

# THE LIE THE GOVERNMENT TELLS ABOUT INCOME TAX

The United States government claims that in *United States v. Collins*, 920 F.2d 619, 629 (10 th Cir. 1990), cert. denied, 500 U.S. 920 (1991), the court cited *Brushaber v. Union Pac. R.R.*, 240 U.S. 1, 12-19 (1916), and noted the United States Supreme Court has recognized that the:

"Sixteenth Amendment authorizes a direct nonapportioned tax upon United States citizens throughout the nation, not just in federal enclaves".

**This statement and claim IS A LIE.** The Court's decision taken in the Brushaber case **absolutely did NOT say** that the 16<sup>th</sup> Amendment authorizes a direct nonapportioned tax, because that would have **engineered a direct and inherent conflict within the Constitution with pre-existing Article I clauses (1,2,3 & 1,9,4) that prohibit direct nonapportioned taxes**, and the Supreme Court **doesn't do things that are that stupid.**

What the Brushaber Court **really said was that belief is an erroneous assumption that is the cause of all the confusion!** This *Collins* decision is handed down by a **moronic** 10<sup>th</sup> circuit that can't even read the Supreme Court decision without confusing the **rejected argument and claims** (it's a direct tax), with the accepted and applied reasoning (it's an indirect tax) actually adopted in the decision. Here's what the Supreme Court really said in the Brushaber decision in prefacing the rejected argument shown above:

"We are of opinion, however, that **the confusion is not inherent, but rather arises from the conclusion that the 16th Amendment provides for a hitherto unknown power of taxation**; that is, a power to levy an income tax which, although direct, should not be subject to the regulation of apportionment applicable to all other direct taxes. And **the far-reaching effect of this erroneous assumption will be made clear...**" *Brushaber v. Union Pacific R.R.*, 240 U.S. 1, 11 (1916)

And the very next case the Supreme Court took proves beyond the shadow of any doubt what-so-ever, that they actually **rejected the claimed argument** - that the 16<sup>th</sup> Amendment authorizes **any** kind of direct taxing power:

"...by the previous ruling, it was settled that the provisions of the 16th Amendment **conferred no new power of taxation** but simply **prohibited** the previous complete and plenary power of **income taxation** possessed by Congress from the beginning **from being taken out of the category of INDIRECT taxation to which it inherently belonged..**" *Stanton v. Baltic Mining Co.*, 240 US 103, 112-113 (1916)

So, what did the Brushaber Court really tell us about the income tax legislation they were testing:

"..., the appellant filed his bill to enjoin the corporation from complying with the **income tax provisions of the tariff act** of October 3, 1913." *Brushaber v. Union Pacific R.R. Co.*, 240 U.S. 1, 9 (1916)

**DO YOU KNOW WHAT A TARIFF IS?** A tariff is a tax imposed on **foreign** activity. However, a tariff **is NOT a tax imposed on any DOMESTIC activity OR INCOME earned IN America.** The Court further tells us:

"2. The act provides for **collecting the tax at the source**; that is, **makes it the duty** of corporations, **etc., to retain and pay** the sum of **the tax ...**" *Brushaber v. Union Pacific R.R. Co.*, 240 US 1, 21-22 (1916)

This, "**collecting the tax at the source**", is of course, what the income tax legislation was really all about in 1913 - getting the tax dollars from the taxpayer before they were all spent, or could no longer be collected because the taxpayer had left the area. This legislatively defined *duty* referenced here by the Supreme Court, to *retain and pay the sum of the tax*, is defined in the law, as the *duty* of the "*Withholding Agent*" to withhold income taxes from all subject persons, at Title 26 U.S.C. § 7701(a)(16). It states:

**(16) Withholding agent.** The term "*Withholding Agent*" means any person required to deduct and withhold any tax **under the provisions of sections 1441, 1442, 1443, or 1461.**

**The titles of those defining sections are:** § 1441 - Withholding of Tax on Nonresident Aliens, § 1442 - Withholding of Tax on Foreign Corporations, and § 1443 - Foreign Tax Exempt Organizations. One should carefully **note that the income tax laws ONLY authorize the withholding of income tax from FOREIGN persons**, and then remember that the Supreme Court said the income tax of 1913 was part of a **tariff act, and tariffs** can only be imposed on foreign activity, **but never domestic activity**. Finally, the last code section referenced in the definition of a *Withholding Agent*, **§ 1461 - Liability for withheld tax**, clearly states:

**“Every person required to deduct and withhold any tax under this chapter is hereby made liable for such tax and is hereby indemnified against the claims and demands of any person for the amount of any payments made in accordance with the provisions of this chapter.”**

**This is the ONLY statute in all of the Subtitle A income tax laws that makes anyone liable to pay the income tax.** By making **ONLY** the *Withholding Agent* liable for the payment of tax, **the scheme for the collection and enforcement of the income tax is kept entirely INDIRECT.** By injecting this third party (the *Withholding Agent*) into the scheme for the collection of the income tax, the **burden** to pay the tax **is shifted by withholding from the payer of the tax - the tax collector** (the *Withholding Agent*), **to the actual taxed subject and real taxpayer** – the **non-resident aliens and foreign corporations** that are the proper taxed subjects of the federal government under the law, and the Constitution (1,8,3-5).

We the People are **NOT subjects** of the federal government, **We The People are the Sovereign**, the true “owner”, authority, and power in the land, and the federal government is merely our representative, **NOT OUR RULER.** The federal government does **not** possess the territorial jurisdiction in the fifty states necessary to tax either retail sales, or labor, **or income for that matter, directly.** And the income tax passed in 1913 recognizes that limitation on the federal authority and its corresponding taxing powers, as well as recognizing the still existent Constitutional prohibition on direct taxation of We The People by the federal government. The federal government is still today prohibited by the Constitution from taxing citizens directly.

**Sovereigns do not impose tax on themselves, but on their subjects. Sovereigns do NOT pay tax, THEY COLLECT IT from their subjects, and under the law, We The People, the true sovereign, are not the intended taxpayers of this income tax, we are the intended TAX COLLECTORS.** Did the Kings of England, or Spain, or France, ever tax themselves, or did they **collect** tax from their subjects? Well my friends, America was established as the *First Nation of Kings* because in America it is We The People who are collectively the national Sovereign and hold the ruling powers. **Sovereigns collect tax, they don’t pay it.**

We the People are the **“etc.”** in the Brushaber quote cited above (2.), and **like the corporations, We The People** have a duty to **“retain and pay the sum of the tax”**, or **withhold tax from the subject foreign persons.** However this duty to pay tax (over to the Treasury) **ONLY relates to the taxes that we have withheld from other persons** (the subject foreign parties). **The truth is: NO law taxes the domestic income of the citizen!**

**AMERICAN CITIZENS ARE NOT REQUIRED BY LAW TO PAY INCOME TAX ON THEIR OWN DOMESTIC INCOME, and Form 1040 is not required by law from citizens to pay tax on their domestic income, because that would constitute DIRECT taxation without apportionment, and that is STILL UNCONSTITUTIONAL** as the provisions of Article 1 prohibiting direct taxation (unless laid in proportion to the census per 1,9,4, and apportioned to the States for collection per 1,2,3) have never been repealed or amended. There is more absolutely irrefutable information about income tax, employment tax, and federal taxation in general at:

**[www.Tax-Freedom.com](http://www.Tax-Freedom.com)**

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