

LIBERTY TREE

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CLOSER TO THE MARK

"He causes all, both small and great, rich and poor, free and slave, to receive a mark on their right hand or on their foreheads, and *that no one may buy or sell except one who has the mark or the name of the beast, or the number of his name.*" *Revelation 13:16-17, NKJV.*



As the federal beast becomes more imposing, so does its "mark," a.k.a "taxpayer identification number." To wall up the economy and exclude those without numbers from the marketplace, Congress has laid its most recent brick in the Housing and Economic Recovery Act of 2008;¹ a requirement that credit card transactions be reported to the IRS beginning in 2011.

The Act doesn't require *everyone's* personal transactions to be reported — yet. It requires only the total credit (or debit) card receipts of all *merchants* to be reported on "information" returns. According to one on-line tax "expert":

Banks and other payment settlement services will need to report gross annual receipts for each merchant. The income reporting will apply to "any transaction in which a payment card is accepted as payment" (new Internal Revenue Code section 6050W(c)(2)). Thus, banks and other financial service providers will be reporting the total, gross amount of credit card and debit card payments for the year for each merchant.²

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Insanity in California

In the midst of bankruptcy, state legislators still want to reward lawbreakers

By Dick Greb

With the financial crisis in this country well under way, many states are experiencing problems paying their bills, just like many of their citizens. Some are on the verge of bankruptcy. California is a case in point; according to a January 17, 2009 article in the *Los Angeles Times*, California is facing a nearly \$42-billion deficit in the current fiscal year. State Controller John Chiang has said he has no choice but to stop making some \$3.7 billion in tax refunds, welfare checks, student grants and other payments owed to Californians. Personal income tax refunds account for \$1.91 billion of that total. Yet even stealing that extra \$2 billion from California taxpayers isn't going to keep the state out of trouble. The *Times* says: "By March, the state would be so far in the red that even continuing to suspend payments would not cover the shortfall. **California would be insolvent**, making the issuance of IOUs likely."¹

California legislators are battling

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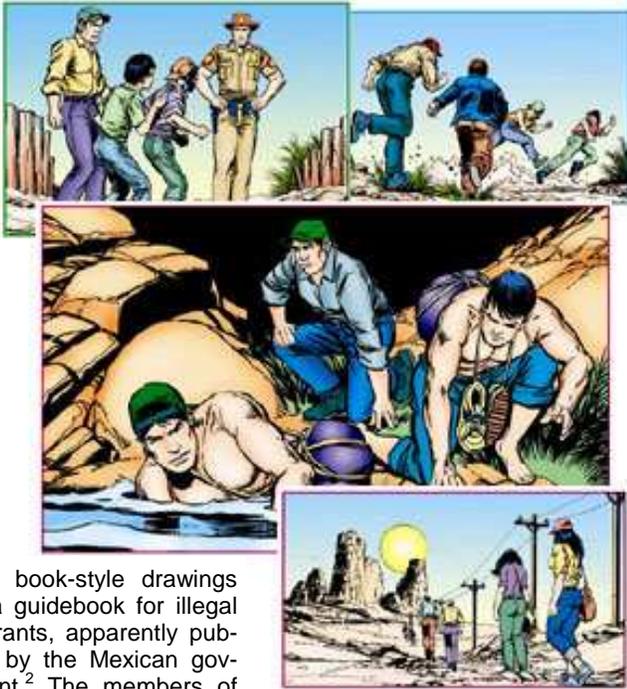
1. Public Law 110-289. See http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=110_cong_public_laws&docid=f:publ289.110 for the text

2. <http://taxes.about.com/od/business taxes/qt/cardreporting.htm>

1. <http://www.latimes.com/news/local/la-me-budget17-2009jan17,0,4472460.story>. Such IOUs are effectively just the emission of bills of credit; *i.e.*, a type of "money."

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over solutions to the deficit problem, with some Republicans wanting to check the immigration status of people receiving state-funded social benefits and jobs. After all, when you can't even afford to pay out the legalized plunder promised to Americans, where does the money come from to subsidize illegal immigrants? As Assemblyman Jim Silva explains: "California is on a financial life raft that is sinking, but at the same time, we continue to pull more and more people on board." Yet Senator Gil Cedillo rejects such a move, remarking: "To the extent we have criminal activity in our state, we should address it very, very vig-



Comic book-style drawings from a guidebook for illegal immigrants, apparently published by the Mexican government.² The members of the Calif. legislature are busy bankrupting their citizens to pay for benefits for these lawbreakers.

orously. But let's be focused on criminal activity, not on the status of an individual

because that moves us toward patent, blatant discrimination." And, of course, that's exactly what checking immigration status would result in — discrimination against lawbreakers who are helping to bankrupt the state by demanding support from those whose laws they are breaking. But naturally, Cedillo isn't talking about the criminal activity of illegally entering and remaining within the country. He's only talking about *other*

criminal activity.

According to ABC News' Sacramento Bureau Chief Nannette Miranda, between 2006 and 2007, it cost California \$850 million to keep more than 17,000 illegal immigrants locked up, with the federal government reimbursing them \$100 million.³ That's nearly a billion dollars spent just to incarcerate people who should have been prevented from entering the country in the first place. But that's not all. According to U.S. Rep. Elton Gallegly, the Federation for American Immigration Reform published a comprehensive report in 2004 showing illegal immigration resulted in an \$8.8 billion net loss to California.⁴

So, what does that have to do with those of us from the other 49 states? First, what happens in California doesn't stay in California. Following their lead, other states will decide that expropriating the money of those saps who overpaid on taxes is a good idea for them, too. But a more immediate result is likely: you'll be fleeced to bail the Golden State out, just like you bailed out the bankers, and the insurance companies, and the car manufacturers, and on and on. You'll be visibly hit by increased taxes on pretty much everything possible, but even more insidiously, you'll be invisibly hit by the devaluation of the currency resulting from the inflation of the money supply to fund it.

Newly installed President Obama is already pushing Congress to pass the American Recovery and Reinvestment Act of 2009 — another big bailout plan, which includes \$544 billion in spending. That's another half a TRILLION dollars, folks! On top of the three-quarter trillion Congress already said the Treasury and the Fed could bestow on their bankster friends without any accountability. As they say, a trillion dollars here and a trillion dollars there, and pretty soon, you're talking serious money. And of course, it's we — and our children and grandchildren — who are going to have to foot the bill for all of this socialistic "stimulation." Congressman Mike Pence (Indiana) summed it up: "The only thing it will stimulate is more government and more debt." What we need though, is a whole lot LESS of BOTH.



2. www.diggersrealm.com/mt/archives/000613.html

3. <http://abclocal.go.com/kfsn/story?section=news/state&id=6042325>

4. http://www.capsweb.org/content.php?id=436&menu_id=8

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A merchant's total payment transactions for the year are supposed to be "reported" if they are more than 20,000 FRNs, and the total number of transactions exceeds 200. It is doubtless only a matter of time before these limits are removed.

Hereafter, banks will require merchants accepting credit card or payment settlements to supply their SSN or EIN for reporting purposes. The tax "expert" helpfully explains that "merchants will need to provide their payment processor with the full legal name of the business, their address, and taxpayer identification number ['TIN']. For most businesses, this will be their Employer Identification Number (EIN)."

Does anyone honestly believe that this is *not* the first step toward requiring all electronic transactions to be reported to the IRS? Doubters need only remember Congressional promises in the 1930s that the social security number would never be used for identification purposes.

LOSING YOUR ECONOMY

Economic freedom is a necessary prerequisite to prosperity and general liberty. In a free market, men voluntarily and freely exchange their most sacred property — their labor, and the fruits of their labor — with others for mutual benefit. A slave's labor, on the other hand, is owned by his master, and he cannot exchange his property for anything unless his master approves.

Whether or not a person believes in the book of Revelation, or in the "mark" of the beast, it is in-

disputable that those who accept the type of mark described in Revelation accept slavery. If market participants cannot engage in voluntary transactions without prior approval by government (*e.g.*, the stamp of the SSN or EIN), they are not free to buy and sell without the mark. They are slaves.

Over 200 years ago at the Constitutional Convention, Mr. Read opined that granting the government power to emit bills of credit, *i.e.*, paper money, would be "as alarming as the mark of the Beast in Revelations." Congress has long ago usurped the power Mr. Read and the convention refused to grant it by establishing the Federal Reserve Bank to emit such bills. Now it claims the power to emit identification numbers to track market transactions made with those bills. Are you alarmed yet?

REAL OR ILLUSION?

Even worse, the reporting scheme may be an illusion on several levels. At the first level, those who have studied the law understand that neither the SSN nor EIN are numbers American citizens and merchants must simply apply for, no questions asked.³ On a deeper level, however, many Americans hold a vague notion that Congress can demand information reporting from U.S. citizens whenever they want, and Americans have to comply. They do not consider that such demands violate the Fourth Amendment, which provides "The right of the people to be secure in their ... papers,

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and effects against unreasonable searches and seizures ... shall not be violated, and no Warrants shall issue, but upon probable cause, supported by oath or affirmation, and particularly describing the place to be searched, and the ... things to be seized.”

No one is *secure* in their papers and effects if the government can simply demand they must turn over information to the government without a warrant.

This may be why, from the beginning, Congress (at least) imposed a limit on the types of persons from whom the Secretary can demand returns and statements of any kind.⁴ That limit, found in § 6001 of Chapter 61 of Title 26, is that “every person *liable for any tax* imposed by this title [the IRC], or for the collection thereof” is required to “keep such records, render such statements, make such returns, and comply” with the Secretary’s prescribed rules and regulations. This is also the “general rule” for returns, statements, and lists in § 6011.

In the case of the credit card banks, it appears Congress has imposed no tax, nor any liability for the payment or collection of any tax, upon credit card entities or third party payment networks with respect to credit card or payment transactions *per se*, and therefore, given §§ 6001 and 6011, the question arises: how can a requirement exist to “report” such transactions on a return?

INTO THE ABYSS

One thing is indisputable: any “returns” which are not for the payment of any tax or the collection of any tax can only serve to increase the IRS’ surveillance powers by forcing participants in the

3. For the law which governs the emission of social security numbers, see Title 42, § 405. For the authorization to assign EINs, see Title 26, § 6109, where the Secretary is authorized “to require such information as may be necessary to assign an identifying number to any person” who is *required* to make a “return, statement or other document” or is *required* to furnish an identifying number to another person making a *required* return respecting them. From a research standpoint, then, which returns are required must be identified before the Secretary’s authority to issue numbers with respect to those returns can be ascertained.

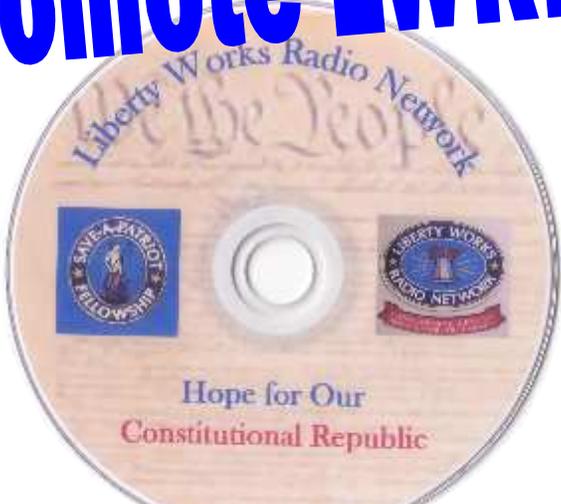
4. This too involves violations of the Constitution, but unfortunately for We the People, the imposition of a tax is reason enough to the criminals in Congress and the Supreme Court to pretend that the Fourth & Fifth Amendments no longer apply.

marketplace to be (unpaid!) informants to the government. But we live in a dumbed-down society where most highly trained people comply with government officials’ demands without asking questions. Such unquestioning obedience is the surest and quickest way into slavery, number or no number.

It must be expected that the credit and debit card banks, already in league with the government on many levels, will dutifully report merchant transactions and refuse to do business with merchants who have not signed up for the mark. The day grows ever closer when illusions will hold sway over an entire captive marketplace, and without a mark, you will not be allowed to buy or sell.



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