



LIBERTY TREE

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Given the condition of the courts these days, is it still worthwhile to take tax issues to court here in America? Since I work in this field 100 percent of the time, I say it is, but this conclusion depends on your approach to litigation. There are at least two

The tax gurus, the government, and you. CUI BONO?

By Lowell Becraft, Jr.

different approaches: there is what I call, for lack of a better term, the “legal approach,” and it is certainly useful and beneficial. In contrast, there is the “patriot” approach, but it is fraught with danger and typically has little chance of success. Let me explain both approaches with which I have years of experience.

A success achieved by using the “legal approach” is evident via the recent examples of Second Amendment litigation. *D.C. v. Heller* was carefully planned from a legal perspective from the very beginning. One of the men who planned this litigation is a personal friend of mine who happened to be Dick Heller’s tenant. The strategic planning behind the creation of this litigation was critical to its success. And after favorable oral arguments at the Supremes in *Heller*, plans were immediately made for the next wave of litigation. *McDonald v. Chicago* was filed the



This photo is purported to be of “Dr. Sam Kennedy,” a promoter of the baseless 1099-OID theory that has landed many patriots in trouble.

same day of the *Heller* decision. Even though Second Amendment litigation clearly was an “uphill climb” when considered back in 2003 and 2004, you must admit the plan worked. This is one of the recipes for litigation success: careful legal planning.

The other approach is the utterly unplanned “patriot” approach. There are lots of “gurus” that populate the freedom movement, and they have all sorts of wild legal ideas. I am amazed at some of the popularly accepted legal theories: UCC, strawman, names in CAPS, “bankruptcy

of the US,” “the Act of 1871,” “it’s all admiralty”, etc. These and many other arguments have been **invented**: they incorporate utterly false historical facts, and perhaps as an attempt to demonstrate intellectual prowess, their purveyors invent “law” as well. For example, Roger Elvick invented the “1935 SS

Act created Treasury Direct Accounts that have 600,000 bucks deposited in them on the private side.” Some other “guru” made up quotes and alleged they were from the *Penhallow* case in the late 1790s: “government can only ‘speak’ to other artificial entities.” This too is false. “Admiralty is everywhere” likewise has not a shred of legal authority to support it.

Elvick, Dave DeReimer and Jean Keating invented that popular “redemption process” back in 1999. This “recapture your strawman” and “issue checks on your Treasury Direct Account” baloney was sold to the innocent and gullible who quickly got into trouble, and I quit counting the indictments after they surpassed forty.

Somehow, this “argument” and Elvick had staying power — did they, perhaps, get help from higher powers? “Dr. Sam Kennedy” (not his real name) and some of his friends like Winston Shroust resurrected this argument and dressed it up as “1099-OIDs tax returns.” The gullible fall for the same lies again and again; lots of innocents have now been civilly attacked by DoJ for using this “process,” and several have been indicted.



Tim Turner, promoter of baseless “maritime liens.” Also involved with the so-called Restore America Plan, a patriot “TRAP.”

Not to be outdone as he was making his swan-dive, “Dr. Kennedy” developed his “TRAP” program that asserted that the military was backing his efforts to “Restore America,” and that the IRS would be out of business by March 2010. In reliance on Kennedy’s

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lies, many of the Pinnacle Quest International defendants, in their March 2010 prosecution in Pensacola, Fla., expected the American military to march into the courtroom and shut down the case. As a result, they made no opening statements, presented no evidence (in the tradition of Lindsey Springer), and made no closing arguments — a prosecutor's wet dream. All but one of the defendants were found guilty and the prosecution asked the court for 25-year sentences.

Aren't these "guru" arguments impressive? When Kennedy and DeReimer lie about their alleged wins (see home.hiwaay.net/~becraft/1099OID.html) and have a 100 percent conviction rate which benefits only the IRS and the DoJ, isn't it reasonable to suspect that they work for the government? Now it appears "Dr. Kennedy" is nowhere to be found. Finished with his dirty work, perhaps he's slunk back to a cubby-hole in the bowels of the IRS?

One of the defendants in the PQI case, Arnie Mananala, filed motions based on the popular patriot argument that the names in CAPS dude is the debtor of the "small letters" natural person. This "argument" caused revocation of Arnie's bond prior to trial. Arnie was jailed many months prior to trial, was convicted (the military did not save him!), and now has been sentenced to 12 years in prison. Other defendants received sentences ranging from five to ten years. I wonder: did the "guru" tax advisors working for the government in this case get bonuses for derailing the defense?

Not to be deterred by the experience of those who tried it and failed, Dick Simkanin got out of jail in mid-June and instead of reporting for supervised release, acted according to more "guru" advice that "everything is contract" and he is the creditor of his "avatar," "names in CAPS" dude. Dick was thrown back in jail: after serving seven years, he was sentenced to another 79 months.

Then there is Tim Turner, selling the innocent and gullible on the idea of filing baseless "maritime liens." The indictments are now being filed against people for following Turner's advice. See home.hiwaay.net/~becraft/AdmiraltyJuris.html.

Wow. With conviction rates of 100 percent, aren't these "gurus," in reality, fantastic government prosecutors?

Every now and then, I roam the web looking for various "guru" sites just to see what is being promoted. Lots of these sites proffer similar arguments: "everything is commercial," birth certificates snooker you into the "system," "gold-fringed flags," the bankruptcy, etc. Of course, like many websites, the authors of these pieces remain anonymous. I have reached this conclusion: the average American beginning to explore patriot issues is immediately exposed to a huge wall of misinformation. This convincing misinformation then becomes the accepted view of legal "reality" for these new people.

I have also learned that most of these burgeoning patriots are permanently damaged; they become deeply committed to these false arguments and cannot subsequently be convinced that they have placed their belief

on something utterly baseless.

Who benefits from this misinformation? *The government does.*

If the constitutional revival movement is to make any progress, people should start demanding that all "patriot" promoters prove the accuracy of their factual and legal assertions. If they say they have won in court, then they should produce the court papers to prove it. Until truthful information is actually used and relied on, this movement will only continue its decline. Under these circumstances, going to court is useless.



Truth Attack's Tom Cryer at Liberty Works Radio Network

Westminster, Md. — On August 28th, attorney and radio host Tom Cryer addressed attendees at the Save A Patriot Fellowship Hall. He described the un-

constitutional "system" that the federal government has become in America. Speaking as the out-of-control federal government, Cryer said: "I'm your government. You think you created me, but you don't own me, I own you. ... I'm running your life for you ... I'm giving you my kind of freedom, freedom from having to make up your own minds ... from having to rear your children ... freedom from having to worry about your neighbor's crisis ... you don't even have to worry about the decisions you make for yourself; I'll make those decisions for you, and if they're the wrong ones, it won't be your fault!" Of course, that kind of "freedom" means government actually takes away everything you have. "If we don't do something," Cryer said, "and do it now, our nanny government is going to be 'mommy dearest' tomorrow."

The alternative to the government's brand of "freedom," he said, is cooperation and pulling together among those who wish to take responsibility for themselves. "None of your rights are safe, until *all* of them are secured." But, he added, people will not stand with patriots until the main source of their fear is brought under control. The first governmental bully to focus on, he said, is the IRS, because it is the tentacle of government that keeps Americans from standing up with those who want freedom. "Who are they afraid of? The IRS. And the whole purpose of the IRS is to misapply the income tax and put a hand on citizens."





SURROUNDED BY STANDING ARMIES

All our Founding Fathers were well aware of the dangers of standing armies, but perhaps the most succinct explanation was made by Robert Yates, one of New York's delegates to the Constitutional convention. Writing under the pseudonym Brutus, he said: "The liberties of a people are in danger from a large standing army, not only because the rulers may employ them for the purposes of supporting themselves in any usurpations of power, which they may see proper to exercise, but there is great hazard, that an army will subvert the forms of the government, under whose authority they are raised, and establish one according to the pleasures of their leader."¹

II. S. CONSTITUTION ARTICLE I, SECTION 8

The Congress shall have power ... to raise and support Armies, but no Appropriation of Money to that Use shall be for a longer Term than two Years; ...

Recognizing this danger, Yates argued against granting the federal government the power to raise and support armies, especially in times of peace, without other protections against its abuse. After all, he argued, "If the principles and habits of the people of this country are opposed to standing armies in time of peace, if they do not contribute to the public good, but would endanger the public liberty and happiness, why should the government be vested with the power?"²

It only makes sense that a government created to protect the rights of the people should not instead be given the means to take them away, because "when the people once part with power, they can seldom or never resume it again but by force."³

The threat of a military takeover probably seems far-fetched to most Americans, but that's because they likely have never heard of the real attempt by a cabal of financial elites to implement Fascism by military coup in the 1930s. Unfortunately for them, they made the mistake of thinking highly decorated and two-time Medal of Honor recipient, Major General Smedley Butler, would go along with their nefarious plans. Butler was their first choice as commander of the military force; even after his retirement, he remained popular with veterans and active military, not only because of his support of the enlisted men against the military brass, and his efforts to bring attention to war casualties in the veterans' hospitals, but also because of his continuing support of the efforts of the Bonus Expeditionary Force.⁴

Their plan was for Butler to command an army to provide the muscle they needed to force President Franklin D. Roosevelt to step aside and let a Secretary of General Affairs (controlled by the elites) run the country. Ultimately, Major General Butler, after feigning possible cooperation so as to discover its details, testified before

Congress about the plot.⁵ The bottom line is that a military takeover of America's government was believed to be possible by some very rich and powerful men, and if not for Major General Butler, it may very well have come to pass.⁶

While this is not quite the situation foreseen by Brutus, it shows the danger of a large population of what might be considered a military class, as distinguished from the ordinary class of citizens. Indeed, that is one of the reasons why "a well regulated Militia, [is] necessary to the security of a free State."⁷ The greater the ratio of soldiers to non-soldiers, the more the balance of power and control is tilted towards the former. And given the level of training and proficiency at arms they have, it doesn't require too high a ratio to be dangerous. That's why Congress is supposed "to provide for organizing, arming, and disciplining, the Militia."⁸ Such arming and disciplining of the State militias, being composed of the whole body of men of the state, would not only re-

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Canadian Press

The menace of standing armies: riot police at the G20 in Toronto.

1. Anti-Federalist Papers, No. 10.
2. Anti-Federalist Papers, No. 9.
3. Anti-Federalist Papers, No. 1.
4. The BEF, a.k.a the Bonus Marchers or the Bonus Army, were WWI veterans who assembled in Washington, D.C. to petition Congress to immediately redeem the 'bonus' bonds they were issued in 1924, which bonds were originally to be paid in 1945. The Bonus Army not only didn't get their bonds redeemed, their temporary camps were burned and they were run out of D.C. by General Douglas MacArthur and his aide, Major Dwight D. Eisenhower, and General George Patton. Ironically, General MacArthur was the elites' second choice as commander.
5. Read Jules Archer's "The Plot To Seize The White House" for a detailed account. See www.clubhousewreckards.com/plot/plottoseizethewhitehouse.htm
6. Butler's book *War Is A Racket* is a must-read for anyone even thinking about enlisting in the military, and for everybody else. See warisaracket.com/.
7. Second Amendment to the U.S. Constitution.
8. Art. 1, Sec. 8 of the Constitution. According to Madison's Notes, Massachusetts delegate Rufus King explained that "by *organizing*, the Committee meant, proportioning the officers and men — by *arming*, specifying the kind, size and caliber of arms — and by *disciplining* prescribing the manual exercise evolutions, etc.

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store the balance of power away from the soldier class and back to the ordinary citizens, but would also eliminate much of the purported need for a standing army in the first place — defense against invasions and insurrections.

Standing armies are too often, as Brutus warned, instruments of slavery and oppression: “it is indeed impossible that the liberties of the people in any country can be preserved where a numerous standing army is kept up.”⁹ Part of that is surely economics, as Major General Butler pointed out in *War Is A Racket*. The money funneled to the military-industrial complex for supplying such armies must come from somewhere, and like all government’s methods of raising revenue, that means stealing it from the present citizenry through taxation or inflation of the fiat money supply, or from future citizens through borrowing.

There is also the reality that war toys, like any other toys, are no fun unless you get to play with them. And after all the money spent on the latest weapons of destruction, it’s only natural that everyone involved wants to take them for a spin. So, what choice does one have to try out weapons of war, except to engage in a war, or even a number of wars? And when your military strength is great enough that no foreign power is willing to challenge it, you’re left with no other option than to go down the path of imperialism and instigate one yourself.

Another way that the liberties of the people are diminished by standing armies is described by James Madison in Federalist Paper No. 8:

In a country [often subject to internal invasions], the contrary of all this happens. The *perpetual menacings of danger* oblige the government to be always prepared to repel it; its armies must be numerous enough for instant defense. The continual necessity for their services enhances the importance of the soldier, and proportionably degrades the condition of the citizen. The military state becomes elevated above the civil. *The inhabitants of territories, often the theatre of war, are unavoidably subjected to frequent infringements on their rights, which serve to weaken their sense of those rights;* and by degrees the people are brought to consider the soldiery not only as their protectors, but as their superiors. The transition from this disposition to that of considering them masters, is neither remote nor difficult; but *it is very difficult to prevail upon a people under such impressions, to make a bold or effectual resistance to usurpations supported by the military power.* (emphasis added)

According to Madison, the beginning of the process is the perpetual menacings of danger. We’ve seen just such a situation with the constant parade of “terrorist attack” threats. The perpetual nature of these threats gives the government the excuse to impose more draconian and more frequent infringements on our rights, and at the same time, to condition us to depend on their protection, and ultimately to consider them our masters. They know, as did Madison, that people in such a condition are unlikely to effectively resist usurpations of power. This is, of course, why the militias referred to in the Constitution are largely a thing of the past, and why governments at all

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levels have little respect, if indeed, any at all, for our right to keep and bear arms. Citizens who are armed and trained would be a lot less dependent on the military and government in general for protection, and that state of affairs is not conducive to the kind of tyranny they have in mind for all of us.

One last point to consider in this issue of standing armies is the militarization of not only the police forces throughout the country, but even of rank-and-file bureaucrats in just about every state and federal agency. There’s probably not a jurisdiction in the country that doesn’t have a SWAT team complete with armored vehicles (if not actual tanks), fully automatic firepower, full body armor, and most importantly, a willingness to use them. In fact, just like military war toys, the very possession of such implements of destruction creates a strong urge to use them, whenever and wherever the opportunity presents itself. And if such an opportunity doesn’t present itself?

Well, when there aren’t enough criminals one makes them. One declares so many things to be a crime that it becomes impossible for men to live without breaking laws. Who wants a nation of law-abiding citizens? What’s there in that for anyone? But just pass the kind of laws that can neither be observed nor enforced or objectively interpreted — and you create a nation of law-breakers — and then you cash in on guilt. — *Atlas Shrugged*, by Ayn Rand.

Brutus wrote of a standing army as being “a body of men distinct from the body of the people; they are governed by different laws, and blind obedience, and an entire submission to the orders of their commanding officer, is their only principle.”¹⁰ The continuing militarization of the police helps to create and perpetuate just such an “us versus them” class distinction. In these days of cell phone cameras, the internet is loaded with video evidence of confrontations with police that end badly for someone — people getting beat up, tased, shot, or all three for minor infractions, or even no reason at all. Yet, in most cases, no charges are ever brought, no punishment is meted out, and the uniformed offenders remain free to continue their oppression. The same laws just don’t apply to them.

It’s clear that the government is assembling a formidable standing army to support its usurpation of all power. And it’s just as clear that unless we are able to thwart its plans, through revitalization of the militia and otherwise reversing the trends currently being followed, the end result will be just as Brutus predicted: “the nations around us, sir, are already enslaved, and have been enslaved by those very means; by means of their standing armies they have every one lost their liberties.”¹¹



9. Anti-Federalist Papers, No. 8

10. *Ibid.*

11. *Ibid.*