v. IRS Case supporting Schultz  
The Antelope, 23 U.S. 66, 120 ( 1825 )  
Citizens Savings & Loan Assn v. City of Topeka, 87 U.S. 655 ( 1874 )  
Butchers’ Union Co. v. Crescent City Co., 111 U.S. 746 ( 1884 )  
Adair v. United States, 208 U.S. 172  
Flint v. Stone Tracy Co., 220 U.S. 107 ( 1911 )  
Stratton’s Independence Ltd. v. Howbert, 231 U.S. 399, 414 ( 1913 )  
Peck v. Lowe, 247 U.S. 165  
Eisner v. Macomber, 252 U.S. 189 ( 1920 )  
Truax v. Corrigan, 257 U.S. 312, 331, 338 ( 1921 )  
Murdock v. Pennsylvania, 319 U.S. 105 at 113 ( 1943 )  

Other Documents Submittals  
Amendment 1 of the United States Constitution  
Articles and Affidavits from the WTP foundation, and Members  
IRS Manual  
28 USC 1746 For Unsworn Declarations  
Spreckles Sugar Refining Co. v. McClain, 192 U.S. 397  
26 CFR, 27 CFR

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Your Federal Income Tax For Individuals

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All material in this publication may be reprinted freely. A citation to Your Federal Income Tax (2000) would be appropriate.

The explanations and examples in this publication reflect the interpretation by the Internal Revenue Service (IRS) of:

• Tax laws enacted by Congress,
• Treasury regulations, and
• Court decisions.

However, the information given does not cover every situation and is not intended to replace the law or change its meaning.

This publication covers some subjects on which a court may have made a decision more favorable to taxpayers than the interpretation by the IRS. Until these differing interpretations are resolved by higher court decisions or in some other way, this publication will continue to present the interpretation by the IRS.

All taxpayers have important rights when working with the IRS. These rights are described in Your Rights as a Taxpayer in the back of this publication.

The IRS Mission: Provide America's taxpayers top quality service by helping them understand and meet their tax responsibilities and by applying the tax law with integrity and fairness to all.

No statute (CFR or USC) gives the Internal Revenue Service, a regulatory agency, any authority to interpret laws passed by the U.S. Congress.

2 Separate Entities Per 31 USC

Department of the Treasury
Internal Revenue Service
Mr.

Las Vegas, NV 89

Dear Mr.,

This is in response to your January 4, 1996, letter asking how you can tell what category a particular regulation falls.

Regulations are authorized by Internal Revenue Code section 7805. They constitute the primary source for guidance on the Treasury's position regarding the interpretation of the Code. Regulations have, generally, been classified into three broad categories: legislative, interpretative, and procedural.

Legislative regulations are those for which the Service is specifically authorized by the Code to prescribe the operating rules. Generally, legislative regulations have the force and effect of law unless the regulation exceeds the scope of the delegated power, is contrary to the statute, or is unreasonable.

Interpretative regulations explain the Service's position on the various sections of the Code. Although interpretative regulations do not have the force and effect of law, the courts customarily accord them substantial weight.

Procedural regulations are considered to be directive rather than mandatory, and thus, do not have the force and effect of law. The purpose of procedural regulations is to outline both for public consumption and internal guidance those rules which control the operation of the Internal Revenue Service in carrying out its prime function of administering and enforcing the Internal Revenue laws.

I hope that this information will be helpful to you.

Sincerely,

[Signature]

Cheryl Kordich, Chief
Assistance Section