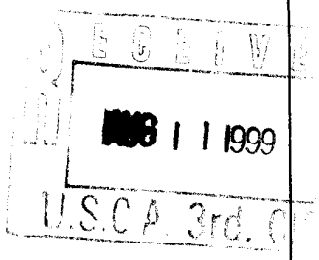
UNITED STATES COURT OF APPEALS

FOR THE THIRD CIRCUIT



KAETZ,

Plaintiff,

vs.

IRS,

Defendant

Case No.: Case # 99 - 3346

INFORMAL BRIEF

Dated this 10th day of August, 1999

UNITED STATES COURT OF APPEALS

FOR THE THIRD CIRCUIT

KAETZ, Plaintiff, vs. IRS, Defendant	Case No.: 99 - 3346 INFORMAL BRIEF

INFORMAL BRIEF

1. A. Jurisdiction: What orders of the district court are you appealing?

The district court's order granted the defendants motion to dismiss this case, denied plaintiff's motion to quash defendant's motion to dismiss, and denied plaintiff's motion for discovery.

The district court denied motion to set aside judgement. Court order dated 4/16/99.

b. What was the date of the orders?

The district court orders are dated the 7th day of April 1999, filed on the 8th day of April 1999. Court order dated and filed on April 16, 1999.

c. When did you file your notice of Appeal?

Plaintiff filed a Notice of Appeal on May 6, 1999.

The court filed date is May 7 1999.

2. Statement of the case: Explain the proceedings in the district court: What the District court did in deciding your case:

a. The Proceedings.

The plaintiff sued on July 29, 1998 then filed a motion for Discovery.

After the defendant filed a motion to dismiss, the plaintiff filed a motion to quash the motion to dismiss. Plaintiff then amended the complaint. After the court's decision the plaintiff filed two motions, one to set aside judgement and one to reconsider. The district court's order granted the defendants motion to dismiss this case, denied plaintiff's motion to quash defendant's motion to dismiss, and denied plaintiff's motion

for discovery. The district court denied motion to set aside judgement. The district court did not answer the motion to reconsider.

b. What the district court did in deciding your case:

What the district court did is bias and discriminating. There are numerous Omissions of Statutory Process, Plaintiff's Actions, Plaintiff's evidence, Statutes and Court rulings, that was not considered that was all in the plaintiff's Complaint.

3. Statement of facts:

The facts are in the plaintiff's favor unquestionably. There are numerous Omissions of Statutory Process, Plaintiff's Actions, Plaintiff's evidence, Statutes and Court rulings that back up plaintiff's argument and proves beyond a reasonable doubt the plaintiff's position. The district court ignored all of the above and did not uphold the constitution of the United States and violated Plaintiff's civil rights. All the facts are in the Plaintiff's documents that were filed in the district court.

I proved beyond a reasonable doubt that the monies I earned do not fall within the definition of wages defined in the internal revenue code. It does not come from the specific sources that taxable income is derived from to be taxable. The fact is I never received monies that were taxable according to the internal revenue code. I have quoted the appropriate statutes, regulations, and court cases in my complaints and motions. The defendant continues to bring up the issue of "lack of jurisdiction of the court". I, the plaintiff, views the court as the place to go when someone unjustly performs an act that is not in the laws past by congress and violated constitutional rights. The constitution is above all laws, including court rules, and court cases, and the internal revenue service. That is what is taut in schools all around the country. Now, to learn that the court does not support the civil rights of an American citizen after being taut this for years, (I am only making a point with this statement). I wonder why there is so much violence in schools these days. I wonder, Is that what I have to do to get a jury trial, get violent?

The defendant nor the Judge that dismissed my lawsuit has not directly pointed out any statutes that back up their claim upon plaintiff. As to the authenticity of the claim to justify the lien and to justify the monies I made are "wages" and are taxable under

the internal revenue code are frivolous and without basis of law. Any jury will consider the actions of this court frivolous and without basis of law.

I am only making a point with this statement: If I were to say" give me my money plus compensation and release the lien and leave me alone or I will kill you", you will hold every word against me and "through the book at me" and use every word in the law as your defense. I pointed out the exact language of the laws and the district court ignored them. If you want me to follow the Law then you should follow the law. If you do not follow the law then why should I?

I claim sovereignty from the IRS do to the Constitution and the internal revenue codes.

The following is in the amended complaint the Plaintiff filed.

Plaintiff's intention is to inform you about some of the important fundamentals of American law... We know that the law is fine in structure, and that it has been misapplied for years...It is knowable to the common Citizen, and we are here to reveal it to you in the most simple form that we can.

First

This is first and among the more important points because it is the beginning of the law and it is ultimatcly these people who have the power to correct the lawlessness of the IRS. It is a fact as revealed in our Constitution that the laws in this Nation, and every State, are created by the Legislative Branch of the Government. At the Federal Level it is the Congress, at the State level it may be called a General Assembly.

Second

These legislative bodies are specifically limited by their respective Constitutions as to the subject matter and nature of laws that they may enact. This is due to the fact that America emerged out of the Rule of a Monarchy which, having the right of Kings, owned everything and everyone, and could dispose of person or property as it pleased, save for some rights given to Nobles under the Magna Carta. We realized that these governmental bodies must be limited.

Third

When examining or studying the tax laws, one must always keep in mind that the laws, not being created under the right of Kings but by the authority of the people, are

limited in nature, in that the words in the laws indicate precisely what the law intends. The law cannot be legally expanded in application by a whim of the Executive (President and the Departments within the Administration) authority, or by the IRS, but can only be expanded upon by the Acts of the Legislature.

Fourth

When a law is enacted it is enacted as a Public Law, which is then codified by congressional authority. This law is then given to the prospective Department of the Executive Branch responsible for the enforcement of the law. This Department will submit to the Federal Register, to be reviewed by the Congress and the People, regulations promulgated by the Department Secretary. If these regulations are not objected to by the Congress or the People in a timely manner, it is then determined that the regulations are the agreed procedure by which the Executive Branch Department will enforce the laws as enacted by the Congress.

Fifth

Ignorantia juris non excusat. Ignorance of the law, which is the Public law, the United States Code (U.S.C.), and the regulations for the Code as published in the Code of Federal Regulations (CFR), is no excuse. We are all bound to the law and taken to be knowledgeable of the law, as ignorance is not excusable. This is also stated in the legal maxim of Ignoratia legis neminem excusat (ignorance of the law excuses no one).

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Sixth

Ignoratia juris sui non præjudicat juri is a very important maxim of law to understand as the phrase literally means ignorance of one's own right does not prejudice the right. More clearly that your ignorance of your right does not mean that it does not exist, and if not appropriately informed of a right before an event designed to give up that right, the right will not be lost.

Seventh

There is no interpretation of laws by any court including the U.S. Supreme Court. The laws simply mean what the words in them they say. The following is a good list to keep and treasure. The U.S. Supreme Court cases below reveal this fact:

"In deciding a question of statutory construction, we begin of course with the language of the statute." Demarest v. Manspeaker, 498 US 184, 112 L Ed 2d 608, 111 S Ct. 599, (1991) (emphasis added)

"When the words of a statute are unambiguous, the first canon of statutory construction--that courts must presume that a legislature says in a statute what it means and means in a statute what it says there--is also the last, and judicial inquiry is complete." Connecticut National Bank v. Germain, 503 US ____, p. ____, 117 L.Ed 2nd 391(1992) (emphasis added)

"Rules of statutory construction are to be invoked as aids to the ascertainment of the meaning or application of words otherwise obscure or doubtful. They have no place, as this court has many times held, except in the domain of ambiguity." Hamilton v. Rathbone, 175 U. S. 414, 421, 44 L. Ed. 219, 222, 20 Sup. Ct. Rep. 155; United States v. Barnes, 222 U. S. 513, 518, 519, 56 L.Ed. 291-293, 32 Sup. Ct. Rep. 117. Russell Motor Car Co. v. United States., 261 US 514, pp.517.

"In construing a federal statute, it is presumable that Congress legislates with knowledge of the United States Supreme Court's basic rules of statutory construction." MCNARY v HAITIAN REFUGEE CENTER, 498 US 479, 112 L Ed 2d 1005, 111 S Ct. 888, (1991) (emphasis added)

As in all cases involving statutory construction, "our starting point must be the language employed by Congress," Reiter v Sonotone Corp., 442 US 330, 337, 60 L Ed 2d 931, 99 S Ct. 2326 (1979) (emphasis added), and we assume "that the legislative purpose is expressed by the ordinary meaning of the words used." Richards v United States, 369 US 1, 9, 7 L Ed 2d 492, 82 S Ct. 585 (1962) (emphasis added).

Thus "[a]bsent a clearly expressed legislative intention to the contrary, that language must ordinarily be regarded as conclusive." Consumer Product Safety Comm'n v GTE Sylvania,

Inc., 447 US 102, 108, 64 L Ed 2d 766, 100 S Ct. 2051 (1980). (remarks of Sen. Dirksen). As Senator (emphasis added) "When the terms of a statute are unambiguous, judicial inquiry is complete except in rare and exceptional circumstances." FREYTAG v. COMMISSIONER, 501 US 115 L Ed 2d 764, pp.767 - 9/73

"In a statutory construction case, the beginning point must be the language of the statute, and when a statute speaks with clarity to an issue, judicial inquiry into the statute's meaning--in all but the most extraordinary circumstance--is finished; courts must give effect to the clear meaning of statutes as written." Estate of Cowart v. Nicklos Drilling Co.,505 US 120 L Ed 2d 379, 112 S Ct. 2589 (1992)(emphasis added)Nicklos Drilling Co., 505 US 120 L Ed 2d 379, 112 S Ct. 2589 (1992) (emphasis added)

"It is not a function of the United States Supreme Court to sit as a super-legislature and create statutory distinctions where none were intended." AMERICAN TOBACCO CO. v PATTERSON, 456 US 63, 71 L Ed 2d 748, 102 S Ct. 1534 (emphasis added)

"(T)he court's task is to determine whether the language the legislators actually enacted has a plain, unambiguous meaning." Beecham v. United States, 511 US 128 L Ed 2d 383 (1994). (emphasis added)

"The United States Supreme Court cannot supply what Congress has studiously omitted in a statute." FEDERAL TRADE COM. v SIMPLICITY PATTERN CO., 360 US 55, p. 55, 475042/56451 (emphasis added)

"The starting point in any endeavor to construe a Statute is always the words of the Statute itself; unless Congress has clearly indicated that its intentions are contrary to the words it employed in the Statute, this is the ending point of interpretation." Fuller v. United States 615 F. Supp. 1054 (D.C. Cal 1985), West's Key 188 quoting Richards v. United States 369 US 1, 9, 82 S. Ct. 585, 590, 7 L.Ed. 2d 492 (1962) (emphasis added)

"The starting point for interpreting a statute is the language of the statute itself; absent a clearly expressed legislative intention to the contrary, that language must ordinarily be regarded as conclusive." PRODUCT SAFETY COMM'N v. GTE SYLVANIA, 447 US 102, 64 L Ed 2d 766, 100 S Ct. 2051 (1980) (emphasis added)

"Words used in the statute are to be given their proper signification and effect." Washington Market Co. v. Hoffman, 101 U. S. 112, 115, 25 L. Ed. 782, 783. (emphasis added)

"The construction of a statute by those charged with its execution should be followed unless there are compelling indications that it is wrong, especially when Congress has refused to alter the administrative construction, and such deference is particularly appropriate where an agency's interpretation involves issues of considerable public controversy and Congress has not acted to correct any misperception of its statutory objectives." CBS, INC. v FCC, 453 US 367, p. 367, 69 L Ed 2d 706, p. 709 190155/564515 (emphasis added)

"We are not at liberty to construe any statute so as to deny effect to any part of its language. It is a cardinal rule of statutory construction that significance and effect shall, if possible, be accorded to every word. As early as in Bacon's Abridgment, § 2, it was said that 'a statute ought, upon the whole, to be so construed that, if it can be prevented, no clause, sentence, or word, shall be superfluous, void, or insignificant.'

This rule has been repeated innumerable times." Justice Strong, United States v. Lexington Mill & E. Co., 232 US 399, pp. 409. (1914) (emphasis added)

This fact only underscores our duty to refrain from reading a phrase into the statute when Congress has left it out. " '[W]here Congress includes particular language in one section of a statute but omits it in another ..., it is generally presumed that Congress acts intentionally and purposely in the disparate inclusion or exclusion.' " Russello v United States, 464 US 16, 23, 78 L Ed 2d 17, 104 S Ct. 296 (1983) (citation omitted). KEENE CORP. v UNITED STATES, 508 US 124 L Ed 2d 118, 113 S Ct. 1993. (emphasis added)

Eighth

Legislative history and intent do not overturn the rule of the letter of the law, but are only resorted to, in order to resolve ambiguity within the words of a single law:

"For purposes of statutory construction, a statute's subsequent legislative history is an unreliable guide to legislative intent." CHAPMAN v UNITED STATES, 500 US 114 L Ed 2d 524, 111 S Ct. (1991) (emphasis added)

"Going behind the plain language of a statute in search of a possibly contrary Congressional intent is "a step to be taken cautiously" even under the best of circumstances. "Piper v. Chris-Craft Industries, Inc., 430 US 1, 26, 51 L Ed 2d 124, 97 S Ct. 926 (1977). (emphasis added)

"The name given to a congressional enactment by way of designation or description in the act or the report of the committee accompanying the introduction of the bill into the House of Representatives cannot change the plain implication of the words of the statute." (emphasis added) [For other cases, see statutes, 154-160, 249-255, 354-372, in Digest Sup. Ct. 1908.]

"...courts do not resort to legislative history to cloud a statutory text that is clear" Ratzlaf v. United States, 510 US ____, p. ____, 126 L Ed 2d 615 (1994). (emphasis added)

"The title of a statute and the history leading up to its adoption, as aids to statutory construction, are to be resorted to only for the purpose of resolving doubts as to the meaning of the words used in the act in case of ambiguity." Fairport, P. & E. R. Co. v. Meredith, 292 US 589, p. 589, 78 L 1434. (1934) (emphasis added)

Ninth

Two statutes in conflict are taken to co-exist as equally effective. When two statutes conflict with one another regarding a Citizen and his rights, the Citizen, and not the Government and its claims, are to be favored and secured under the law:

Judges "are not at liberty to pick and choose among congressional enactments, and when two [or more] statutes are capable of co-existence, it is the duty of the courts, absent a clearly expressed congressional intention to the contrary, to regard each as effective." Morton v Mancari, 417 US 535, 551, 41 L Ed 2d 290, 94 S Ct. 2474 (1974). COUNTY OF YAKIMA v YAKIMA NATION, 502 US ____, p. ____, 116 L Ed 687 (1992) (emphasis added)

"In view of other settled rules of statutory construction, which teach that a law is presumed, in the absence of clear expression to the contrary, to operate prospectively; that, if doubt exists as to the construction of a taxing statute, the doubt should be resolved in favor of the taxpayer..."Hassett v. Welch., 303 US 303, pp. 314 - 315, 82 L Ed 858. (1938) (emphasis added)

Tenth

If a law cannot be understood, then the common man who is expected to be knowledgeable of the law and govern his actions according to the words in the law cannot do so. Therefore, a maxim of law exists to aid the common man from being saddled with the responsibility to comply with a law that no man can understand.

This is the Void for Vagueness Doctrine, and is defined in Black's Law Dictionary 5th Edition in part as:

A law which is so obscure in its promulgation that a reasonable person could not determine from reading what the law purports to command or prohibit is void as violative of due process.

Eleventh

Case law, as defined in Black's Law Dictionary "interprets statutes". How is this possible when the first group of U.S. Supreme Court decisions cited herein plainly state that not even the U.S. Supreme Court can interpret any law, but must follow the words in the law?

Case law is obviously a ruse used to perplex the common man from attempting to read the law and know it, thus keeping him ignorant and fearful of the law. This is EVIL, as it leads to not only a lawless and ignorant society, but it places too much power and authority over the destiny of the many into the hands of the few within a private guild.

Rather than just merely attacking a group of people as we believe that they have authority or power, we must instead focus on our own failure, to keep our nation on track, by our past choice to be ignorant and fearful. We must take responsibility for our own selves and assert that law be followed, not that a group of people be demonized. This is the path to resolution of our problems.

We must realize that any decision or determination which rules against the letter of the law, without rendering the law unconstitutional or void for vagueness, is an affront to Justice under a rule of law as enacted under authority of the Congress of the United States to make the laws for the People who vote them into office, and is also a denial of the People's right to a manifest destiny of self governance as set forth in the Constitution.

Either we are under a rule of law as enacted by the Congress we vote into control, or we are under a rule of legal plunder by non-elected bureaucrats and Judges, who see the words of the Congress as mere suggestions, and not the absolute rule of law of the People, by the People, and for the People.

Other than ignorance and outright apathy for the law, this is our greatest enemy; "Those who would deny us a rule of law by OUR Congress, and seek to make themselves Kings and Lords merely by their power and decrees." We the People are to blame, should such men succeed, as we are greater in number than they are, and it has been long revealed, since Jefferson wrote the Declaration of Independence, that men are governed by consent.

"What are these other people trying to do?" you may ask...They are trying to give you a new tax and new tax law, so that you never learn that the Income Tax Code was always very simple for most U.S. Citizens living and working in the U.S., because it never applied to them to begin with.

Slowly, select government officials have been starting a quiet campaign to give us a new tax system and a new tax law, claiming that it will be fair to Americans. Well, would you think that any new system could be fairer than the one we have now, if you learned that the present law and the tax do not apply to you?

It was inevitable that we would discover this to be true, but in 1968 the lines were being drawn by government officials to start telling the People that they could not understand the Tax Laws, that there was no hope for them to ever understand the tax laws, and thus created a good platform of public opinion to start a push for a new system of taxation; the National Sales Tax, which the Treasury Department wanted to begin with in 1913, but settled for the income tax. (The argument that defeated the National Sales Tax was that it was not based, and evenly distributed, pursuant to the ability to pay, as the common man spends more of his income on survival, and the

wealthy invest most of their money. Investment will be protected from taxation in order to grow the economy.)

A federal Judge ruled in the following case that most lawyers had very little knowledge of the tax law:

"We must note here, as a matter of judicial knowledge, that most lawyers have only scant knowledge of tax law." Bursten v.US, 395 F 2d 976, 981 (5th Cir,. 1968):

Do you think anything has changed since then? If lawyers are learned in the law, why is it that lawyers do not know the law, as pointed out in the Bursten case?

Plaintiff believes that the law is fine in structure, and that it has been misapplied for all of these years. It is knowable to the common Citizen, and Plaintiff has revealed it to the Court the simplest form possible.

These two U.S. Supreme Court cases reveal that the income which is taxed under federal law must come from a "source" as defined under the law, as the law means exactly what is said,

"...the Sixteenth Amendment, which grants Congress the power "to lay and collect taxes on incomes, from whatever source derived..." Helvering v. Clifford, 309 US 331, 334; Douglas v. Willcuts, 296 US 1,9. It has long been settled that Congress' broad statutory definitions of taxable income were intended "to use the full measure of taxing power." The Sixteenth Amendment is to be taken as written and is not to be extended beyond the meaning clearly indicated by the language used." Edwards v. Cuba R. Co. 268 US 628, 631 [From separate opinion by Whittaker, Black, and Douglas, JJ.](Emphasis added) JAMES v UNITED STATES, 366 US 213, p. 213, 6 L Ed 2d 246, pp.2 449495/564515

"Congress's intent through § 61 of the Internal Revenue Code (26 USCS § 61(a))--which provides that gross income means all income from whatever source derived, subject to only the exclusions specifically enumerated elsewhere in the Code...and § 61(a)'s statutory precursors..." United States v. Burke, 504 U.S.229, 119 L Ed 2d 34, 112 S Ct. 1867 (1992) (emphasis added)

Since the laws simply mean what the words in them say. Income must come from a taxable source before it can be defined as income, taxable for the purposes of the income tax.

Legal Facts of the Income Tax.

(23 Quick facts and their significance)

1. The 16th Amendment –Gives the Congress authority to tax incomes from 'source(s)'within the several states.

2. The U.S. Supreme Court determined in cases such as U.S. v. Burke, James v. U.S., and many other cases listed in LAW 101, and reveal that the tax laws mean what the words in them say, as the Congress acts purposefully in the use of its language, and the 16th Amendment reveals the full measure of the taxing power of the U.S. Congress.

3. 26 U.S.C. § 7806(b) states that tables of contents, headings, and charts and other descriptive matter do not constitute the law, but the words in the laws are the law.

4. 26 U.S.C. § 1 - imposes the income tax on "taxable income" defined in § 63.

5. 26 CFR § 602.101 (1990) - lists the form's OMB Control number 1545-0067, which is the 2555, Foreign Earned Income form, as the only form to be filed by U.S.

Citizens pursuant to § 1.1-1 of the Regulations and thus § 1 of the Internal Revenue Code (IRC)

6. 26 CFR § 602.101 - (1990) lists the form's OMB Control number 1545-0067 which is the 2555, Foreign Earned Income form, as the primary return to be filed pursuant to the regulations of § 6012 (the section of law that the IRS claims, requires U.S. Citizens to file an income tax return) at the listing for § 1.6012-0

7. 26 CFR § 602.101 - presently lists the form's OMB Control number 1545-0067, which is the 2555 Foreign Earned Income form, as the first return in the list of returns to be filed pursuant to § 6012 at § 1.6012-1, since §§ 1.6012-0 and 1.1-1 have both been removed.

8. 26 U.S.C. § 63 - defined "Taxable income", on which the tax is imposed, in § 1; and the form to be filed, proved to be the 2555, is primarily dependent upon the definition of the term "Gross income", defined in § 61 of the IRC.

9. 26 U.S.C. § 61 – defines "Gross income" as income from whatever "source(s)", and the items listed alphabetically below § 61, are "items" of gross income not sources. Very important distinction.

10. 26 U.S.C. § 861 – Located in Subchapter N - TAX BASED ON INCOME FROM SOURCES WITHIN OR WITHOUT THE UNITED STATES, PART I - SOURCE RULES AND OTHER GENERAL RULES RELATING TO FOREIGN INCOME, lists items of gross income which are to be treated as income from sources within the U.S. This statute does not identify any specific sources within the United States, only items of gross income from the broad-brush term "sources within the United States."

11. No other subchapter can be located that deals with 'TAX BASED ON INCOME FROM SOURCES WITHIN ... THE UNITED STATES', and no other PART can be located that deals with 'SOURCE RULES AND OTHER GENERAL RULES RELATING TO'...U.S. Citizens earning Domestic or U.S. source income. Therefore, as the law in point number 14 below asserts, all else is exempt by reason that it is not within the 'fence' of the law described in point number 10 above.

12. 26 CFR § 1.861-8(f)(1) - the regulation for § 861 of the IRC (26 U.S.C.), in a part that is supposed to relate to FOREIGN INCOME only, there is a citation of foreigners being taxable on U.S. source income at subsection (iv).

13. 26 CFR § 1.861-8T(d)(2)(iii) - a regulation for § 861 of the IRC (26 U.S.C.), in a part that is supposed to relate to FOREIGN INCOME only, there is a citation of foreigners being taxable on U.S. source income at subsection (A).

14. 26 CFR § 1.861-8T(d)(2)(ii)(A) - a regulation for § 861 of the IRC (26 U.S.C.) which lists the only U.S. sources taxable for the purpose of the income tax, states that "exempt income" under the law means any income that is ... excluded... for federal income tax purposes. Or, in other words, if it isn't within the 'fence' of the law, then it is 'outside' of the 'fence' and thus, exempt.

15. The term "Excluded" – in Black's Law Dictionary means "denial of entry or admittance". Or, in the case of 14 above, is not to be admitted within the 'fence' containing 'taxable sources'.

16. 26 CFR § 1.861-8(f)(1)(i) and (vi) – both of these sections of laws could possibly apply to U.S. Citizens, as they have to do with possessions of the U.S. that the Congress has deemed to be neither foreign sources nor U.S. sources in specific instances, so U.S. Citizens are not "exempt" from the income tax per se, but are taxable in relationship to these items.

17. 26 CFR § 1.861-8T(d)(2)(iii)(D) – plainly displays the fact that some U.S. Citizens are not "exempt" from the income tax per se, but are taxable in relationship to Foreign earned income as defined in § 911, so income earned under § 911 is the only source of "gross income" in regards to a U.S. Citizen covering both U.S. and foreign sources when the Citizen claims a foreign tax home.

18. 26 U.S.C. § 911 – is entitled "Citizens or residents of the United States living abroad", and many will be hard pressed to prove that it is not limited, as its title claims. Plainly, the Secretary has stated, in the Regulations he has promulgated for the function of the section of law which lists sources within the U.S from which the income tax can be based, (§ 861), as enacted by the Congress, that the only sources of income which U.S. Citizens earn, which is "gross income" and thus taxable, are under § 911. The Secretary wrote the applicable regulations as he understood the law, as enacted by the Congress, and how he was going to enforce it. The U.S. Congress obviously did not object, as they are now an official Federal Regulation and law, as seen by the Federal Courts.

19. 26 U.S.C. § 3401(a)(8)(A) – confirms the fact that U.S. Citizens only earn "Gross income" under the Income tax law when living abroad, as it only defines remuneration paid to a U.S. Citizen by an employer, as "Wages" and "Gross income", (and subsequently construed from the entries on a W2 form pursuant to § 6051, and then entered on the 1040 return) only when its payment is included in § 911. If U.S. Citizens make gross income under any other law, why are they not listed here in § 911, so they can be withheld from?

26 U.S.C. § 3401(a)(8)(A)(ii), (B), (C), and (D) – all relate to U.S. Citizens being paid remuneration while working in U.S. possessions or Puerto Rico (which are not *considered U.S. sources).*

21. 26 U.S.C. § 3402 – imposes the withholding of the income tax only upon "wages" as defined exclusively within its chapter (24) at § 3401(a).

22. 26 U.S.C. § 3401(a)(8)(A) – reveals that the remuneration paid to U.S. Citizens living and working in the U.S., is excepted from the definition of "wages" which are subject to the withholding requirement of § 3402.

23. 26 U.S.C. § 3403 – only protects employers from liability for paying the withheld remuneration to the IRS, if the remuneration is first "wages" under 3401(a), which is then required to be withheld from under Chapter 24 at § 3402. With § 911 (as referenced in 26 U.S.C. § 3401(a)(8)(A)) being listed as the statute revealing the only way a U.S. source of income from which U.S. Citizens earn income subject to the income tax, in the regulations promulgated by the Secretary for the purpose of explaining sources of income within the U.S., and income earned in Puerto Rico and U.S. possessions also being listed as taxable sources in the same regulations and in § 3401(a)(8)(A), (B), (C) and (D), it should not be too difficult to understand how only some remuneration paid to a U.S. Citizen living abroad, is included in the definition of gross income in § 911 and is wages to be withheld from under § 3402.

With the remuneration not being defined as "wages" there is no legal requirement to withhold, as there are no "wages" to be withheld from. Subsequently, the employer is not required to withhold, and therefore can neither be liable for a tax under § 3402, nor indemnified from any suit for his taking portions of the remuneration not defined as "wages" per § 3401(a)(8)(A).

There is simply enough power in the points numbered 19 and 22 to make the best and most simple explanation to an employer, that he is not required to be withholding income taxes from a U.S. Citizen's remuneration.
Point 23, literally 'seals up' the most simple case against an employer for withholding from a U.S.Citizen living and working in the U.S.

Goodbye Income Taxes on Citizens with domestic income

The two points, 19 and 22, also prove the fact that Section 911 is the only obvious place where U.S.Citizens make "gross income", to be defined as "wages" and withheld from under § 3402, and thus subject to the income tax.

Since it is so plainly agreed between § 911, 26 CFR § 1.861-8(f)(1), 26 CFR § 1.861-8T(d)(2)(iii), and § 3401(a)(8)(A) that the U.S. Citizen only makes "gross income" when living and working abroad, do not these facts lend a true explanation as to why the Foreign Earned Income Form 2555 is the only form required to be filed, by U.S. Citizens pursuant to § 1, and is still the primary form in regards to § 6012?
It certainly does make sense when it is plainly laid out in the statutes that U.S. Citizens are only taxed and subject to the withholding of income taxes on their non-exempt foreign earned income. If the lawyers had made the law any clearer, we would have found this immediately, and we would not be here. Still, they have made the wording of the law just complicated enough to make it arguable from either side. So, where does this leave the 1040 filings?
Plaintiff believes in supporting a government designed and run for all the people. Our government was designed correctly and for all of the right reasons in mind. The framers of our Constitution were brilliant and took many factors into account. They made provisions for US, to allow us to keep the government on the right track that is what Plaintiff is attempting to do.
Plaintiff prays to be fully compensated and to be left alone.
It is the Plaintiff's Declaratory and Restrictive Constitutional Right as a citizen of the United States to have a Jury Trial. The Plaintiff believes that the decision to Dismiss the case was biased and the Amended Complaint attachments were not considered. The Plaintiff hereby exercises his Right and Demands a Jury Trial.
I swear under penalty of perjury that these statements are true, correct, and complete to the best of my Knowledge and belief. I understand that false statements herein are made subject to the penalties relating to falsification to authorities.
I do see that the defendant is preying on ignorance of the tax code and relying on the "everyday" assumptions of the mislead public.

It was the IRS who unjustly and falsely accused the plaintiff, then did not follow the process of law they are required by law to do, falsified documents, and acted out of their jurisdiction. The IRS has damaged plaintiff's credit as well as plaintiff's life without ever mentioning what statute of law they are relying on to do what they are doing. They did not present proof with witnesses to the facts they presume.

The burden of proof is upon the IRS, it has always been, but they have gone around the court system and always try to turn the burden upon the citizen, and that is not right. Should I go around the law and violate their life continuously?

This "beating around the bush" method of legal garbage is irrelevant. I am taking a stand for my Rights and the courthouse is the battleground. All government employees have sworn to uphold, and not to violate the Constitution. If you cannot do it then get out of office. No wonder there is allot of hate in this country. My argument is that the IRS did violate my Constitutional Rights by filing this fraudulent lien and I want it removed immediately.

I want a hearing, a trial, anything, and I want to confront the IRS with it's own Laws and regulations and I want them to prove what they have is within the law.

It is my Constitutional Right to have a trial and to confront the witnesses that have accused me and to cross-examine these witnesses and see the proof the IRS claims to have. So far, nothing the defendant's are doing proves what they did and what they claim is legal, and they have not challenged the statutes of law that I have presented as my proof. They have ignored them. Why? Because what the plaintiff has proved is correct.

4. Statement of related cases:

There is one case pending in the district court related to this case. Plaintiff filed a motion to quash an IRS lien.

William F Kaetz vs. Internal Revenue Service Case # 3:98cm100

5. Did the district court incorrectly decide the facts of your case?

Yes.

The facts are in the plaintiff's favor unquestionably. There are numerous Omissions of Statutory Process, Plaintiff's Actions, Plaintiff's evidence, Statutes and Court rulings that back up plaintiff's argument and proves beyond a reasonable doubt the plaintiff's

position. The district court ignored all of the above and did not uphold the constitution of the United States and violated Plaintiff's civil rights. All the facts are in the Plaintiff's documents that were filed in the district court.

6. Did the district court apply the wrong law? *Yes.*

What laws do you what applied? Plaintiff's Constitutional civil rights.

7. Are there any other reasons why the district court's judgment was wrong?

Yes there is. The district court ignored Plaintiff's civil rights and the specific language of the laws. The district court and the IRS misrepresented and misinterpreted the laws.

8. What court action do you want the Court of Appeals to take in this case?

Enforce Plaintiff's Constitutional Civil rights.

Dated this 10th day of August, 1999

/s/ William F. Kautz