

# TAX DEPOSITION QUESTIONS: 3. JURISDICTION

## 3. JURISDICTION

### Introduction

The U.S. Government does NOT have legislative, i.e. taxing jurisdiction, *inside* the fifty states. Therefore, the federal government cannot tax the income of ordinary Americans.

### Findings and Conclusions

With the assistance of the following series of Questions, we intend to prove that Congress lacks the Authority to legislate an income tax on the people except in the District of Columbia, the U.S. Territories, and in those geographic areas within any of the 50 states where the states have specifically authorized it in writing. We will also show that:

- The terminology used in the Internal Revenue Code is deliberately misleading. The average American who reads words such as "citizen", "taxpayer", "state", etc. in the tax code without fully understanding the true legal definitions, will fail to see that in fact, they are excluded, and are not subject to the income tax laws of the U.S.
- Legislative jurisdiction is required to tax. The federal government enjoys this Constitutional power in only a very small list of geographical areas that include Washington DC. There is no legislative jurisdiction inside the 50 states.
- Jurisdiction must be formally ceded by a state to the federal government. Without this formal transmission, the federal government has no bona fide legal jurisdiction within any state to legislate or enforce a tax.


**Bottom Line:** The federal government cannot tax your income within the fifty states because they have NO legislative jurisdiction.

### [Section Summary](#)




### Witnesses:



- Larry Becraft (Constitutional Attorney)
- John Turner (Ex. IRS Collection Agent)
- William Benson (Ex. Illinois Revenue Investigator)

### [Transcript](#)

 [Acrobat version of this section including questions and evidence](#) (large: 5.68 Mbytes)

### Further Study On Our Website:

- [Authorities on Federal Jurisdiction](#) -extensive resources on federal jurisdiction
- [Authorities on Jurisdiction of Federal Courts](#)
- [Two Political Jurisdiction: "National" government v. "Federal/General government"](#)
-  [Flawed Tax Arguments to Avoid](#) -Section 6 talks about government flawed arguments, most of which relate to unconstitutionally usurping jurisdiction
-  [Federal Jurisdiction, Form #05.018 \(OFFSITE LINK\)](#) -SEDM
  - [DIRECT LINK](#)
  - [FORMS PAGE](#)
- [Federal Enforcement Authority Within States of the Union, Form #05.032 \(OFFSITE LINK\)](#) -SEDM
  -  [Sample](#)

-  [Click here \(Member Subscriptions, 426 Kbytes\)](#) to view the very important form. SEDM Form #10.009. Requires free [Adobe Acrobat Reader](#) version 7.0 or later.
- [Member Subscriptions](#)-how to gain access to this brief
- [A Detailed Study Into the Meaning of the term "United States" found in the Internal Revenue Code](#)
- [DEFINITIONS: "taxpayer"](#)
- [Great IRS Hoax](#) book:
  - Section 3.16.6: Downes v. Bidwell, 182 U.S. 244
  - Section 4.8: The Federal Zone
  - Section 4.10: Citizenship
  - Section 5.2: Federal Jurisdiction to Tax
  - Section 5.6.5: "Taxpayer" v. "Nontaxpayer"
  - Section 5.6.12: The Nonresident Alien Position
- [Sovereignty Forms and Instructions Manual, Form #10.005](#) (OFFSITE LINK)
  - Section 2.4.2: Defeating the Anti-Injunction Act (26 U.S.C. §7421)
-  [IRS Due Process Meeting Handout, Form #03.008](#) (OFFSITE LINK) -SEDM
- [Test for Federal Tax Professionals](#)
- [U.S. Attorney Manual §9-20.000: Maritime, Territorial and Indian Jurisdiction](#)
- [U.S. Attorney Manual §9-4.139: Statutes Assigned by Citation, 26 U.S.C. Internal Revenue Code](#)




3.1. Admit that at [Section 7608\(a\)](#) of the Internal Revenue Code, Congress set forth the authority of internal revenue officers with respect to enforcement of [Subtitle E](#) and other laws pertaining to liquor, tobacco, and firearms. (WTP #33)

-  [Click here for 26 U.S.C. §7608](#) (WTP Exhibit 018)

3.2. Admit that at Section [7608\(b\)](#) of the Internal Revenue Code, Congress set forth the authority of internal revenue officers with respect to enforcement of laws relating to internal revenue other than [Subtitle E](#). (WTP #34)

-  [Click here for 26 U.S.C. §7608](#) (WTP Exhibit 018)

3.3. Admit that the term "person" as that term is used in [Internal Revenue Code Section 6001](#) and [6011](#) is defined at Section [7701\(a\)\(1\)](#). (WTP #35)

-  [Click here for 26 U.S.C. §6001](#) (WTP Exhibit 007)
-  [Click here for 26 U.S.C. §6011](#) (WTP Exhibit 008)
-  [Click here for 26 U.S.C. §7701\(a\)\(1\)](#) (WTP Exhibit 019)

3.4. Admit that [Internal Revenue Code Section 7701\(a\)\(1\)](#) states: "The term person shall be construed to mean and include an individual, a trust, estate, partnership, association, company or corporation." (WTP #36)

-  [Click here for 26 U.S.C. §7701\(a\)\(1\)](#) (WTP Exhibit 019)

3.5. Admit that trusts, estates, partnerships, associations, companies and corporations do not have arms and legs, do not get married, do not eat, drink and sleep, and are not otherwise included in what one not trained in the law would recognize as a "person." (WTP #37)



3.6. Admit that [Internal Revenue Code Section 6012\(a\)](#) states that: "(a) General Rule. Returns with respect to income taxes under subtitle A shall be made by the following: (1)(A) Every individual having for the taxable year gross income which equals or exceeds the exemption amount . . . ." (WTP #38)

-  [Click here for 26 U.S.C. §6012](#) (WTP Exhibit 020)



3.7. Admit that Internal Revenue Code Section 1 imposes a tax on the taxable income of certain "persons," who are "individuals" and "estates and trusts." (See [26 U.S.C. § 1](#).) (WTP #39)

-  [Click here for 26 U.S.C. §1](#) (WTP Exhibit 002)

3.8. Admit that the "individual" mentioned in [Internal Revenue Code Section 6012](#) is the same individual as mentioned in Internal Revenue Code Section 1. (WTP #40)

-  [Click here for 26 U.S.C. §1](#) (WTP Exhibit 002)
-  [Click here for 26 U.S.C. §6012](#) (WTP Exhibit 020)

3.9. Admit that the "individual" mentioned by Congress in [Internal Revenue Code Section 6012](#) and Internal Revenue Code Section 1 is not defined anywhere in the Internal Revenue Code. (WTP #41)

-  [Click here for 26 U.S.C. §1](#) (WTP Exhibit 002)
-  [Click here for 26 U.S.C. §6012](#) (WTP Exhibit 020)

3.10. Admit that [26 C.F.R. § 1.1-1](#) is the Treasury Regulation that corresponds to Internal Revenue Code [Section 1](#). (WTP #42)

-  [Click here for 26 U.S.C. §1](#) (WTP Exhibit 002)
-  [Click here for 26 CFR §1.1-1](#) (WTP Exhibit 021)

3.11. Admit that at [26 C.F.R. § 1.1-1\(a\)\(1\)](#), the individuals identified at Section 1 of the Internal Revenue Code are those individuals who are either citizens of the United States, residents of the United States, or non-resident aliens. (WTP #43)

-  [Click here for 26 U.S.C. §1](#) (WTP Exhibit 002)
-  [Click here for 26 CFR §1.1-1](#) (WTP Exhibit 021)

3.12. Admit that the "residents" and "citizens" identified in 26 C.F.R. § 1.1- 1(a)(1) are mutually exclusive classes. (WTP #44)

-  [Click here for 26 CFR §1.1-1](#) (WTP Exhibit 021)

3.13. Admit that as used in 26 C.F.R. Sec. 1.1-1, the term "resident" means an alien. (WTP #45)

-  [Click here for 26 CFR §1.1-1](#) (WTP Exhibit 021)

3.14. Admit that 26 C.F.R. Section 1.1-1(c) states that: (WTP #46)



*"Every person born or naturalized in the United States, and subject to its jurisdiction, is a citizen."*

-  [Click here for 26 CFR §1.1-1](#) (WTP Exhibit 021)

3.15. Admit that a person who is born or naturalized in the United States but not subject to its jurisdiction, is not a citizen within the meaning of 26 C.F.R. § 1.1-1. (WTP #47)

-  [Click here for 26 CFR §1.1-1](#) (WTP Exhibit 021)

3.16. Admit that on April 21, 1988, in the United States District Court, Southern District of Indiana, Evansville Division, in the case of United States v. James I. Hall, Case No. EV 87-20-CR, IRS Revenue Officer Patricia A. Schaffner, testified under penalties of perjury that the terms "subject to its jurisdiction" as used at 26 C.F.R. 1.1-1(c) meant being subject to the laws of the country, and that meant the "legislative jurisdiction" of the United States. (WTP #48)

-  [Click here for 26 CFR §1.1-1](#)
-  [Click here for "Judicial Tyranny and Your Income Tax," Jeffrey A. Dickstein, J.D., Custom Prints, 1990, Appendix B, pp. 309-357](#) (WTP Exhibit 022)

3.17. Admit that in the same case, Patricia A. Schaffner testified under oath the term "subject to its jurisdiction" could have no other meaning than the "legislative jurisdiction" of the United States. (WTP #49)

-  [Click here for "Judicial Tyranny and Your Income Tax," Jeffrey A. Dickstein, J.D., Custom Prints, 1990,](#)

[Appendix B, pp. 309-357](#) (WTP Exhibit 022)

3.18. Admit that when Patricia A. Schaffner was asked to tell the jury what facts made Mr. Hall subject to the "legislative jurisdiction" of the United States, the prosecutor, Assistant United States Attorney Larry Mackey objected, and the court sustained the objection. (WTP #50)

-  [Click here for "Judicial Tyranny and Your Income Tax," Jeffrey A. Dickstein, J.D., Custom Prints, 1990, Appendix B, pp. 309-357](#) (WTP Exhibit 022)

3.19. Admit that the Internal Revenue Service is never required by the Federal courts to prove facts to establish whether one is subject to the jurisdiction of the United States. (WTP #51)

-  [Click here for "Judicial Tyranny and Your Income Tax," Jeffrey A. Dickstein, J.D., Custom Prints, 1990, Appendix B, pp. 309-357](#) (WTP Exhibit 022)

3.20. Admit that the United States Department of Justice and United States Attorneys, and their assistants, always object when an alleged taxpayer demands the Government prove that they are subject to the jurisdiction of the United States, and the federal courts always sustain those objections, which means that the federal courts routinely prohibit the introduction of potentially exculpatory evidence in tax crime trials. If there are exceptions to this rule, please identify them specifically. (WTP #52)

3.21. The IRS keeps a system of financial records on federal judges (Treasury System of Records 46.002 as identified in [Treasury/IRS Privacy Act of 1974 Resource Document #6372](#)), IRS Criminal Investigation Division Special Agents, and U.S. Attorneys, which records cannot be accessed by the subject(s) under the [FOIA](#) or [Privacy Act](#). (WTP #52(a))

-  [Click here for Treasury System of Records 46.002](#) (WTP Exhibit 023)

3.22. Admit that unless specifically provided for in the United States Constitution, the federal government does not have legislative jurisdiction in the states. (WTP #53)

- [See United States v. Lopez, 514 U.S. 549 \(1995\)](#) (WTP Exhibit 024)

3.23. Admit that [40 U.S.C. §255](#) identifies the only method by which the federal government may acquire legislative jurisdiction over a geographic area within the outer limits of a state of the Union, which is by state cession *in writing*. (WTP #53a)

-  [Click here for 40 U.S.C. §255](#) (WTP Exhibit 024a)

3.24. Admit that on December 15, 1954, an interdepartmental committee was commissioned on the recommendation of the Attorney General of the United States, Herbert Brownell, Jr., and approved by President Eisenhower and his cabinet, named the Interdepartmental Committee for the Study of Jurisdiction Over Federal Areas Within the States, and charged with the duty of studying and reporting where the United States had legal authority to make someone subject to its jurisdiction. (Note: this report hereinafter referred to as "the Report.") (WTP #54)

-  [See "Jurisdiction over Federal Areas Within the States: Report of the Interdepartmental Committee for the Study of Jurisdiction over Federal Areas Within the States," April 1956, hereinafter "the Report." \(379 page document, 869k\)](#) (WTP Exhibit 025)

3.25. Admit that in June of 1957, the "Interdepartmental Committee for the Study of Jurisdiction over Federal Areas Within the States" issued "Part II" of its report entitled "Jurisdiction Over Federal Areas Within the States." (WTP #55)

- [See Report, p. 197](#) (WTP Exhibit 025a)

3.26. Admit that the Report makes the following statements: (WTP #56)

*a. "The Constitution gives express recognition to but one means of Federal acquisition of legislative jurisdiction -- by State consent under Article I, section 8, clause 17... Justice McLean suggested that the Constitution provided the sole mode for transfer of jurisdiction, and that if this mode is not*

*pursued, no transfer of jurisdiction can take place."*

-  [Click here for Report, p. 41](#) (WTP Exhibit 025b)

*b. "It scarcely needs to be said that unless there has been a transfer of jurisdiction (1) pursuant to clause 17 by a Federal acquisition of land with State consent, or (2) by cession from the State to the Federal Government, or unless the Federal Government has reserved jurisdiction upon the admission of the State, the Federal Government possesses no legislative jurisdiction over any area within a State, such jurisdiction being for exercise by the State, subject to non- interference by the State with Federal functions,"*

-  [Click here for Report, p. 45](#) (WTP Exhibit 025c)

*c. "The Federal Government cannot, by unilateral action on its part, acquire legislative jurisdiction over any area within the exterior boundaries of a State,"*

-  [Click here for Report, p. 46](#) (WTP Exhibit 025d)



*d. "On the other hand, while the Federal Government has power under various provisions of the Constitution to define, and prohibit as criminal, certain acts or omissions occurring anywhere in the United States, it has no power to punish for various other crimes, jurisdiction over which is retained by the States under our Federal-State system of government, unless such crime occurs on areas as to which legislative jurisdiction has been vested in the Federal Government."*

-  [Click here for Report, p. 107](#) (WTP Exhibit 025e)

3.27. Admit that the phrase "subject to **their** jurisdiction" as used in the Thirteenth Amendment means subject to both the jurisdiction of the several states of the union and the United States. (WTP #57)

-  [Click here for Thirteenth Amendment to U.S. Constitution](#) (WTP Exhibit 026)

3.28. Admit that the "subject to **its** jurisdiction" component of the definition of citizen set out at 26 C.F.R. Section 1.1-1(c) has a different meaning than the phrase "subject to their jurisdiction" as used in the Thirteenth Amendment to the Constitution of the United States. (WTP #58)

-  [Click here for 26 CFR §1.1-1](#) (WTP Exhibit 021)
-  [Click here for Thirteenth Amendment to U.S. Constitution](#) (WTP Exhibit 026)

3.29. Admit that the term "foreign" is nowhere defined in the Internal Revenue Code. (WTP #58a)

3.30. Admit that the term "foreign" means anything outside of the legislative jurisdiction of the Congress, which means anything outside of federal property ceded, in most cases, to the federal government by the states as required by [40 U.S.C. §255](#). (WTP #58b)

-  [Click here for 40 U.S.C. §255](#) (WTP Exhibit 024a)

3.31. Admit that a Treasury Regulation cannot create affirmative duties not otherwise imposed by Congress in the underlying statute, corresponding Internal Revenue Code section. (WTP #59)

- [Click here to see C.I.R. v. Acker, 361 U.S. 87, 89 \(1959\)](#) or online at C.I.R. v. Acker, [361 U.S. 87](#), 89 (1959) (WTP Exhibit 016)
- [Click here to see U.S. v. Calamaro, 354 U.S. 351, 358-359 \(1957\)](#) or online at U.S. v. Calamaro, [354 U.S. 351, 358-359](#) (1957) (WTP Exhibit 017)

3.32. Admit that Congress defined a "taxpayer" at [Section 7701\(a\)\(14\)](#) of the Internal Revenue Code, as any person subject to any Internal Revenue tax. (WTP #60)

-  [Click here for 26 U.S.C. §7701](#) (WTP Exhibit 019)

3.33. Admit that "subject to" is defined in in Black's Law Dictionary, Sixth Edition, page 1425 as: (WTP #60a)

*"Liable, subordinate, subservient, inferior, obedient to; governed or affected by; provided that; provided; answerable for." Homan v. Employers Reinsurance Corp., 345 Mo. 650, 136 S.W.2d 289, 302*

-  [Click here for evidence](#) (WTP Exhibit 019a)

3.34. Admit that based on the above definition of "subject to", use of the term "taxpayer" in describing anyone creates a presumption of liability for tax on the part of the person being referred to. (WTP #60b)

3.35. Admit that the IRS uses the term "taxpayer" to refer to everyone, including those not necessarily subject to or liable for [Subtitle A](#) income taxes. (WTP #60c)

3.36. Admit that in **Botta v. Scanlon**, 288 F.2d. 504, 508 (1961), a federal court said: (WTP #60d)

*"A reasonable construction of the taxing statutes does not include vesting any tax official with absolute power of assessment against individuals not specified in the states as a person liable for the tax without an opportunity for judicial review of this status before the appellation of 'taxpayer' is bestowed upon them and their property is seized..."*

-  [Click here for Botta v. Scanlon, 288 F.2d. 504 \(1961\)](#) (WTP Exhibit 019b)

3.37. Admit that, based on the above, it is a violation of due process and a violation of delegated authority for any IRS tax official to refer to any person as a "taxpayer" who does not first identify him or herself as such voluntarily. (WTP #60e)



3.38. Admit that the federal courts, in the case of **Long v. Rasmussen**, 281 F. 236 (1922) stated at 238: (WTP #60f)

*"The revenue laws are a code or system in regulation of tax assessment and collection. They relate to taxpayers, and not to nontaxpayers. The latter are without their scope. No procedure is prescribed for nontaxpayers, and no attempt is made to annul any of their rights and remedies in due course of law. With them Congress does not assume to deal, and they are neither of the subject nor of the object of the revenue laws..."*

*"The distinction between persons and things within the scope of the revenue laws and those without is vital."*

-  [Click here for Long v. Rasmussen, 281 F. 236 \(1922\)](#) (WTP Exhibit 019c)

3.39. Admit that one who is not a citizen, resident, or non-resident alien, is not an individual subject to the tax imposed by [Section 1](#) of the Internal Revenue Code. (WTP #61)

-  [Click here for 26 U.S.C. §1](#) (WTP Exhibit 002)
-  [Click here for 26 U.S.C. §6012](#) (WTP Exhibit 020)

3.40. Admit that an individual who is not subject to the tax imposed by [Section 1](#) of the Internal Revenue Code, is not an individual required to make a return under the Requirement of [Internal Revenue Code Section 6012](#). (WTP #62)

3.41. Admit that the Supreme Court, in a dissenting opinion of Judge Harlan in the case of [Downes v. Bidwell, 182 U.S. 244 \(1901\)](#), stated: (WTP #62a)

*"The idea prevails with some, indeed it has found expression in arguments at the bar, that we have in this country substantially two national governments; one to be maintained under the Constitution, with all of its restrictions; the other to be maintained by Congress outside the independently of that instrument, by exercising such powers [of absolutism] as other nations of the earth are accustomed to..I take leave to say that, if the principles thus announced should ever receive the sanction of a majority of this court, a radical and mischievous change in our system of government will result. We will, in that event, pass from the era of constitutional liberty guarded and protected by a written*

*constitution into an era of legislative absolutism..It will be an evil day for American liberty if the theory of a government outside the supreme law of the land finds lodgment in our constitutional jurisprudence. No higher duty rests upon this court than to exert its full authority to prevent all violation of the principles of the Constitution.”*

**[Downes v. Bidwell, 182 U.S. 244 (1901)]**

-  [Click here for Downes v. Bidwell, 182 U.S. 244 \(1901\)](#) (WTP Exhibit 019d)

3.42. Admit that the jurisdiction that Honorable Justice Harlan above was referring to where "legislative absolutism" would or could reign was in areas subject to the legislative jurisdiction of the U.S. government, which includes the District of Columbia, federal enclaves within the states, and U.S. territories and possessions. (WTP #62b)

3.43. Admit that the Internal Revenue Manual says the following, in [section 4.10.7.2.9.8](#): (WTP #62c)

4.10.7.2.9.8 (05-14-1999)

#### **Importance of Court Decisions**

1. *Decisions made at various levels of the court system are considered to be interpretations of tax laws and may be used by either examiners or taxpayers to support a position.*
2. *Certain court cases lend more weight to a position than others. A case decided by the U.S. Supreme Court becomes the law of the land and takes precedence over decisions of lower courts. The Internal Revenue Service must follow Supreme Court decisions. For examiners, Supreme Court decisions have the same weight as the Code.*
3. **Decisions made by lower courts, such as Tax Court, District Courts, or Claims Court, are binding on the Service only for the particular taxpayer and the years litigated.** *Adverse decisions of lower courts do not require the Service to alter its position for other taxpayers.*

-  [Click here for IRM §4.10.7.2.9.8](#)

3.44. Admit that the Internal Revenue Service, in its responsive letters to tax payers, routinely and chronically violates the above requirements by citing cases below the Supreme Court level, which do not apply to more than the individual taxpayer in question according to the above. (WTP #62d)