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2 March 2005

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COMMENTS AND SUGGESTIONS FOR CONSIDERATION

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VIA PRIORITY MAIL

Dear Panel Members:

I have recently become aware that as part of your decision making process for making recommendations on fundamental changes to our tax system you are seeking comments from the public regarding the current tax system. In particular, you are seeking comments from people concerning 1-Headaches, unnecessary complexity, and burdens that citizens face because of the existing system, 2-Aspects about the current system that are unfair, 3-Examples of how the tax code distorts important business or personal decisions, and 4-Goals that the panel should try to achieve as it evaluates the existing tax system and recommends options for reform. Books can and have been written addressing each of these issues. In the interest of brevity, each of these issues is addressed below in brief below.

HEADACHES, UNNECESSARY COMPLEXITY, AND BURDENS THAT CITIZENS FACE BECAUSE OF THE EXISTING SYSTEM

I do not have to tell you that the tax code itself is thousands of pages long, last I counted it was nearly 10,000 pages. The mere size of the code breaks one of the simplest of all precepts of our society of laws, that any law should be easily read and understood by the majority of people that it applies to. It is probably a good assumption that more than 95% of the people have never read the code or even attempted to read it due to the sheer magnitude of the code. With this in mind, how can one be expected to follow the code in any aspect.

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ASPECTS ABOUT THE CURRENT SYSTEM THAT ARE UNFAIR

Some aspects of the current system that are unfair are as follows:

- The income tax is an unapportioned direct tax on a person's labor. This is not only unconstitutional, but is immoral.
- Taxes are taken from those that have and given to those that do not have. We should not be using taxes to promote social engineering. This is why the founders put strict limits on government in the Constitution. To secure LIBERTY for every individual.
- The IRS oversteps its authority in almost every case of enforcement. It issues demands for frivolous penalties without a fair trial in a real court (tax court is not a real court) where evidence, arguments, and a jury decide cases. The IRS also issues demands that wages be garnished, bank accounts and other properties seized, and liens issued on properties without signed court orders. This defeats several Constitutional rights and demoralizes people much the way tyrannies ruled in Nazi Germany, Communist China, and the British Monarchy did in pre-revolution Colonial times.
- If you actually take the time to read the code and look up the income tax, you will no find there is no enabling statute that actually makes anyone liable for the tax. All other taxes have statutes and list liabilities in a clear and concise manner, but not the income tax. Remember, imposition of a tax does not create liability.

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EXAMPLES OF HOW THE TAX CODE DISTORTS IMPORTANT BUSINESS OR PERSONAL DECISIONS

Taxes have forever burdened every person and business by taking away money that would be used for other economical advances. The flat-tax plan is not the answer. Neither is a national sales tax (NST) or value added tax (VAT). As noted by G. Edward Griffin, a journalist, film producer, and the author of The Creature From Jekyll Island: A Second Look at the Federal Reserve.

“What we need is to follow the greatest proposal for tax reform the world has ever seen, and it is already in our Constitution. What we need is to take the chains off the rule of apportionment and put them back where they belong, on the Congress of the United States. What we need is to repeal the 16th Amendment. This single act would accomplish almost everything the current proposals for tax reform claim to seek. For the first time since 1913, the federal government would have to prepare a realistic budget, because it would no longer be able to rely on an ongoing, limitless supply of revenue. Like the rest of us, it would have to live within its means, which would be from indirect taxes only. If it exceeded this budget, it would have to face the voters with a specific request for a specific amount on a specific date. It is difficult to conceive of a more effective plan for trimming the scope and reach of the federal bureaucracy. It would be necessary to scrutinize the budget to try to discover the hidden boondoggles and subsidies. Cut back the funds, and these automatically would wither away. The rule of apportionment is the only realistic answer.”

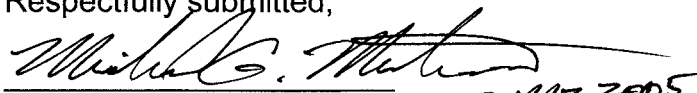
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GOALS THAT THE PANEL SHOULD TRY TO ACHIEVE AS IT EVALUATES THE EXISTING TAX SYSTEM AND RECOMMENDS OPTIONS FOR REFORM.

The goal that should be first and foremost on every panel member's mind and agenda is the answer to the question "Is this tax system Constitutional?" This is a golden opportunity that this country has to right a wrong and end a hoax that has been perpetrated for 70+ years. If this goal is met there will be no headaches, no unnecessary complexity, and no over due burdens, no unfairness, no abuse of authority, and no distortion of business and personal decisions. Rather, the country would explode in a free market society as envisioned by Madison, Jefferson, Franklin, and the other founders of this great nation when they wrote and signed the Constitution.

Will the members of this panel have the fortitude, wisdom, and forth-rightness to lead this country back to a Constitutional Republic as the founders gave their lives, fortune, and sacred honor to secure over 200 years ago? Or will you allow the socialist policies and tyrannical actions of our government, directed by an elite few, to continue to develop to the point we have no Constitutional Liberty, freedoms, or rights?

Respectfully submitted,


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