

LIBERTY TREE

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Banking coup d'état

By John B. Kotmair, Jr.

In 1910, U.S. Senator Nelson Aldrich, John D. Rockefeller's father-in-law, invited seven men to a meeting on the Rockefeller estate on Jekyll Island, Georgia, to plan the creation of a central bank designed on the *Reichsbank* in Germany. Among those invited were Paul Warburg of Kuhn, Loeb & Co., Frank Vanderlip of the National City Bank, Henry Davison and Benjamin Strong of J. P. Morgan Company, and Charles Norton. In this meeting, the Federal Reserve Act of 1913 was drafted into two Congressional Bills. The Aldrich Bill was introduced in the Senate, but met with opposition in the House of Representatives. Representative Carter Glass, another Rockefeller agent, along with Senator Robert Owens, rewrote the Aldrich Bill and introduced it as the Glass-Owens Bill. Passing both Houses of Congress, it was unconstitutionally enacted into "law."

One of the reasons widely disseminated for the Federal Reserve Banking system was that it would avert crises, such as the banking panic of 1907, by creating a central bank with the ability to "extend the supply of money" during periods of low cash reserves. This extension of the supply of money they were selling is in actuality nothing more than the Congress enacting a bill to increase the national debt, issuing a government bond for that amount, and selling it to the Federal Reserve Bank. The Federal Reserve "monetizes" the debt through the

use of *federal reserve notes*, which it obtains from the U.S. Treasury's Bureau of Engraving and Printing for the cost of printing them — about 5 to 13 cents per note, depending on the note's denomination. The notes are used to pay for the government bonds *at face value*. Similarly,

when the Federal Reserve buys government securities on the open market, it pays for them by crediting the seller's bank for the amount of the purchase. This credit, through the fraud known as fractional reserve banking, becomes a reserve which that bank uses to generate loans to the public. For a large bank, the reserve requirement is 10 percent; this means the bank can loan out nine times the amount of the original credit. These loans "create" money for the borrowers, which when it makes its way into other banks, adds to that bank's reserves, allowing the process to start all over again. All of this money is "created" out of thin air, but because of the actions of the federal government, you end up owing this debt — now in the trillions — plus the interest on it, to the Federal Reserve Bankers. By this means, Adam Weishaupt's Illuminati plan has just about made the whole world indebted to the fraudulent central banking scheme.

This scheme is no different in principle than if you wrote a check without sufficient funds to cover it, and tendered it for payment to someone. The difference

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Representative **Carter Glass** (left, as depicted by TIME magazine in 1924) worked with Senator **Robert Owens** (right, then the Chairman of the Committee on Banking and Currency) to craft the final bill which established the Federal Reserve System, an unconstitutional central bank.

Carter Glass was later Treasury Secretary under the Woodrow Wilson administration, and instrumental in passing the Glass-Steagall Act of 1932, giving even more unconstitutional "powers" to the Federal Reserve.

Robert Owen wrote a propaganda book in 1919, *The Federal Reserve Act*, in which he claimed that the Bank of England and the German Reichsbank were able to instantly cure 19th century "panics" by creating legal tender notes as needed. He stated, "It is the duty of the United States to provide a means by which periodic panics which shake the American Republic ... shall be stopped. The remedy is perfectly simple. Provide a means for quickly expanding the currency when financial fear threatens the country. Provide a means by which the timid depositor who rushes on the banker and demands his money shall not frighten that banker out of his wits." (p. 24) The "simple" process of "expanding" the currency (inflation) has now, 100 years later, transferred (stolen) nearly all the purchasing power of the common man's savings to the banks and bank-controlled government, the fulfillment of Marx's dream. However, it certainly *has* kept the powerful bankers from being unduly "frightened" by bank runs or even bankruptcy. See the 2008 bail-outs for proof.



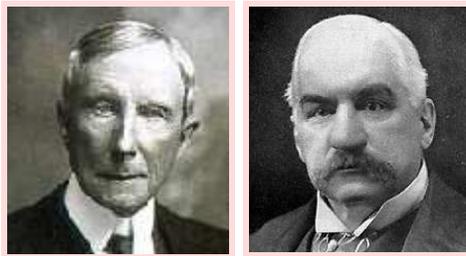
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is if you did this, you would have a strong probability of ending up in jail. But when the central bankers do it, they just get rich beyond one's wildest imaginations.

In the Baltimore City Police Academy, I was taught that no one is entitled to what they gain unlawfully, and on its face, the fraud being committed by these bankers comes under this judicial principle. Consequently, the solution to the largest portion of what is called the "national debt" is to arrest these bankers and seize their assets, to which they are not entitled. I published this in 2002 in my book, *Piercing the Illusion*, which I have been enjoined from selling, or even giving away, due to a federal court injunction order, issued by a federal judge without my having the benefit of my right to a hearing or trial. The cause of the court acting in such a manner was that there was no evidence against me that could be presented at a hearing or trial.¹ Fortunately, even though I am enjoined from distributing *Piercing the Illusion*, copies of the book can still be found on the Internet.

On October 3, 1913, the Tariff Act, containing the income tax, and on December 23, 1913, the Federal Reserve Act, were passed into law. President Woodrow Wilson allegedly signed both Acts into law.

Woodrow Wilson was a notorious womanizer, and this was used by the Rothschild-Warburg-Rockefeller bankers to control him in achieving their central bank schemes. His controller,



Edward Mandell House, was their agent, an avowed Illuminist who gained national prominence as Wilson's chief advisor. House, who resided in the White House, persuaded President Wilson to sign the Federal Reserve Act and Tariff Act of 1913.



On May 30, 1919, House participated in a meeting in Paris which laid the groundwork for the Royal Institute of International Affairs, an offshoot of which is the current Council on Foreign Relations. In the 1920s, House strongly supported U.S. membership in the League of Nations, the forerunner of the United Nations, the World Court, and the Permanent Court of International Justice, all Illuminati schemes for world government, or the New World Order. In 1932, House supported Franklin Delano Roosevelt's Presidential candidacy.

It took the Rothschild-Warburg-Rockefeller-Illuminati conspiracy 123 years to fully establish their central bank scheme in the United States, and another 22 years to establish a Marxist welfare system, with the intent of destroying the economy as well as our unalienable Rights. Franklin Delano Roosevelt campaigned on the *New Deal* platform, promising to give Americans security from another financial depression like the one supposedly caused by the stock market crash in 1929 — the very thing the Federal Reserve System, begun just 16 years earlier, was supposed to prevent.

When John D. Rockefeller was closing in on monopolizing the oil industry, one of his favorite and most

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Rogues' Gallery

Wealthy elites designed the Federal Reserve System and ensured it would be accepted as "lawful" by duped Americans. It is self-evident that these powerful money interests came together to legalize their banking cartel for *their own interests* — that is, to acquire a monopoly over the creation of money from nothing, a monopoly relied upon and supported by the federal government. Here are just a few of these rogues, starting from the top, left to right: (1) **John D. Rockefeller**, the co-founder of Standard Oil and often considered the richest person in history. (2) **J. P. Morgan**, head of one of the most powerful banking houses in the world in 1900 (JP Morgan & Co.). The Morgans were believed by researcher Eustace Mullins to be Rothschild agents in America. While not present at the famous Jekyll Island meeting, Rockefeller's and Morgan's interests were represented by their agents there. (3) **Paul Warburg**, of the German Warburg banking dynasty. (4) **Benjamin Strong**, who represented J. P. Morgan and was rewarded by being the NY Fed's governor for 14 years. (5) Senator **Nelson Aldrich**, who became wealthy through insider investments due to his political position. He drafted the Fed bill, supported ruinous tariffs and the income tax, and married his daughter to Rockefeller's son. (6) **Norton D. Coleman**, Asst. Secretary of the Treasury, Secretary to Pres. Taft, later V.P. of 1st National Bank. (7) **Henry Davison**, Sr. Partner at JP Morgan & Co. (8) **Frank Vanderlip**, who as Asst. Secretary of the Treasury borrowed \$200 million from National City Bank to finance the Spanish American War, later became V.P. of National City Bank of New York.

1. For those interested, all this is documented on the Internet at www.save-a-patriot.org/doj/doj.html.

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effective ploys was to capture a competitor from the inside. He would place his men inside a competitor's office, or bribe employees of the other firms to do his bidding. John D.'s descendants, in association with Illuminati conspirators, now play the same game inside our government. It makes no difference which party is in power. Whether a Democrat or Republican administration, Illuminists still hold key positions, especially in the fields of foreign policy and finance.



Photo courtesy of the Jekyll Island Museum

The Jekyll Island Club was a hunting resort for the wealthy Morgans and Rockefellers, perhaps an appropriate setting for the villainous conspiracy which has ultimately strung up most of the world's governments in debt.

The Houses of Rothschild and Rockefeller are the eternal power behind the throne.

Banker influence in the White House accelerated with the election of Abraham Lincoln, but it was not until the election of Franklin Delano Roosevelt that it be-

... the solution to the largest portion of what is called the "national debt" is to arrest these bankers and seize their assets, to which they are not entitled.

came a deciding factor in determining policy. The *New Deal* was actually the *Illuminati Deal* planned by Adam Weishaupt in 1776.

The Illuminati-controlled news media convinced Americans that the New Deal would help business and the stock market quickly recover from the depression. Americans parroted the phrase, "Roosevelt put food on our table," but could not seem to figure out that since government produces nothing, whenever it increases its activity and size, it removes — through increased tax-

tion — the capital which would otherwise be used in the marketplace to provide services, products and jobs. Thus, every increase in government "services" actually results in a loss of services, products and jobs.

The *New Deal* could either take from one person to give it to another, or put everybody in debt — FDR did both. His Illuminati-planned program to re-

cover from the "Great Depression" started America on the course of accelerating debt that it is still on today. America did not have an actual recovery from the Great Depression; it just ran up the national credit card to the point of the destruction of its credit, with debt beyond the ability to repay it, driving the economy to the brink of destruction.

World War II was a major factor in increasing the national debt. Under FDR's Lend-Lease Program, Americans paid to arm and supply England and Russia, and under the post-war Marshall Plan the government rebuilt Europe and Asia. But the real long-lasting method of increasing indebtedness to enrich the bankers while impoverishing the nation began with the Ponzi pyramid scheme Social Security, along with its many add-on welfare programs, such as Medicare and Medicaid. Since the U.S. Constitution contains no authority for the imposition of the Social Security scheme, the government has ever since been engaged in a massive cover-up of its own wrongful actions in collecting the tax.



IRS CORRUPTION FOREVER!

Victories against the IRS are few and far between. Most Americans — even those who believe they must file and pay "their" taxes — know the IRS is completely corrupt. Few understand, however, that it is the corruption of the courts that allows the IRS to continue its illegal acts.

So if even a partial victory against the corruption comes along, a little acknowledgment is in order.

On February 11, 2014, the Court of Appeals for the D.C. Circuit delivered a blistering opinion demolishing the IRS'

unlawful licensing of tax preparers. The licensing scheme — which has been effectively enjoined by the courts for well over a year now — was drafted into IRS regulations under direction from former H & R Block CEO Mark Ernst,¹ undoubtedly as a favor to H&R Block and other big tax return preparers, who stand to benefit from the stifling of competition in the tax preparation industry.²

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1. See washingtonexaminer.com/timothy-p.-carney-revolving-door-spins-at-obamas-irs/article/33018.

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This illegal scheme would be in complete effect today, but for a lawsuit brought by the Institute for Justice (IFJ) on behalf of small tax return preparers.

The court agreed with the IFJ that the statutory authority to regulate “practitioners” before the IRS (31 U.S.C. § 330) did not extend to regulating return preparers. The statute was first adopted in 1884 as part of a War Department appropriation for “horses and other property lost in the military service,”³ long before the 1913 “income tax,” and long before Congress passed laws concerning tax return preparers. It only applies to agents such as lawyers who “practice” in controversies before the Treasury Dept. Thus, the IRS has no statutory authority whatsoever to fleece return preparers for continuing education and testing. For once, the courts have recognized and struck down the IRS’ corrupt attempt to expand its powers through regulations.

Unashamed, the IRS admits only that the court found “insufficient” statutory support for its scheme, but the IRS “focus on improved competency will continue.”⁴ Too bad this doesn’t mean the *IRS’ own* competency; no, the bullies just want to continue to harass tax preparers — they’ve already established an “Office of Professional Responsibility” (the irony!) to do just that.

Unfortunately, the IFJ did not contest, and the courts thus allowed to continue, the regulations and the W-12 form establishing a preparer tax identification number, or PTIN, even though they, too, are not authorized by law. As *Liberty Tree* has pointed out, the IRS rewrote regulations for IRC § 6109 with the intention “to require paid tax return preparers to register with the IRS.”⁵ Under IRC § 6109, the IRS *may* prescribe an id number for preparers and “is authorized to require such information as may be necessary to assign” that number. Necessary information *used* to consist of an individual’s name, address, SSN, and date of birth.⁶

But now the IRS has made it *mandatory* for paid return preparers to apply for a PTIN, at an initial fee of \$64.25 and an annual renewal fee of \$63.00. The W-12 application form has expanded to 17 lines (2013 version) and demands the preparer’s filing status, federal tax

NO SHAME?



Mark Ernst, former Chairman and CEO of H&R Block, the largest U.S. tax preparer. He resigned from H&R Block in 2007 and a little over a year later went straight to the IRS under the Obama administration, where as deputy commissioner he was a “co-leader” in drafting the bogus regulations to license tax return preparers.



In May of 2013, Lois Lerner, director of the IRS exempt organization division, admitted publicly that conservative groups with “Tea Party” and “Patriot” in their names were singled out and their applications delayed or denied. On the other hand, liberal groups were reportedly processed in just a couple months. She has claimed the Fifth Amendment in testimony before Congress, and is on administrative leave. Between 2009 and 2012, she was paid \$740,931 for her corruption.

NONE.

“compliance,” past felony convictions, email, professional credentials, etc. The instructions to the W-12 form state, among other things:

You are required to fully disclose any information concerning prior felony convictions. ...crimes related to federal tax matters [or] those involving dishonesty ... will be considered grounds for denial or termination of a PTIN. ... provide details of your prior felony conviction(s), and why you believe it should not affect your fitness to practice before the IRS.

Even after the courts *stopped* the IRS from regulating return preparers under 31 U.S.C. § 330 — the only authority for the IRS to require persons to “demonstrate ... good character ... good reputation ... competency ...” before admitting them to “practice” — the IRS is using its illegal *registration* of preparers to accomplish the same end. With *no* authority, the IRS *still* claims it may deny preparers a PTIN. Further, the IRS bureau-rats are only foregoing *mandatory* competency exams and continuing education — it appears they will implement testing and education on a voluntary basis. Then Congress can just wave its statutory wand to make the testing mandatory — and *viola!* — the courts will finally, undoubtedly, call it all “constitutional.”

And who can ignore the cesspool over at the IRS “exempt organization” department? In May 2013, just before a report by TIGTA (the tax inspector general), Lois Lerner, head of the department, admitted that the IRS was wrongly targeting political groups applying for tax exemption status under IRC § 501(c)(4). Not just any groups, but conservative ones, or ones with “Tea Party” or “Patriot” in their name — in short, any that might advocate for even a tiny bit of (sigh) Liberty. (Can any freedom ever be won by organizations fighting so hard to surrender to the IRS?)

The targeting utilized massive and unnecessary requests for information: the Richmond Tea Party was requested to list all donors and contributions and explain how every donation was used as part of a 55-question inquiry; a Tennessee Tea Party leader said he was given a 95-question document. Many groups simply gave up over the hassle and delays.⁷

Now Lerner, who apparently knows where most corruption is buried (all the way up to Obama), is refusing to testify to a Congressional committee about it, and has steadfastly invoked the Fifth Amendment.

Never forget, as Beardsley Rummler put it, that the purpose of the tax is not to raise revenue, but to set policy. And good policy, if you’re in power, means destroying your political opponents. That’s how the IRS will *always* see it.



2. For the history of this sordid IRS process, see the December 2011 and January 2012 editions of the *Liberty Tree*, found online at www.lwrr.net, under the “News” tab.
3. See *Loving v. IRS*, D.C. Cir., decided February 11, 2014.
4. www.irs.gov/uac/Newsroom/IRS-Statement-on-Court-Ruling-Related-to-Return-Preparers.
5. IRS Publication 4832, p. 33.
6. See form W-7P.
7. www.dailymail.co.uk/news/article-2325002/IRS-targeting-scandal-Questioning-included-demands-donation-data-books-Facebook-posts.html