

Can they tax 'promissory notes'? IRS says yes.

Dystopia (a noun) is defined as: “an imagined place or state in which everything is unpleasant or bad, typically a totalitarian or environmentally degraded.” This term aptly reflects the current state of our 2015 post-Constitutional country, especially as we approach the epoch failure of our (indeed the entire West's) economy, thanks to the crooked banking/financial interests who have debased our nation and its currency as well as their minions in the federal government who have always (and continue to) protect them rather than the People who trusted them. I'm sure everyone enjoys the periodic political theater over the closure of government due to their, again and again, exceeding a lawful debt limit (which is now limitless thanks to their legislation) but then, they've exceeded the debt limit more times than I remember, so clearly no one really cares anymore. They'll find the money somewhere, right? Heck, they bring in a boatload of revenue so they'll be able to keep the gravy train going... Of course, since damn near all of the huge national and multi-national corporations pay no freaking taxes at all, that 'revenue' will have to come from you.

I've written here and elsewhere about the question of taxes before. In my little piece on the 16th Amendment on the New Hampshire Executive Council site, I summed up in four short paragraphs how this Amendment, that our dystopian government claims authorizes income taxes, was never 'lawfully' passed pursuant to the very procedures (law) Congress/government must adhere to (but didn't) in order to pass an Amendment but that probably didn't 'click' with most (it must be a “conspiracy theory”) in spite of my quoting the criteria for 'lawful' passage. I pointed out that the 'tax law' is intentionally written in such an obscure manner that you would probably never find Section 861 within Title 26 (the Internal Revenue Code) in order to realize (with a bit of research) that the domestic income, earned by most Citizens (you), from within the states making up the union, is NOT taxable but then, I've gotten into the legalities and quoted the 'law' in many of my writings here and elsewhere and the result is that the reader's eyes glaze over

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before they finish reading. It's pretty safe to say that most readers (you?), don't care about what the law says (it's too damn complex or must be a “conspiracy theory” they say) so, where we'll soon be thinking about the additional tax burdens foisted upon us by these criminals in DC like the annual 1040 protection racket

and the new Obamacare tax scam, I pondered (over a few cold beers) if I should try another approach to demonstrating what a con job you're subject to with regard to (your) tax liability and the generally - oh so ominous national debt - that may spark an epiphany.

Unfortunately, I will still need to share some citations of what the 'Law' actually says in order to demonstrate that I gave this more than a passing thought. I apologize for this and I do hope your eyes don't glaze over before I've made my points. So, here it is.

*Try as I may I've been unable to find anywhere within Title 26 (Internal Revenue Code) where a "**promissory note**", in and of itself, is taxable. Ask your tax accountant or better yet, ask your banker if they might cite where such a tax exists but I doubt very much anyone can. A "promissory note" can be your mortgage, a car loan or a family member promising to pay you back for getting them out of a jam. Any "income" derived from a promissory note is certainly taxable (for some) since "income" is defined in the Internal Revenue Code as 'gain' or profit, but not the face value of the note itself. This is confirmed by quickly reviewing the operations of banks, some of the greatest generators of "promissory notes". The tax code doesn't tax the notes (mortgages and loans on their books) themselves but on the "income" they derive from the notes. (again, ask your banker) Likewise, in the case of a savings account or CD, every year you're taxed not on the balance/value of the account itself but on the revenue (interest) it derives. Are we clear on this? I haven't lost you yet, have I?*

This reality/fact poses a conundrum for me (and perhaps you, as you read on), so let's think about this for a moment longer. If the income or gain from a promissory

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*note is taxable but not the note itself then why is my paycheck allegedly, "taxable"? When someone writes me a check for services, the only thing I can 'get' from that check is Federal Reserve Notes. Pursuant to Title 12, Section 411 of the United States Code, a "**Federal Reserve Note**" is nothing but a "**non-interest-bearing promissory note**", issued by a private bank which means there can be no "interest" (or gain) derived from possessing it. Now, while this same section of code alleges these debt instruments are redeemable on demand for "lawful money" and while "money", is (elsewhere) lawfully described as "dollars" which are*

defined clearly as 31.103 grams of silver (1 troy ounce) that is .999 fine, the federal government, as we all know, passed law which negates our ability to “redeem” these promissory notes for anything but more Federal Reserve (promissory) Notes after 1968 because there was no “lawful money” to be had.

So, back to our dilemma. Where nothing in Title 26 claims that one is taxed on possession of a “promissory note” or a debt instrument (especially one which is defined -by statute- as a “non-interest bearing”) how can one ‘tax’ Federal Reserve Notes in payment for services rendered when it’s defined in law as a non-interest bearing debt instrument?

How can a Citizen be lawfully taxed on a “promissory note” when the banks or any other artificial entities are not taxed on the face value of their promissory notes that they (daily) issue and hold on their books as assets? Rather, as stated above, taxes are owed on the “income” that is eventually derived from the “gain” resulting from them. Since my ‘revenue’ (and yours) is calculated and paid in these Federal Reserve Notes - promissory notes or debt instruments - resulting in no interest or “income”, how can my revenue (or yours) be taxable? Simple question, eh?

As you ponder this reality, I’ve returned from getting another cold one and found my tin-foil hat to aid my musings in order to continue this diatribe. By now some damned statist is probably saying “If we don’t pay taxes how can we pay for

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government?” but, I don’t engage in friendly dialog with ‘statists’ any more than I would negotiate with someone perpetrating an armed home invasion so I’ll just continue on unabated. Let’s stick with facts rather than emotionalism.

The government has racked up huge debts. <http://www.usdebtclock.org> Anyone who can still fog a mirror and has even a public school understanding mathematics knows (as do the government’s creditors) that the United States can’t pay this debt (it’s a mathematical impossibility) and that the country WILL default. It’s only ‘when’ not ‘if’ and, for the record, it’s likely to be soon for those not paying attention. That said, the government keeps spending faster than they can collect revenues or even borrow from Communists in China or the irradiated Japanese. So

we're now down to the Federal Reserve issuing cash and holding the debt on their books.

Generally, folks are beginning to wake up to the fact that the United States is about to have their 'Weimar Republic' moment where the house of cards gets blown over by default and, when that tipping point is reached, there will be real panic in the streets. The government will tell you the end of everything (as we know it) will occur if our currency collapses and our government defaults like Greece. They will use this excuse to nationalize your retirement accounts (18 trillion dollars in 2011), to "bail in" their friendly bankers with your accounts (as they've done in Greece and are moving forward with throughout Europe) telling you that we all need to share the burden of "our debt" in order to keep the Titanic afloat. They will grab your funds and deposit them into "safe" Treasury Bonds (sort-of-like Obama suggested in his State of the Union reference to his new MyRA concept).

Here's the denny-the-dunce moment though. Ask yourself if we (the People) are 'responsible' for the debt of the "United States" or are we simply hearing the mother-of-all too big to fail con-jobs which has been used, so often, to rescue one illegal fraud-based ponzi scheme after another? In fact, 'they' are the ones handing billions every year to foreign countries like Israel and Ukraine, 'they' are the ones

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giving trillions to their banking friends and other private corporations who buy them off at every election, 'they' are the ones spending trillions bombing every backwater sandhill that ever spawned a human being who could say "no!" to having their sandhill raped by foreign corporations and 'they' are the ones hiring more and more government workers who's job it is to feel us up at airports, illegally search us, arrest us for selling lemonade & raw milk or spending ridiculous sums providing benefits to illegal aliens while Americans are foreclosed on, go hungry and have their Rights thrown under a bus. So, were 'we' expending these funds and thus on the hook for them?

Let's think of this in the context of corporate law before you (or those statist) attach any 'moral' interpretation to paying the country's bills. Imagine that you own a share of stock in some 'corporation'. Imagine the company takes on a bunch of retarded debts and basically runs itself into the ground. Imagine the company goes belly up and then ask yourself if the bozos who wrecked the company (or their

creditors) could come after you for your "fair share" of the company's debts (beyond your single share of stock) incurred by the corporation's management?

Corporations are interesting 'entities'. Chief Justice Marshall of the United States Supreme Court, in his day, proclaimed that "**A corporation is an artificial being, invisible, intangible, and existing only in contemplation of the law**". One of the interesting things about a 'corporation' is that, as a legal entity, distinct and separate from the individuals who create and operate it, it can acquire debt and liabilities yet, if it fails, the stockholders are not 'personally' responsible for those liabilities. Are you with me so far?

Now consider the fact that the "United States", for all intents and purposes including in 'legal terms' is, in fact, a 'corporation' pursuant to Title 28, Part VI, Chapter 176, Subchapter A, which spells out that: § 3002. Definitions (15) "United States" means – (A) a Federal corporation; (B) an agency, department,

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commission, board, or other entity of the United States; or (C) an instrumentality of the United States. This is a fact just as it's also a fact that the 'Federal Reserve Bank(s)' (or FED) isn't a federal agency, rather, they are private 'corporations'.

The 'Federal Reserve' handles the sale of 'government bonds' (T-bills) which is how the crooks in DC continue to get the currency they want to pay off their friends and carry out all the 'important things' they do all around the world but, as stated, the FED isn't "Federal" at all. Again, it's a consortium of private banking corporations created within 12 U.S.C. Sub-Sections. 341-361 as made clear in the US Court of Appeals case of Lewis v. United States, 680 F.2d 1239 (1982) wherein the court stated: "Federal reserve banks are not federal instrumentalities ..., but are independent, privately owned and locally controlled corporations in light of fact that direct supervision and control of each bank is exercised by board of directors,..." The court went on to state: "Each Federal Reserve Bank is a **separate corporation** owned by commercial banks in its region." Thus, the folks issuing debt/loans to the US government are private corporations which - it might be noted, for their part, are "exempt" from taxes under the aforementioned statute "c) **Exemption From Taxation.** Federal reserve banks, including the capital stock and surplus therein, and the income derived therefrom shall be exempt from Federal, State, and local taxation, except taxes upon real estate.")

So, imagine you have a mere inkling of understanding of what you've just read (a couple of shots of Dom Pérignon or Jack Daniels helps) and ponder the following synopsis: The "corporation" known as the "United States" borrows bags of currency from the "corporations" known as the "Federal Reserve Bank" (which it - the US - actually created) both of whom know the first corporation ("United States") can't pay the second corporation, the "Federal Reserve". The Fed fabricates currency out of thin air for the first corporation ("United States") where one second the "currency" didn't exist yet the next second the "currency" appears on a computer screen. (sidebar - I wish that worked in my Quickbooks program but I've never found the 'currency from thin air' key.) Finally the second corporation

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sells the make believe promissory notes of corporation number one ("United States") to any damn fool willing to buy them and as fraud would have it, the whole ball of wax is now melting down into (you guessed it) 'nothing'.

So, where Chief Justice Marshal articulated the Law regarding a corporation as being "separate from the individuals who create and operate it" and "**the stockholders are not 'personally' responsible for those liabilities**" if/when the currency/economy tanks and folks start jumping up and down about 'America' not paying it's bills or that there's some sacred and 'moral' reason we, as actual People, should concern ourselves about the fabrications of corporations or "artificial people" as they're referred to, who have created ledger entries out of thin air, please remember that not only are 'we' NOT stockholders of either of these corporations but, even if we were, the Supreme Court has stated quite clearly that we are "not 'personally' responsible for those liabilities".

When the ponzi scheme unwinds and the "United States" can't borrow any more money from the "Federal Reserve" because no more fools can be found to purchase the IOUs (Treasury Bonds) issued by the bankrupt corporation called the "United States" and being sold by the bankrupt corporation called the "Federal Reserve" what happens? Well, the 'Federal Reserve Notes' (debt instruments) in circulation and held around the world will be worthless just like Weimar Germany's. Since this currency isn't lawfully backed by anything (like gold, silver or assets belonging to what used to be known as our Republic) and isn't redeemable in anything but more of the same, those holding that currency and all other

government issued 'paper debt' (mostly huge banks/corporations) are going to have nothing to bribe the government with anymore. The stockholders (even if we were stockholders - which we're not) are free and clear of financial responsibility, according to international and domestic corporate law. So, everyone is free to go about their business and start over with a free pass on their former debt.

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Unfortunately most who read this won't give it more than a passing thought until milk is \$8.00 a gallon and toilet paper is unavailable at any price (perhaps Federal Reserve Notes may work in a pinch) but, I hope I've provided a little perspective on the absurdity of "taxes" and "debt" that the dystopian regime, controlling your destiny, expects you to swallow, hook, line and sinker.

So, to recap: In exchange for getting out of bed and doing whatever your job is "promissory notes" are paid to you. Logic (and law) shows us that there can be no 'tax' on a "promissory note". (again, ask your accountant) So when (if) you ask your friendly politician, based on this logic, why they take a third of your earning away from you in taxes and they give you some run around or they use the old excuse that we all need to "pay (our fair share) for government" in spite of your asking why you should pay for the debts incurred by corporations, they'll likely tell you that those great and honorable people running the ponzi scheme in DC are "your elected officials" and that they have acted "on your behalf" so you must pay. At that point, hopefully, you'll come to the same conclusion that I have - when politician's lips are moving they are probably lying to you and you're being conned.

We Americans are a resilient bunch. We can do without these lying weasels who treat us like a wood tick treats its host. Wake up. Start acting like 'thinking' adults. Ask questions. Stop buying into this BS and take your country back because if you don't, our kids will have to do what we cowards were afraid to do.

If you don't understand the concepts presented above or don't believe it because you're too lazy to Google it even with all the cited 'Laws' proving my point, then you're a perfect candidate for Obamacare; go sign up. Quick.