THE LAW, THE MONEY AND YOUR CHOICE

OR

The Constitutionally Legal Internal Revenue System and How You Volunteered

By

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Ever since the founding of America, as a constitutional republic, patriotic citizens of all walks of life have been increasingly concerned about the erosion of our constitutional guarantees and why this erosion has and still is happening. However, the continued pooling of ignorance of patriot commentators arguing over proper form, while overlooking vital constitutional substantive common law facts, has led to a thousand and one procedures and ways being promulgated through the internet and seminars, as solutions to the rampant and tyrannical legislative and judicial activism known as "public policy." Now, for the first time, from Lee Brobst's lifetime of experience and legal research, here revealed is the actual substantive cause that moved the American citizen away from literal constitutional common law guarantees into the relative constitutional franchises and privileges established by Congress' "spirit" and "true meaning" interpretation of the constitution. This document addresses what the real substance of the law is and how its loss and conversion into many forms has effectively created an unincorporated interstate banking association. This association, which the American people have unknowingly volunteered for, has changed the absolute substantive constitutional rights under the common law into relative privileges and forms. These privileges and forms, called civil rights and procedures of codes and statutes reflect only the legislatures' interpretation as to the true meaning and spirit of the constitution. Read, be aware and be wise!

—Editor

The "United States of America," more typically referred to as the "Union of states" began their existence under a charter known as the Articles of Confederation, which came before the Constitution. The Articles of Confederation created states under the common

law, but created an ineffective federal government. Under the Articles of Confederation[1] Congress could not punish any infraction of the law of nations. The law of nations (also called International Law) is the law that determines the rights and regulates the commercial intercourse of nations. The Articles of Confederation did not address or incorporate this "law of nations," vital for merchants to settle contract disputes outside the Union of states.

Even though the Articles of Confederation were unsatisfactory for forming a strong and proper Union of states (United States of America), our founding fathers would never have been able to have a constitution without them. Incorporating the law of nations was, therefore, a vital steppingstone[2] to creating an effective Constitution. When the master charter, "The Constitution for the United States," was drawn up, the Articles of Confederation were incorporated[3] into the Constitution, by reference, under Article VI clause 1.

The "Union of states" began their new and strong union under the master charter, known as our Constitution. The Constitution incorporates[4] the states into this Union through the provision of its Article IV Section 3 clause 1, and therefore, by reference, the Union of states is also incorporated under the Articles of Confederation. At the same time the Constitution announces, in Article IV Section 3 clause 2, the powers of Congress over their *other property* unincorporated[5] (not incorporated) jurisdiction, it also announces the jurisdiction of the Union of states under Article IV Section 3 clause 1. Thus, we have the first designation of two kinds of territorial jurisdictions. The first has to do with the incorporated Union of states, addressed in Article IV Section 3 clause 1, also known as "the territory,"[6] that functions within the strict letter of the Constitution. The second jurisdiction, referred to as *other property,* in Article IV Section 3 clause 2 is known as "a

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[1] Under the Articles of Confederation, the law of nations was not recognized, but as commerce started to flourish, problems started to appear in trade disputes with foreign nations as to what law was to apply. This revealed a void in the law, because, although the sovereign state wouldn't recognize the law of nations, the individual could demand his right to contract through the *ius gentium* (Roman law). That is why the right to contract is imbedded in the Constitution in Article I section 10.

[2] See 5 *Elliot's Debates*, 127

[3] As used here means, to put or introduce into a body or mass as an integral part.

[4] As used here means, combined in one body.

[5] As used here means, powers to administer property not combined into the Union of States. Also, there has been argument regarding which is proper regarding the word "state." Should it be small 's' (state) verses the capital 'S' (State). However, the supreme court has ruled many times that it is the substance that controls and not the form.

[6] See footnote number 7.

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territory,"[7] remains unincorporated, or not included, in the Union of states. Therefore, "a territory" or *other property* is subject only to the "spirit" of the first ten amendments to the Bill of Rights as interpreted by Congress as they administer unto that *other property* outside the strict letter of guarantees of the Constitution and Bill of Rights. The Constitutional guarantees are reserved for the Union of states and the people under the Bill of Rights. In other words, there are two jurisdictions available to exist in. Living fully in one means, the people have full responsibility for their own actions protected by the Bill of Rights in its absolute and literal form. Here the federal government has no direct contact with the people whatsoever. Living fully within the "other" means, the people have only the rights dictated as Congress' wishes in overseeing their civil rights, which are only relative to or in the "spirit" of the Bill of Rights. Here is where the federal government has full and direct contact with the people, as they see fit, for the benefit of public policy regulations (known as codes & statutes) of this jurisdiction.

From the founding of the United States of America, and before the passing of House Joint Resolution 192[8] on June 5, 1933 eliminating gold-backed money, the American money system had a "Standard" of value based on the Coinage Act of 1792 authorized and incorporated under the common law principles of the Constitution. This is because the basic common law principle on which our Constitution was founded demanded that all debt must be paid as found in Article I Section 10. In fact, Article I Section 10 is the only place in the Constitution where demand for "Payment" is made. Therefore, before June 5, 1933 public policy demanded "Payment of Debts" and all payments were based on the public money "national Standard," herein after called "Stardard." This means that

[7] Literally, the word "territory", as here used, signifies property, since the language is not "territory or property", but "territory or *other* property." There thus arises an evident difference between the words "the territory" and "a territory" of the United States. The former merely designates a particular part or parts of the earth's surface-the imperially extensive real estate holdings of the Nation; the latter is a governmental subdivision which happened to be called a "territory", but which quite as well could have been called a "colony" … "province" … 'A territory, under the Constitution and laws of United States is an inchoate [incomplete] state," quoting *Ex parte Morgan* D.C. 20 Fed 298, 305. *O'Donoghue v. United States*, 289 US 516, 537 (1933) [explanation added]

[8] There is nothing in HJR192 that defines value or the effects of what is to take place regarding the suspension of the gold Standard. They don't tell you that it is going to effect contracts, bring in third parties, and that there is a residual of the debt left over. Nor is there any place in the Constitution, especially under Article I that gives the Federal Government under its general law making powers, the right to enact HJR 192 and to create something that has no standard of value. However, congress does have the power under unincorporated power of local "a territory" law, as expressed in Article IV Section 2 clause 2, to enact legislative laws for a class of persons subject to the 14th Amendment — especially Section 1 clause 1 & 2.

public policy then was also based on the "Standard" — that "Standard" contained the literal letter of the law of the Constitution. [9]

You see, for something to be "paid" means that a promise has been fulfilled — a contract completed. Before modern supermarkets and department stores, the primary way of obtaining a needed item or material was by barter. If one needed a sack of salt, they went to the person who had the salt and would trade something they possessed of equal value for the salt.

Because gold and silver have, from the beginning of time, been very highly prized as a medium of exchange, our founding fathers knew it was the only medium that could maintain and assure the "Payment of debts" in all trade or commerce[10] under the constitution. Thus, our constitution states under Article I Section 10, "No State shall … make any Thing but gold and silver Coin a Tender in Payment of Debts." So, if one was to use gold or silver coin as a medium of exchange, then one could use the gold or silver coin to trade for the salt in the example above.

This barter / trade was based on a verbal meeting of the minds (agreement) between the person that had the salt for barter (sale) and the person who had gold / silver, or some other item of value, to trade or exchange for salt. When the exchange of equal value for value took place the agreement (contract) was paid (fulfilled, complete). That is, the contract was made and paid (fulfilled) at the same moment between two parties. There was no debt after the barter (sale / contract) was completed between two parties. There was nothing left owing by either party after the transaction. Substance had been bartered for equal substance — value for value. There was no third party intervener[11] as there is today. This is because there was no way for the federal government to have jurisdiction

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[9] "The Constitution does not protect the sovereignty of States for the benefit of States, or state governments as abstract political entities, or even for the benefit of public officials governing the States. To the contrary, the Constitution divides authority between the federal and state governments for the 'protection' of individuals." See: *New York v. U.S.,* 112 S.Ct. 2408, 120 L.Ed.2d 120, 505 U.S. 144.

[10] "Commerce" and "trade" are often used interchangeably; but, strictly speaking, commerce relates to intercourse or dealings with foreign nations, states, or political communities, while trade denotes business intercourse or mutual traffic within the limits of a state or nation, or the buying, selling, and exchanging of articles between members of the same community. *Black's Law Dictionary*, Revised 4th ed.

[11] Today, we rely on a third party to create and substantiate the medium of exchange called a Federal Reserve Note (FRN). This note has two seals on it signifying that it is used for both public and private debt. The green seal is the seal of the United States Treasury assuring Article IV section 3 clause 1 jurisdiction under a two party contract. The other seal is the seal of the Federal Reserve Corporation assuring that a third party will always be involved in all two party contracts for the limited liability for the payment of debt under Article IV section 3 clause 2. The FRN came about through the Federal Reserve Act of 1914 for the

over a primary state citizen unless that citizen was to enter into a bilateral contract with the federal government. And even then, there was literal 10th Amendment[12] protection for the citizen in the bilateral contract, because public policy, dictated by the substance of the common law, was still demanding the payment of debt. Then, the governmental power could come under Article I in rem and not the public policy of diversity[13] operating quasi in rem that we see today under HJR 192, 12 U.S.C. Section 95a, 15 U.S.C. Chapter 41 Section 1602 and Article IV Section 3 clause 2.

At the founding of the Constitution, all disputes between persons in commerce usually had to do with unfulfilled or unpaid agreements or contracts, therefore the law of contracts in the Constitution was founded on the common law necessity of all contracts being fulfilled or paid when made. Without a medium of exchange containing a predictable and measured substance, no agreement or contract could be properly or completely paid. If unpaid, the law of contracts was unfulfilled, incomplete or lacking, because there was no contract without payment. The substance (gold or silver coin) of the common law, that dictated that all contracts must be paid in order to exist was not exchanged, therefore, a contract did not exist. Contracts are considered to exist only when they are paid.[14] It was because of these vital principles that contracts can only be made / paid via a medium of exchange that contains the "Standard" substance (or law substance), that our founding fathers wrote Article 1 Section 10 to guarantee a consistent, unchanging weight and fineness to our "gold and silver coin" money as well as the law that follows it.

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purpose of creating a commercial paper society to defer the "Payment of debts" in the civil (Roman) law, to drive out the circulation of the "Standard" Lawful money of the common law.

[12] Note that the first 10 Amendments of the Constitution reflect the common law, which is to protect the individual upholding two party contracts, while in commerce with other citizens between states. The rest of the amendments reflect the Roman civil law involving third party contracts under unincorporated association of federalism.

[13] Diversity exists when there is domicile in "the territory" of the Union of states, while volunteering as a member of the unincorporated interstate banking association of "a territory." Therefore, there is what is called a "conflict of law" between the law of "the territory" and the law of "a territory." A conflict of law exists because of diversity.

[14] "Or where he made the contract. But it is deemed to be contracted not where it was entered into, but where payment is due." *Digest* 44. 7. 21 was relied upon in court, for instance, in the 1792 Scottish case of *Armour v. Campbell*, M. 4476.

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Have you ever heard the expression, "the law of the land?"[15] This expression was first used in the Magna Carta and meant the common law of England, in opposition to the civil or Roman law. And according to Black's Law Dictionary, "The meaning is that every citizen shall hold his life, liberty, property, and immunities under the protection of general rules which govern society." In America the basis of all law that governs our society is our national Constitution with its common law principles — at least that was what our founding fathers intended.

But what has changed since then? Well, the substance of "the law of the land" has been removed. Yes, on June 5, 1933 congress enacted House Joint Resolution 192 that removed the hard mineral substance known as gold, also referred to as "portable land," from giving consistant, predictable and exact value to our money. Silver was demonitized as "payment" of debt in 1862 when Congress changed the silver standard from one dollar in silver to the silver dollar. Since then silver is considered a commodity and was finally withdrawn from circulation in 1964. Silver certificates were withdrawn in 1972.

The hard precious metal substances known as gold and silver, used in coins, comes from the earth. It is literally portable or movable substance from or of the land (law). Land and law go hand in hand, because in times past only those that owned the land had access to the portable law substance (gold and silver) that was found in the land. Likewise, those that owned or controlled the land made, produced or brought forth the law "Standard" of gold and silver.

Despite HJR 192, Congress cannot override the state governments incorporated powers under Article I Section 10 of the Constitution. Despite current public policy, Congress cannot override an American's right to maintain a private policy under the common law principles as they are expressed in the first ten amendments to the Bill of Rights of the Constitution. However, because the gold is the "Standard" substance of the law, and law follows the "Standard" substance of money, when Congress, acting under public policy, suspended the "Standard" gold substance in "Payment" of debt, a shift

[15] Some patriot commentators quote this case, *State v. Balance*, 229 N.C. 764, 51 S.E.2d 731 (1949), which defines "law of the land" as due process of law. There is a difference between procedural due process and substantive due process and knowing the difference is vital. Look up the difference in *Black's* 5th Edition.

away from the common law transpired by what is called "operation of law."[16] The shift occurred because everyone was given a quasi corporate privilege under HJR 192 of *NOT* paying their debts even though it is demanded under the common law of each state in the Union according to Article I Section 10 of the Constitution.

A corporate privilege or franchise has two distinct aspects to it. First, there is *perpetual succession* (which can exist independent and beyond the demise of any current directors) and second, there is *limited liability* for the payment of debt. This means, that similar to corporations, HJR 192 offered individual Americans an artificial connection to and relationship with the federal government outside the literal common law of the constitution for the purpose of "social security."[17] However, unlike corporations, this artificial connection and relationship was not under any corporate charter, federal or state, as addressed specifically under Article I Section 8 clauses 1 & 3 being one of the government's general powers. Rather, this relationship is controlled under Article IV Section 3 clause 2, because there is no physical federal or state charter issued to regulate this relationship. This connection or confederacy developed under HJR 192 is an affiliation known better as an association. *Associations*,[18] according to Black's Law Dictionary (revised 4th), are "[a]n unincorporated society; a body of persons united and acting together without a charter, but upon the methods and forms used by incorporated bodies for the prosecution of some common enterprise. …, but will not include the state." And the "common enterprise" of this unincorporated society, is to offer all Americans a so-called "privilege," in the form of what is better known as a "quasi contract,"[19] to

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[16] This term expresses the manner in which rights, and sometimes liabilities, devolve [are transferred or passed on] upon a person by the mere application to the particular transaction of the established rules of law, without the act or co-operation of the party himself. *Black's Law Dictionary*, Revised 4th

[17] On August 14, 1935 Franklin Roosevelt signed the Social Security Act, as a result of the removal of the "Substance" (gold) of the common law, to further solidify the quasi corporate social security "privileges" of the non payment of debt for all those that volunteer for the Federal Reserve's unincorporated interstate banking association regulated as "other property" under the federalism of Article IV Section 3.2.

[18] **Their underlying principles are derived from the law of agency** and not from the law of partnership. Yet they are true associations and cannot properly be classified with the trusts and the joint contractual relations already considered. Because they are true associations and frequently have to do with commercial rather than social affairs it is not always easy to distinguish them from partnerships. An illustration of this is the stock exchange, a mighty factor in big business. Its members are actively engaged in business for profit under the auspices of the exchange, but it is their individual business and not that of the association. *The Law Of Unincorporations and Similar Relations* by Sydney R. Wrightington, Boston—Little, Brown, and Company (1916)

[19] **Quasi contract.** Legal fiction invented by common law courts to permit recovery by contractual remedy in cases where, in fact, there is no contract, but where circumstances are such that justice warrants a recovery as though there had been a promise. It is not based on intention or consent of the parties, but is

participate in commerce without "Payment of debts" for "social security" purposes. Moreover, this unincorporated society is outside the literal common law principle that demands the "Payment of debts" as stated in Article I Section 10, but it is allowed, upheld and protected by Article I Section 10 that upholds "Obligation of Contracts," Yes, the people's right to participate in this federated unincorporated society by operation of law is contractually protected by the Constitution. That is to say, each person has the right to domicile themselves in a state of the Union under Article IV Section 3 clause 1, thus to contract under Article I Section 10 despite the fact that you cannot "Pay" your debts. In other words, Congress cannot compel you to participate in a federal interstate unincorporated banking association under Article IV Section 3 clause 2 and HJR 192 for the *NON* payment of debts. The choice of law is up to each person still.

Corporations are artificial creations of the state or federal government under physical charter (franchise) issued via state or federal civil law for commercial regulation under Article I Section 8 clauses 1 & 3. They are not under the literal common law because of the charter (franchise). Any legal action against the corporation is legally called an "in rem" action, because it is against the *thing* or property (also called *res*) of the corporation under charter. The courts have automatic subject matter jurisdiction, because the physical charter is the *subject matter*.

On the other hand, under HJR 192,[20] there is no physical charter issued by the government out of a state or federal secretaries' of state office that defines the federated association's duties, responsibilities, its officers etc. This results in a federated

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founded on considerations of **justice and equity**, and on doctrine of unjust enrichment. It is not in fact a contract, but an obligation which the law creates in absence of any agreement, when and because the acts of the parties or others have placed in the possession of one person money, or its equivalent, **under such circumstances that in equity** and good conscience he ought not to retain it. **It is what was formerly known as the contract implied in law**; it has no reference to the intentions or expressions of the parties. The obligation is imposed despite, and frequently in frustration of their intention. See also Constructive contract.

In the civil law, a contractual relation arising out of transactions between the parties which give them mutual rights and obligations, but do not involve a specific and express convention or agreement between them. **The lawful and purely voluntary acts of a man, from which there results any obligation whatever to a third person,** and sometimes a reciprocal obligation between the parties. Civ.Code La. art. 2293. *Black's Law Dict*. 5th Ed. p. 293. See also. *Equity and the Constitution*, Chapter Four, Joseph Story's *Science of Equity*, and the two types of equity, ***natural*** equity and ***civil***; equity. There is a difference.

[20] As the Court stated in The *Propeller Genesee Chief*: The law … contains no regulations of commerce. … It merely confers a new jurisdiction on the district courts; and this is its only object and purpose. … It is evident…that Congress, in passing [the law], did not intend to exercise their power to regulate commerce. … The statutes do no more than grant jurisdiction **over a particular class of cases**.12 *How*. at 451-452 [Bold emphasis added]. *Verlinden v. Bank of Nigeria*. 461 U.S. 496 (1983).

association that is a quasi[21] in rem unincorporated debtor's society. The law treats this association as an outlaw entity, to the letter of the common law for the Payment of Debt. The courts then proceed, to uphold contract law under diversity, to establish the association's guide lines by invoking their equity powers based on the "spirit" of the constitution. They will form a charitable trust to commercially regulate the association, because it is presumed that is what the group intended as there is no charter of incorporation. Under the letter of the constitutional law there is no commercial regulation, but HJR 192 along with 15 USC brought in a third party[22] for commercial regulation for the social security public policy. Remember, "equity compels performance." The law views unincorporated associations as a danger to the substance of the common law, because of their debt / credit system. This is because there is no counter balance to the demands the association puts on the substance of the earth, thus the reason for all the federal and state regulatory agencies.[23]

In other words, there is a presumption by implication in the civil law that a charter (a metaphysical / abstract / unreal type) exists, because persons are availing themselves (volunteering) of the privileges pertaining to HJR 192. Therefore, these persons come under a 'quasi in rem'[24] jurisdiction of the civil law in order to regulate, control (including compel) those that are outside the literal common law principles. Yes, as long as the individual remains silent, it is presumed that they have volunteered for the non payment of debt privilege under HJR 192, 12 U.S.C. Section 95a and 15 U.S.C. Chapter 41 Section 1602(c)(d)(e). As such they are considered as a debtor/creditor in a social

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[21] This term is used in legal phraseology to indicate that one subject resembles another, with which it is compared, in certain characteristics, but that there are intrinsic and material differences between them.

[22] There is no congressional act that can give the federal district court jurisdiction over a two party contract. The minute a federal franchise or privilege becomes active this brings in a third party, which gives the federal courts automatic jurisdiction under diversity of citizenship.

Congress created the Federal District Courts and the Federal Appeals Courts to regulate privileges and franchises under the civil law.

[23] A good example of this type of commercial regulation for public policy purposes is the water dispute between the farmers and the federal water regulators in the Klamath basin between Oregon and Northern California. The farmers are subject to their water rights, as property rights, being regulated, because the farmers have volunteered for the unincorporated interstate banking association, which is under Article IV Section 3.2. Thus, the farmer's water/property rights are only privileges to be regulated under the *other property* clause for public social security policy purposes. The farmers need to wake up to the cause and how to remove themselves from the "spirit" of the constitution and move back the absolute literal constitutional protections under Article IV Section 3.1.

[24] 'Quasi in rem' means, the government moves against the thing (the res) while going against the "person." "Person" is an artificial someone who is brought into existence and maintained with the help of government.

security association (unchartered, unincorporated commune) whereby each person insures everybody else in the association by agreeing never to demand payment for debt. Under this volunteer arrangement, these persons become primarily a U.S. citizen, secondarily a state citizen, "subject to" clause 1 of the 14th Amendment,[25] while the literal 10th Amendment rights are forfeited. Moreover, because this unincorporated social security (debtor) association has participants from each state, it forms an unincorporated federation (better known as federalism) of state associations under interstate commerce as addressed in Article IV Section 3 clause 2 and reinforced by *Erie Railroad v. Tompkins*, 304 U.S. 64. This is how the Federal Government (and state governments) under "federalism" can compel you to perform to the civil (Roman) law known as statutes (state or federal).

Here is the answer to why the IRS continues to say that income taxes are voluntary and yet Americans don't know how they volunteered. HJR 192 literally placed before the American citizen a *choice of law* between operating under the literal common law principles of the constitution or the private Roman civil law functioning under federal social security "spirit and true meaning of the Constitution."[26] [27] That is to say, there are two jurisdictions available for the American people to choose from. The first jurisdiction exists within the Union of states expressed under Article IV Section 3 clause 1 where the literal letter of the Constitution and its first 10 Amendments function to protect

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[25] The 14th amendment is an executive order (proclamation) Vol. 1 of *Presidential Executive Orders*, 2 vols. (N.Y.: Books, Inc. 1944—Copyright by Mayor of N.Y. 1944).

"[T]he term 'subject to the jurisdiction thereof' . . . must be construed in the sense in which the term is used in international law as accepted in the United States as well as Europe. * * * The provision of the 14th Amendment alluded to [i.e., 'subject to the jurisdiction thereof'] . . . is affirmative and declaratory, intended to allay doubts and to settle controversies which had arisen with respect to citizenship." Francis Wharton, *A Treatise on the Conflict of Laws or Private International Law*, 3rd ed. (Lawyers Co-operative Publishing Co., 1906), Vol. 1, pp. 45-47.

[26] The national government under its incorporated powers operates under public international law. This is **the spirit not the letter of the common law** mixed with public Roman civil law, which is under the law of nations as expressed under Article 1 Section 8 clause 3 & 10 as well as Article 6 clause 2.

'Doubtless Congress, in legislating for the territories, would be subject to those fundamental limitations in favor of personal rights which are formulated in the Constitution and its amendments, **but those limitations would exist rather by inference and the general spirit of the Constitution**, from which Congress derives all its powers, than by any express and direct application of its provisions.' *Church of Jesus Christ of L. D. S. v. United States*, 136 U.S. 1 , 34 L. ed. 478, 10 Sup. Ct. Rep. 792 [Bold emphasis added] See also, to the same effect *First Nat. Bank v. Yankton County*, 101 U.S. 129 , 25 L. ed. 1046; *Murphy v. Ramsey*, 114 U.S. 15 , 29 L. ed. 47, 5 Sup. Ct. Rep. 747.

[27] Jurisdiction of the court extends by the letter of the U.S. Constitution. Those who would withdraw any case from that description must sustain the exemption they claim on the **spirit and true meaning** of the Constitution, and that spirit and true meaning must be so apparent as to override the words which the framers have employed. *Cohens v. Virginia*, 19 U.S. 264 (1821). [Bold emphasis added]

Americans from the public policy of federalism. The second jurisdiction is set up through Americans voluntarily accepting only the "spirit" (which is referred to as the "true meaning" as interpreted by Congress) of the Constitution via social security privileges and immunities under the implied or quasi contract in federalism for the non payment of debt administered by Congress as public policy of the *other property* jurisdiction of Article IV Section 3 clause 2. Those who have volunteered for the privileges and immunities of the federal social debt security of the unincorporated interstate banking associations for the non payment of debt, have no access to protection of the strict letter of the Constitution under the first ten amendments to the Bill of Rights, especially the 10th Amendment. (See the attached diagram to assist your understanding.)

Before HJR 192 existed, the Federal Government could not have any implied contact with Americans. They could only have an actual contact through a two party (bilateral) contract. Americans were presumed to be under Article IV Section 3 clause 1[28] as primary state citizens. After HJR 192, the voluntary unincorporated federal social debt security association, known as federalism, was formed under Article IV Section 3 clause 2[29] supported by 15 U.S.C. Chapter 41 Section 1602 (c)(d)(e) and 12 U.S.C. Section 95a becoming the new "public policy." That is, implied contracts[30] (see also *quasi contract* at footnote 19) under federalism have become business as usual — i.e., public policy. By you volunteering to go along with HJR 192, there is a presumption you are primarily a U.S. citizen under Section 1 clause 1 & 2 of the 14th Amendment with "privileges or immunities." Going along with HJR 192 means, you do not have the literal letter of the Constitution with the Bill of Rights working in your behalf. Because you have volunteered into the social debt security unincorporated association of federalism, the

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[28] Article IV Section 3 clause 1 defines how new states are to be incorporated into the Union of States.

[29] Article IV Section 3 clause 2 there are no powers to incorporate anything. The clause merely state: "The Congress shall have power to dispose of and make all needful Rules and Regulation respecting the Territory or **other Property** belonging to the United States; …" [emphasis added]

The federal Government's incorporated powers under Article I of the Constitution have been established within the 10 square mile area of Washington DC. All the unincorporated federal powers are referred to as federalism and they include agencies like Environmental Protection Agency, Department of Energy, Health and Human Services, Internal Revenue Service, etc, **operate outside the 10 mile area of Washington D.C.** These agencies get their powers from the people who have volunteered into a contract known as "public policy" of the unincorporated social security association under Article IV Section 3 clause 2.

[30] An implied contract is one not created or evidenced by the explicit agreement of the parties, but inferred by the law, as a matter of reason and justice from their acts or conduct, the circumstances

courts,[31] under conflict of law (diversity) principles, look at your "life, liberty, and property" as relative, not actual. Your "life, liberty, and property" are converted to "privileges or immunities" and "civil rights." As a debtor, there is no absolute literal property ownership — only a privilege of possession.[32] Instead of the literal constitutional law protecting you, you are only afforded the "spirit" of the constitution as interpreted by the courts (judicial activism) and statutes. In other words, the court places the statute in front of the constitution and interprets the statute and never interprets the Constitution.[33] The statute was made by congress with the Constitution in mind, thus the statute is the "spirit and true meaning" of the Constitution as interpreted by Congress as it administers its *other property* under Article IV Section 3 clause 2.

Yes, under HJR 192 the Americans have volunteered to give up their land, because they have forfeited the "Substance" of the land for the convenience of a federal

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surrounding the transaction making it a reasonable, or even a necessary, assumption that a contract existed between them by tacit understanding. *Black's Law Dictionary*, Revised 4th.

[31] Tax cases come under diversity and as such the federal courts sit as a state court based on contract law.

[32] "Debts … are not the property of the debtors; they are obligations of the debtors, and only possess value in the hands of the creditors. With the creditor they are property [absolute] …" *Jones v. New Pittsburgh Courier Pub*. 364 A.2d 1315, 469 Pa 157 cert den 430 U.S. 984 (1976). Quoting *State tax on Foreign-Held Bonds*, 15 Wall. 300, 82 U.S. 300, 320, 21 L.Ed. 179 (1872).

[33] Here are examples of how this takes place using 28 U.S.C. § 1331 to interpret Article III Section 2.1, known as the "case arising clause."

The words "arising under … laws of the United States" have chiefly been construed in cases involving not Article III directly, but the statutory grant of federal question jurisdiction in 28 U.S.C. § 1331 and its predecessors, which is cast in the same language. It is universally acknowledged, however, that the statutory grant does not exhaust the constitutional power. *Romero v. International Terminal Operating Co.*, 358 U.S. 354, 379 n.51 (1959); *Powell v. McCormack*, 395 U.S. 486, 515 (1969); *see National Mutual Ins. Co. v. Tidewater Transfer Co*., 337 U.S. 582, 613-14 (1949) (Rutledge, J., concurring); Mishkin supra, at 160-63; Note on the effect of the Statutory Adoption of the Constitutional Language, Hart & Wechsler, at 870; Wright, Miller & Cooper, *Federal Practice and Procedure*: Jurisdiction § 3562 (1975).

As noted in 76 L Ed 2d 831 in reference to *Verlinden v Bank of Nigeria* 461 U.S. 480, concerning Article III Section 2 Clause 1, and "case arising". "However, it should be noted that the jurisdiction conferred by the constitutional 'arising under' clause is broader than the federal question jurisdiction provided by Congress in 28 U.S.C. §1331, even though the language of the statute is almost identical to that of the constitutional clause. The reason given for this distinction is that **there exists policy consideration underlying the purpose of the jurisdictional statute that limit its application** and which do not enter into the picture when construing the constitutional authorization for statutory federal question jurisdiction." [Bold emphasis added]

Additionally, note the distinction between 28 U.S.C. 1330, 1331 and 1337 as a further example of judicial interpretation of the statute instead of the literal constitutional meaning.

Courts §§ 254, 531— Foreign Sovereign Immunities Act — "arising under" jurisdiction

A suit against a foreign state under § 2 of the Foreign Sovereign Immunities Act of 1976 (28 USC § 1330) necessarily raises questions of substantive federal law at the very outset and hence clearly "arises under" federal law for purposes of Article III jurisdiction, since at the threshold of every action in a District Court against a foreign state the court must satisfy itself that one of the specified exceptions to foreign sovereign immunity applies, and, in doing so, it must apply the detailed federal law standards set forth in the Act. *Verlinden B. V. Central Bank of Nigeria,* 461 U.S. 480, (1962).

commercial social debt security system, via the jurisdiction of "a territorial" *("inchoate" or incomplete)* state *(other property)* or governmental subdivision promoting an unincorporated interstate banking association to defer payment of debt. This is what the milestone decision of *Erie R.R. v. Tompkins*, 304 U.S. 64 (1938)[34] is all about. *Erie* states, the law that applies is the law of the state. This "law of the state" means the law of "a territorial" state or governmental subdivision operating under Article IV Section 3 clause 2. Therefore, this volunteer debt/credit system has made the literal constitutional common law of the state into a feudal common law (private Roman civil law) under federalism by operating under Article IV Section 3 clause 2.

Internal Revenue taxes of today are not unconstitutional or illegal as so many "patriot" groups are declaring. They basically serve as dues for the privilege of participating in the federated unincorporated interstate banking association for the ***non*** "Payment of debts." To understand this, it is necessary to understand what the Supreme Court said regarding the 16th Amendment — known as the Income Tax Amendment. By the way, this has nothing to do with whether it was properly ratified or not.

The key Supreme Court case that reveals this truth is known as the *Brushaber v. Union Pacific Railroad*, 240 U.S. 1, decided in 1916. This was decided three years after the 16th Amendment was allegedly passed and two years after the Federal Reserve Act was passed. The Court in the *Brushaber* case noted:

> [T]he whole purpose of the [16th] Amendment was to relieve all income taxes when imposed from apportionment from a consideration of the source whence the income was derived. Indeed, in the light of the history which we have

[34] Whether "laws of the several States," as so used, included nonstatutory law embodied in judicial decisions of state courts was long a subject of controversy. After acting for half a century on the belief that it did, the court, in *Swift v. Tyson*, 16 Pet. 1, decided that it did not. Almost a century later, that decision, with it numerous and sorry progeny, was overruled, and the Court answered that it did. *Erie R. Co. v. Tompkins*, supra. It later held that state decisions on conflicts of laws were also binding on the federal courts. *Klaxon v. Stentor Electric Mfg. Co.,* 313 U.S. 487 (1941). Thus, the Rules of Decision Act, as now interpreted, requires federal courts to use state law, whether declared by the legislature or by the courts, as rules of decision "in cases where they apply," except where federal law shall "otherwise require or provide." These recent cases, like *Swift v. Tyson*, which evoked them, dealt only with the very special problems arising in diversity cases, where federal jurisdiction exists to provide nonresident parties an optional forum of assured impartiality. [315 U.S. 467] The Court has not extended the doctrine of *Erie R. Co. v. Tompkins* beyond diversity cases. … many subjects of private law which bulk large in the traditional common law are ordinarily within the province of the states, and not the federal government. From *O'Dench Dume v. FDIC*, 315 U.S. 447

In addition, O'Dench Dume tells us that the Federal Court system is bound by the state's views as to whether there is a contract. Quoting, "…[W]e are not bound by the state's views as to whether there is a contract." This is why they are free to construct a trust and take jurisdiction.

> given and of the decision in the [*Pollock v. Farmer Loan & Trust*, 156 U.S. 429 (1895)], and the ground upon which the ruling in that case was based, there is no escape from the conclusion that the Amendment was drawn for the purpose of doing away for the future with the principle upon which the *Pollock* Case was decided; that is, of determining whether a tax on income was direct not by a consideration of the burden placed on the taxed income upon which it directly operated, but by taking into view the burden which resulted on the property from which the income was derived, since in express terms the Amendment provides that income taxes, from whatever source the income may be derived, shall not be subject to the regulation of apportionment [Italic emphasis added].

The *Pollock* case that the *Brushaber* Court referred to was decided at the time the United States still had the National "Standard" money in "Payment of Debts." That "Standard" money in "Payment of Debts" was the very substance (gold & silver) of the Common Law that came from the land and was owned by the people. In other words, the federal Government was trying to put a direct tax, without required apportionment among the states, on income derived from the substance of the Common Law of the states, and the Supreme Court properly declared that unconstitutional. The Court was saying that the federal Government could not turn an untaxable constitutional right into a taxable privilege within the common law. The federal Government could not collect a direct tax on income unless done thru the states by apportionment, because income taxes were direct taxes and "paid" in the "Standard" substance of the land in hard coin (gold & silver) of the Common Law of the State to the U.S. Treasury. The federal Government cannot collect a direct tax from individual sovereigns, because there is no federal common law. The common law is at the Union of states level, because common law contract rights are all launched or begin at the state level. (See *Wheaton v. Peters*, 8 Pet (U.S.) 658 L.Ed. 1055 (1834)).

It must be kept in mind, at the time *Pollock* was decided in 1895 that there was no commercial paper money under the Federal Reserve System. There was only our National "Standard" money. Therefore, the *Pollock* Court correctly stated that taxes on real estate or rents or income of real estate were direct taxes. Also, that taxes on personal property or income derived from personal property were also direct taxes.

In 1916, the *Brushaber* Court determined that Brushaber's income was derived, not from the substance of the land of the Common Law, but from the profit and gain from stocks and bonds through the use of commercial paper issued by Union Pacific, a private corporation. That commercial paper, in the form of stocks and bonds, was *NOT* "Standard" Lawful money or legal tender of the United States in "payment" of a debt, but only a "discharge" of an obligation via a privilege under the civil law. Therefore, the income from this commercial "discharge" privilege was subject to an indirect or excise tax, which was proper under the Constitution (the same with income from stocks and bonds today).

The *Pollock* Court, as a test to determine whether a tax is direct or indirect, namely:

> The question whether it is a direct or an indirect tax cannot depend upon those special events which may vary in particular cases, but the best general rule is to look to the time of **payment**; and **if at the time the ultimate incidence is uncertain**, then, as it appears to their lordships, it cannot, in this view, be called direct taxation within the meaning of the second section of the ninety-second clause of the act in question. *Attorney General v. Reed*, 10 App. Cas. 141, quoted in *Pollock v. Farmers' Loan & Trust Co.*, 157 U.S. 601, 632 (1895) as the test to be applied for determining whether a tax is direct or indirect. [Bold emphasis added]

For further understanding, we must consider once again HJR 192. Since the inception of HJR 192, it has been against public policy to demand "Payment of Debts — instead, as you now know, debts are only being "discharged"[35] with the use of the commercial paper of the Federal Reserve, i.e., Federal Reserve Notes (FRNs), a.k.a. our paper money. This discharge process means in fact and in law, that at the time of **"payment … the ultimate incidence is uncertain"** and, therefore, all federal taxes being collected are indirect or excise taxes which are within the "spirit and true meaning" of the Constitution as interpreted by Congress for those that have volunteered via diversity for the unincorporated interstate banking association operating under *other property* of Article IV Section 3 clause 2. Moreover, whether you have volunteered unwittingly or by conscious choice, there are steps you can begin to take for remedy. See page 21 paragraph 2.

In addition, since HJR 192 has made gold and silver into a commodity also, no matter how much you have of it or attempt to pay with it, you still cannot "pay" an obligation with it, but can only "discharge" an obligation with it just as the use of Federal Reserve Notes and other commercial paper can do. In reality therefore, federal taxes are simply a gift tax[36] (excise) on a privilege to pass on the gift of not paying, but rather in only "discharging" debt for the public policy of social security via a unincorporated interstate banking association.

> Pursuant to its constitutional authority, Congress has defined "gross income" as income "from whatever source derived." **Including "[I]ncome from discharge of indebtedness."** 26 U.S.C. 61 (12). **This Court has recognized that "income" may be realized by a variety of indirect means.** In *Old Colony Trust Co. v. Commissioner*, 279 U.S. 716, (1929), the Court held **that payment of an employee's income taxes by an employer constituted income to the employee.** Speaking for the Court, Chief Justice Taft concluded **that, "[t]he payment of the tax by the employe[r] was in consideration of the services rendered by the employee and was a gain derived by the employee from his labor."** Id., at 729. **The Court made clear that the *substance*, not the form, of the agreed transaction controls. "The discharge by a third person of an obligation to him is equivalent to receipt by the person taxed."**
>
> **When a gift is made, the gift tax liability falls on the donor under 26 U.S.C. 2502(d).** When a donor makes a gift to a donee, a "debt" to the United States for the amount of the gift tax is incurred by the donor. **"Although intent is**

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[35] As applied to demands, claims, rights of action, incumbrances, etc., to discharge the debt or claim is to extinguish it, to annul its obligatory force, to satisfy it.

[36] This is confirmed by the *Pollock* case where the Court quoted four legal accepted sources that said:

Quoting Washburn on Real Property, it is said that "a devise [i.e., a gift of land or reality by last will and testament] of the rents and profits of land, or the income of land, is equivalent to a devise of the land itself, and will be for life or in fee, according to the limitation expressed in the devise." *Pollock* at page 589. [Explanation added]

Quoting Jarman on Wills, it is laid down that "a devise of the rents and profits or of the income of land passes the land itself, both at law and in equity; a rule, it is said, founded on the feudal law, according to which the whole beneficial interest of the land consisted in the right to take the rents and profits." *Pollock* at page 589.

Quoting Coke upon Littleton: "If a man seized of lands in fee by his deed granteth to another the profits of those lands, to have and to hold to him and his heires, and maketh livery secundum formam chartae, the whole land itselfe, doth passé; for what is the land but the profits thereof?" *Pollock* at page 590.

Quoting Goldin v. Lakeman, Lord Tenterden, Chief Justice of the court of the king's bench, to the same effect, said, "'It is an established rule that a devise of the rents and profits is a devise of the land.' And, in Johnson v. Arnold, Lord Chancellor Hardwicke reiterated profits of lands is a devise of the lands themselves' profits of lands is a devise of the lands themselves." *Pollock* at page 590

> **relevant in determining whether a gift has been made,** subjective intent has not characteristically been a factor in determining whether an individual has realized income." *Diedrich v. Commissioner*, 457 U.S. 191 [Bold italics emphasis added]

In other words, the above quote reveals that, because the association never demands payment, those participating never demand the law (portable land known as gold) and the land it comes from. The participants simply gift it on to the association and are taxed on the value that they are privileged to pass on through this discharge.

The above quote demonstrates the consequences of signing a W4. When you sign a W4 form or have an employer withhold any thing from your wages, it becomes taxable income to you. The moment you sign any W-4 forms in the past or present, or have any kind of withholding with your employer, you admit that the debt exists, then the IRS enters into the picture as a third party. The problem is, there is nothing that says you owe the debt, other than HJR 192, and it only states that it is against public policy to demand payment. Because of this situation, the government presumes you intended to give a gift, so the government sets up a charitable trust. When someone gives a gift, the charitable thing to do, is give a gift in return, thus the social security trust (unincorporated association) is born. Under federal law, when you make a gift, you have to fill out the forms (1040) and pay the taxes on that gift.[37] Signing those government forms becomes a

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[37]**CHAPTER 4—Gift Taxes** page 144
Volume 53 Part I United States Statutes at Large (1939)
Sec. 1000. Imposition of Tax

(a) For the calendar year 1940 **and each calendar year thereafter** a tax, computed as provided in section 1001, shall be imposed upon the transfer during such calendar year by any individual, resident or non-resident, of property by gift. Gift taxes for the calendar years 1932-1939, inclusive, shall not be affected by the provisions of this chapter, but shall remain subject to the applicable provisions of the Revenue Act of 1932, except as such provisions are modified by legislation enacted subsequent to the Revenue Act of 1932. [Section 1001, See *Diedrich v. Commissioner* 457 U.S. 191 (1982). [Bold emphasis added]

(b) The tax shall apply whether the transfer is **in trust or otherwise**, whether the gift is direct **or indirect**, and whether the property **is real or personal**, tangible or **intangible**; but in the case of a non-resident not a citizen of the United States, shall apply to a transfer only if the property is situated within the United States. [Bold emphasis added]

EDITOR'S NOTE AND EXPLANATIONS: The gift tax statutes of 1939 were passed after *Erie RR v. Tompkins* in 1938.

Intangible means, there is no record that you owe the tax, only a presumption. The intangible is the debt res (or object) that the courts construct a trust upon.

In trust refers to a Constructive Trust.

Indirect refers to the fact that there is no direct evidence, such as a bilateral contract or a physical privilege or franchise issued out of the secretary of state's office.

third party recognizance[38] or Charitable Subscription Debt Acknowledgement, where there is no judgment or record (*nul tiel record*[39]) that the debt is owed. "A charitable subscription or pledge is binding without proof that the promise of the subscription or pledge induced action or forbearance or was supported by consideration." *Salsbury v.*

Real and personal property is referring to what is gifted to the trust.

Sec. 1006 Returns

(a) REQUIREMENT.—Any individual who within the calendar year 1940 or any calendar year thereafter makes transfers by gift (except those which under section 1003 are not to be included in the total amount of gifts for such year) shall make a return under oath in duplicate. The return shall set forth (1) each gift made during the calendar year which under section 1003 is to be included in computing net gifts; (2) the deductions claimed and allowable under section 1004; (3) the net gifts for each of the preceding calendar years; and (4) such further information as may be required by regulations made pursuant to law.

Sec. 1007 records and special returns.

By Donor.—Every person liable to any tax imposed by this chapter or for the collection thereof, shall keep such records, render under oath such statements, make such returns, and comply with such rules and regulations, as the Commissioner, with the approval of Secretary, may from time to time prescribe.

[38]*RECOGNIZANCES* aren't of record until ENROLLED. **Enrolled** is the registering or entering on the rolls of the chancery, kings bench, common pleas, or exchequer, to the clerk of the peace in the records of the quarter sessions of any lawful act; as a recognizance, a deed of bargain and sale, and the like. Jacob Law Dictionary**.**

Third party beneficiaries can be found to have acquired enforceable rights in situations in which the presence of third party interests is not readily apparent. Anytime a contract will have the effect of producing a direct benefit for certain individuals or for a class of people, . . ."

"There are many types of contracts that are made between government agencies and private parties or other governmental units for the primary purpose of benefiting a class of citizens. An issue regarding third party rights can exist in contracts providing for such things as job retraining for persons whose employment in the lumber industry was terminated by the creation of a new redwood tree park or replacement housing for persons dislocated by a redevelopment project." From, *"West Nut Shell Series*" on *Contracts* § 163. *Intended Beneficiaries in Special Situations: Government Contracts and Assumption of Secured Indebtedness.*

"Cases decided under English common law as well as early American cases denied enforcement by third parties because they were persons 'from whom no consideration flowed' or because there was no 'mutuality of obligation.' However, with the general recognition in the United States of enforceable rights in third party beneficiaries, the notion that the plaintiff had to incur some legal detriment as part of the bargained exchange has been rejected." From *"West Nut Shell Series*" on *Contracts* § 52. Notice it does not say the common law of "the" state instead it uses United States. See federal common law in *D'Oench, Duhme & Co., Inc. v. Federal Deposit Insurance Corporation* 315 U.S. 447.

In other words, a *bona fide* debt must be enrolled and to be enrolled it must be certified that the debt is owed. This is the rule of the common law; but we are not dealing in the common law of ***"the" state*** of Article IV Section 3 cl. 1 or Article I Section 10. To the contrary, you as a "person" have other property in ***"a" state*** or territory that has not been incorporated into the Union of states. That is to say, you have a debt res in a inchoate (incomplete) state under Article IV Section 3 cl. 2 that is under private Roman law that the IRS treats as "*other property"* that they have jurisdiction over. See *O'Donoghue v. United States*, 289 US 516, 537 (1933).

[39] "**NUL TIEL RECORD**. No such record. A plea denying the existence of any such record as that alleged by the plaintiff. It is the genera1 plea in an action of debt on a judgment*, Hoffheimer v. Stiefel*, 17 Misc. 236, 39 N.Y.S. 714; *Watters v. Freeman Bros*., 16 Ga.App. 595, 85 S.E. 931. Judgment of nul tiel record occurs when some p1eading denies the existence of a record and issue is joined thereon; the record being produced is compared by the court with the statement in the pleading which alleges it; and if they correspond, the party asserting its existence obtains judgment; if they do not correspond, the other party obtains judgment of nul tiel record (no such record)." *Black's Law Dict*. 4th ed.

Northwestern Bell Telephone Co., 221 N.W.2d 609 (1978). In other words, a pledge is compelled performance in equity.

Because of HJR 192 discharging all debt, the minute you touch an evidence of debt you are considered as having created taxable income. But, it is only *prima facie* evidence of income. Article I Section 10, Amendment 10 and Article IV Section 3 clause 1 are there for those who do not want or choose to be a part of the unincorporated interstate banking association.

Again, whether the 16th Amendment was properly ratified is irrelevant and frivolous. In addition, whether amendments to the constitution are properly ratified, is a political question (See *Coleman v. Miller*, 307 U.S. 433). The 16th Amendment cannot be properly ratified pursuant to the Constitution, because the amendment represents the civil law. And since the introduction of the Federal Reserve Act in 1914, the 16th Amendment no longer applies. Your compelled performance now comes through the 14th Amendment, and Article IV Section 3 clause 2.

Also, all arguments that statutory provisions are unenacted by Congress, or unpromulgated in the Federal Register with no published implementing regulations or authority in the CFR are meaningless. They are meaningless since these provisions pertain to entities that have federal franchises issued under the authority of the Government under Article I and do not pertain to local law under the unincorporated association (called public policy) of Article IV Section 3 clause 2. Any cases involving the unincorporated association (social security federalism) under Article IV Section 3 clause 2, the courts base their decisions on public policy. Public policy is not law per se, it is whatever the social security association (commune) under Article IV Section 3 clause 2 wants. The judge, in such a case, wears the hat of a private Roman officer and acts accordingly. In other words, the judge constructs a trust. First and foremost the social security trust must be dismantled before you attack any other segment of the tax structure. Unless this is done the fight becomes hopeless. The judge will take judicial notice of whatever law forum he desires in order to fit the situation ("spirit and true meaning") at hand, because the Constitution, with its' separation of powers, is not literally applicable to either the government or a citizen participating in the unincorporated interstate banking association. The court is merely enforcing the citizens contract rights under Article I Section 10.

So how did you volunteer or contract for the compelled performance of the unincorporated interstate banking association? 1) If you have given a gift to the public policy association such as a W-4 Withholding form. 2) If you deal in the debt/credit of the banks by sending personal checks interstate and/or using credit cards. In other words, if you avail yourself of the benefits of the unincorporated interstate banking association, you are guilty by association with this association.

However, the good news is that your right to contract under Article I Section 10 is still very much alive. This means that you cannot be compelled to volunteer or perform in equity in lieu of "Payment" at law if you are NOT a member of the unincorporated interstate banking association that is deferring payment of debt. "Payment" at law deals with absolute property rights, as does Section 1 clause 3 of the 14th Amendment. If you are a member (by volunteering knowingly or unknowingly) of the unincorporated interstate banking association, you are subject to Section 1 clauses 1 and 2 of the 14th Amendment, which treats "discharge" as payment in equity, because there is no constitutional injunction of "payment" at the federal level. There is only an injunction at the state level under Article I Section 10. Thus, even though the debt is "discharged," clause 3 of Section 1 of the 14th Amendment, along with the 9th and 10th Amendments, mandates that the states, referred to in Article IV Section 3 clause 1, treat real property as being owned absolutely for those who have ***NO*** 14th Amendment "privileges or immunities" resulting from the unincorporated interstate banking association. That is to say, anyone who has not reached in to take advantage of the "privileges or immunities" of the unincorporated association, called federalism, has no contact or relationship with the state or federal government and, therefore, all property ownership is absolute.

In addition, when you are not involved with the "privileges or immunities" (referred to in the 14th Amendment) of the unincorporated interstate banking association, the "full faith and credit" clause of Article IV Section 1 is in your favor. This means, any court decision of any other state can be used as if it were a court decision of your state with the same full legal force and effect, because you not subject to the U.S. citizenship restrictions of the 14th Amendment, when you are not participating in the "privileges or immunities." If you are not subject to "privileges or immunities" of the 14th Amendment, you have not volunteered for "a territory" communal unincorporated interstate banking association of federalism (termed in most state statutes as "this state"), thus there is no

residual of the debt left over, as noted in *Stanek v. White*, 172 Minn. 390, 215 N.W. 784, to compel performance to that association.

> There is a distinction between a "debt discharged" and a "debt paid." When discharged the debt still exists though divested of its character as a legal obligation during the operation of the discharge. Something of the original vitality of the debt continues to exist which may be transferred, even though the transferee takes it subject to its disability incident to the discharge. The fact that it carries something which may be a consideration for a new promise to pay, so as to make an otherwise worthless promise a legal obligation, makes it the subject of transfer by assignment.

And how can this be? There is a very important principle alluded to earlier that was stated in *Digest* 44. 7. 21 which was relied upon in court, for instance, in the 1792 case of *Armour v. Campbell*, M. 4476 and it states:

> Where he made the contract. But it is deemed to be contracted not where it was entered into, but where payment is due [contract performed].

So, if there was no payment, how can there be a contract to compel one to performance? There isn't one, because the contract is based totally on volunteering — as in giving a gift. Remember, the basic premise of the Constitution is that all powers emanate from you the individual. You cannot be compelled to perform in equity unless you volunteer to perform in the equity of the "spirit and true meaning" of the Constitution under the unincorporated association through the use of interstate banking and credit cards and submitting W-4 and 1040s.

When you volunteer to use the interstate banking association in commerce, you agree to never demand payment. The fact that you cannot pay debt, does not compel you to be a slave to the interstate banking association. You cannot be compelled to perform in equity in lieu of "Payment" at law if you are NOT a member of an unincorporated banking association. If you do not pay debt, there is only a debt / creditor relationship and, therefore, no contract under Article IV Section 3 clause 2. Also, where there is no payment of debt there is no common law as expressed under Article IV Section 3 clause 1

and Article 1 Section 10, there is only equity,[40] and equity compels performance under Article IV Section 3 clause 2 while Article 1 Section 10 does not apply.

Remember, it is about contract and you do have free will to contract. So where do you want to function? Under the "spirit" of the constitution, as determined by Congress' and the courts' interpretation, so acting because of diversity? Or do you want to be living as a true sovereign under the literal letter of the Constitution and the first ten amendments to the Bill of Rights? As noted in *Munn v. Illinois*, 94 U.S. 113 the Court said:

> This brings us to inquire as to the principles upon which this power of regulation rests, in order that we may determine what is within and what without its operative effect. Looking, then, to the common law, from whence came the right which the Constitution protects, we find that when private property is 'affected with a public interest, it ceases to be juris privati only'. … Property does become clothed with a public interest when used in a manner to make it of public consequence, and affect the community at large. When, therefore, one devotes his property to a use in which the public has an interest, he, in effect, grants to the public an interest in that use and must submit to be controlled by the public for the common good, to the extent of interest he has thus created. He may withdraw his grant by discontinuing the use; but, so long as he maintains the use, he must submit to the control."

By participating in the gifting of discharge of debt via the interstate banking association, you have devoted your property, under contract, "to a use in which the public has an interest." In other words, your life, liberty and property have "become clothed with a public interest," because of voluntary contract, therefore, you must "submit to be

[40] In *Porter v. Warner* 328 U.S. 395 (1946) the Court seeded on the verge of giving equity a radical expansion by arguing that when the **"public interest is involved in a proceeding**" the equitable powers of the federal district courts "assume an even broader and more flexible character that when only a private controversy is at stake." But it was not until 1955 that it became clear just how fluid equity had become. The Court, in the second *Brown v. Board of Education of Topeka, Kansas* 349 U.S. 294 (1955), fashioned a new understanding of the Court's equitable remedial powers. The central thrust was that **in the place of an individual adverse litigant the Court placed an aggrieved social class**. Its remedies would be decreed, **no longer for the individual who had been injured by the generality of the law**, but rather for **whole classes of people** on the basis of a deprivation of rights — a deprivation that was provable only by resort to the uncertain realm of psychological knowledge and sociological laws unconstitutional and restricting their operation: it attempted to fashion broad remedies for those so deprived.

What is particularly striking about Warren's invocation of the federal equity power in *Brown* (II) is that, while he spoke of the "traditional attributes" and guiding "principles" of equity being controlling, he then ignored most of the more substantial equitable principles in writing his opinion.

controlled by the public for the common good." That is to say, public policy and judicial discretion in the "spirit" of the constitution only control — no guarantees.

And so how does one become sovereign? Get rid of your credit cards. Only use a bank for depositing checks and keeping track of your money under a non interest bearing account. Never send or allow your personal checks to go interstate. Use postal money orders or your banks corporate certified checks or corporate money orders for sending interstate payments. Sever the contract by commencing an action in the state court and disclaim clauses 1 & 2 of Section 1 to the 14th Amendment; 15 U.S.C; Article IV Section 3 clause 2. The state court is the only place you have the common law option of obtaining jurisdiction[41] without the use of a statute or Roman civil law. You fight the IRS in state court using federal law. You should never be in federal court unless in the Supreme Court. If defending in a federal court action, you must challenge service of process and subject matter jurisdiction. And simply remember this, HJR 192 is only prima facie evidence of the law. To overcome it you invoke your right to contract under Article I Section 10.

***For assistance contact**:*

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[41] Either a replevin or trespass action give state courts jurisdiction without a statute, because they are true common law actions.

Common Law of England

Roman Civil Law of Scotland

Came together about 1707

Principles incorporated into two faces of the U.S. Constitution
WHICH WILL YOU CHOOSE?

Literal Meaning

Non Literal Meaning, i.e., "Spirit"

States incorporated in the Union under the common law and strict letter of Constitution. Literal Bill of Rights protection under strict interpretation of the first 10 amendments.	1933 Congress enacts HJR 192 for the limited liability for payment of debt that establishes social security trust. Congress and courts only provide the spirit of constitution and bill of rights, because of charitable subscription debt acknowledgement.
States incorporated in the Union defined under Article 4 Section 3.1 No issue of diversity of citizenship under Erie RR v. Tompkins	Unincorporated associations for social security directly controlled by Congress as "other property" of Article 4 Section 3.2 In diversity cases, after 1933 (*Erie* 1938), the law of the unincorporated association becomes the law of the state as "other property."
NO interference from Congress or state legislatures. Federal courts have no jurisdiction over two party contracts.	Civil law defined by the "spirit" of Constitution as set forth by Congress and courts. Federal courts have jurisdiction because of third party franchise of limited liability that creates diversity of citizenship cases, whereby federal courts sits as courts of an unincorporated state.
Individuals domiciled in states as incorporated into the Union are not subject to commercial regulation. Commercial regulation only as it relates to income from corporate stock and physical franchises under Article I Section 8.1 & 8.3	Private Roman law for Public policy. Commercial regulation for individuals, because of third party relationships to the unincorporated association franchise with the federal for the social security of limited liability of debt non payment..
No compelled performance to government for those who choose to function within the states as incorporated into the Union.	Compelled performance to government for those under discharge of debt for social security within unincorporated associations of "other property."
Corporations chartered under federal or State franchises for the limited liability of debt and commercial regulation under the constitutional spirit of equity of Article 1 Section 8.1 & 8.3 Franchises give personal jurisdiction limited by limited contacts rule. Courts have automatic subject matter jurisdiction, because of the franchise the corporation is under.	Unincorporated associations have no charter, so the courts construct a trust to manage the association, because it is outside the common law of the states as incorporated in the Union. The social security trust gives the court subject matter jurisdiction, because of the implied jurisdiction of HJR 192, 12 USC and 15 USC for limited liability intended for social and financial security dictating public policy.