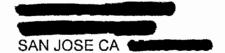
Internal Revenue Service

Appeals Office San Jose Appeals, HQ-7100 55 S. Market St., Suite 516 San Jose, CA 95113

Date: March 7, 2005



Department of the Treasury

Person to Contact:

Colleen Cahill

Employee ID Number: 94-08071

Tel: (408) 817-4610 Fax: (408) 817-4601

Refer Reply to:

AP:FW:SJO:CMC

In Re:

Collection Due Process - Levy Social Security or Employer Identification Number:

Tax Period(s) Ended: 12/2000 12/2001 12/2002

We Received Your Request to Audio Record Your Conference in Your Collection

Due Process Hearing

Dear Mr.

You have requested to audio record your CDP conference. Audio recording is allowed only in face-to-face conferences. Face-to-face conferences are available for taxpayers to raise valid collection alternatives or other relevant issues pertaining to the lien or levy. Face-to-face conferences are not allowed if the only items that a taxpayer raises are frivolous or groundless.

Based on the information presently available, we have determined that you may not have a face-to-face conference. This is because all of the positions or issues you raise in your CDP request or other correspondence are items either that:

- 1. Courts have determined are frivolous or groundless, or
- 2. Appeals otherwise does not consider. These are moral, religious, political, constitutional, conscientious, or similar grounds. Examples of arguments that are considered frivolous or groundless are provided in "The Truth About Frivolous Tax Arguments". I have included a copy of this publication for your convenience. This is not a complete list of frivolous and groundless arguments.

Although you do not qualify for a face-to-face conference, you may have a telephone conference or discuss matters by correspondence.

If you are interested in participating in a face-to-face conference, you must be prepared to discuss issues relevant to paying your tax liability. These include, for example, offering other ways to pay your taxes, such as an installment agreement or offer in compromise. The Internal Revenue Manual determines whether Appeals can accept your proposal. If you wish to have a face-to-face conference, please write me within 15 days from the date of this letter and describe the relevant issues you will discuss.

In the meantime, I have scheduled a telephone conference for you on 03/23/2005 at 10:00 am. Please call me at 408-817-4610. If this is not convenient for you, or you prefer to discuss these matters by correspondence, please let me know as soon as possible. I would be happy to consider other dates and times within 14 days of the scheduled conference. If I don't hear from you by the scheduled hearing date, I will issue the required determination letter based on the information in the file.

Sincerely,

Colleen Cahill Settlement Officer

lleen Cahill

THE TRUTH ABOUT FRIVOLOUS TAX ARGUMENTS

ŧ.	A. B. C.	Contention: The filing of a tax return is voluntary Contention: Payment of tax is voluntary Contention: The IRS must prepare federal tax returns for a person who fail to file	3 4 s
il,	The M A. B. C.	leaning of Income: Taxable Income and Gross Income Contention: Wages, tips, and other compensation received for personal services are not income Contention: Only foreign-source income is taxable Contention: Federal Reserve Notes are not income	6 9
III.	The MA. B. C.	Contention: Taxpayer is not a "citizen" of the United States, thus not subject to the federal income tax laws	ct 12
	D.	Contention: The only "employees" subject to federal income tax are employees of the federal government	
IV.	A. B. C.		s 17 18
	D. E. F.	Contention: Compelled compliance with the federal income tax laws is a form of servitude in violation of the Thirteenth Amendment Contention: The Sixteenth Amendment to the United States Constitution was not properly ratified, thus the federal income tax laws are unconstitutional Contention: The Sixteenth Amendment does not authorize a direct non-apportioned federal income tax on United States citizens	ıs
V.	Fictio A.	nal Legal Bases	24 24

	B.	Contention: Taxpayers are not required to file a federal income tax return because the instructions and regulations associated with the Form 1040 d	lo		
		not display an OMB control number as required by the Paperwork Reduct			
	C.	Contention: African Americans can claim a special tax credit as reparation	ons		
		for slavery and other oppressive treatment	26		
	D.	Contention: Taxpayers are entitled to a refund of the Social Security taxe paid over their lifetime			
VI.	"Untaxing" Packages or "Untaxing" Trusts				
	A.	Contention: An "untaxing" package or trust provides a way of legally and permanently avoiding the obligation to file federal income tax returns and			
		pay federal income taxes	28		
PENALTIES FOR PURSUING ERIVOLOUS TAX ARGUMENTS 3					

DOWNLOADED FROM:

Sovereignty Education and Defense Ministry (SEDM) Website

http://sedm.org

