



## TERMS not WORDS.

This article will go into the IRS use of meanings in their code. In fact any agency of government or the legislature of a state, or Congress that uses the word TERM in it's statutes is totally different when TERM is not used. WORD and TERM are entirely two separate and distinct conveyances of ideas. If TERM is used in a definition that signifies a special meaning to the words that follow the word TERM. For it is the man's idea, who is the proponent of the idea, as to just what meaning that term has in his mind. It can be totally different than what you are used to when using that word. It is really not that hard to grasp the differences. You will see as we move along. First is to set the foundation in understandable use for this discussion.

The following from **Blk's Law 4<sup>th</sup> Ed.**

**TERM** . A word or phrase; an expression; particularly one which possesses a fixed or known meaning in some science, art, or profession.

**WORDS.** Symbols indicating idea and subject to contraction and expansion to meet the idea sought to be expressed. \* \* \* As used in law, this term generally signifies the technical terms and phrases appropriate to particular instruments, or aptly fitted to the expression of a particular intention in legal instruments. See the subtitles following.

**WORDS OF ART.** The vocabulary or terminology of a particular art or science, and especially those expressions which are idiomatic or peculiar to it. See *Cargill v Thompson*, 57, Minn. 534, 59 N.W. 638

The following from **Webster's American Dictionary of the English Language 1828.** Term consists of two columns so only the pertinent parts are cited. However, read the entire definition in that book so you cannot say I am picking and choosing. However, that's exactly what the enemy (the government) does.

**TERM.** 1. A limit; a bound or boundary; the extremity of anything; that which limits it extent.

7. In *grammar* , a word or expression; that which fixes or determines ideas.

14. In *contracts, terms* in the plural, are conditions; propositions stated or promises made, which when assented to or accepted by another, settle the contract and bind the parties.

**WORD.** 1. An articulate or vocal sound or a combination of articulate or vocal sounds , uttered by the human voice, and by custom expressing an idea or ideas ; a single component of human speech or language.

Notice that "term" is defined in both dictionaries quite similarly. Term pinpoints the idea exactly and must be specific and can not be expanded or contracted upon. However, "word" is quite differently defined in the standard dictionary of common words we all use. When we converse on the street, in the home, in the store we use common words which are not terms. Term is limiting to a specific idea. Words only can be expanded or contracted upon whereas terms cannot.. Now refer to Black's above and note that they used "TERM" and not "word" in the definition of WORD. Most people would never catch it unless shown. This is how closely you have to read the past masters of deceit who are lawyers.

What is white to you is black to them in the words employed in their "Words of Art." This is never more evident than in the definitions in the IR Code. Please note that every definition (7701) starts with "The TERM---". Once you understand TERM is a clue to words of art employed after the word term, you have half the battle won. That means throw out the standard dictionary definition we are all use to seeing and go by what they, the writers of the law, mean. They never say "The WORD" when they start the definition in any 7701 (a) part, now do they? Or for that matter anywhere else in the code definitions. It has to be term in order to make words work against you and *for* them, as they write the definitions, not us.

I suggest everyone take a look at **IRC 7701(a)(28) OTHER TERMS.** -- Any term used in this subtitle with respect to the application of, or in connection with, the provisions of **any other subtitle of this title shall have the same meaning as in such provisions.**

The case of the TERM, not word, "Resident" it is legally defined in United States v. Penelope, 27 Fed. Case No. 16024, which states:

"But admitting that the **common acceptance** of the word and its **legal technical** meaning are **different**, we must presume that Congress meant to adopt **the latter**.", page 487.

"But this is a highly penal act, and must have **strict construction**. \* \* \* The question seems to be whether they inserted 'resident' without the legal meaning generally affixed to it. If they have omitted to express their meaning, we cannot supply it.", page 489.

No one asks what words are in the code because we blindly use the common accepted use of that word that we all use in every day speech. This gives the IRS an edge because the idea written is specifically technical as stated by the court in the case above. So IRS moves by presumption, against the man by calling him a "person" that is defined in the code at section 7343, but the man assumes he is a person in common words and not terms of the law writer. Now this is where the use of the word "including" by IRS, means restricted to that specific meaning and cannot be expanded upon. The use of the word TERM quite clearly states it is not a "WORD" that can be expanded or contracted upon when reading the definition in the above dictionaries. Therefore, including cannot be expanded upon to mean any more than what is described by the "TERM." If it could be expanded the definition would look like this, **Person. Person shall be construed to mean and include \* \* \***. Or it could look like this **Person. The word person shall be construed to mean and include \* \* \*** In either case the word can be expanded or contracted while the use of TERM cannot.

"Person" is a TERM and is a word of art and does not pertain to Man. Man is never referenced in any tax code; only "person" who is a Man that has taken on the artificial character of a legal entity subject to the tax. That Man is an artificial person and to define him as such they use the term of art "natural person" to separate him from a paper corporation such as IBM who could never be a "natural person", just a "person" as defined in the 7701(a) definition. So, now the man who is not a taxpayer, in the sense we know, actually makes the IRS presumption stick when declaring he is a "natural person." Remember, in law, and no where else, the word "person" means a legal entity of artificial character. So you state you are a "natural" artificial (person) compared to a fictional corporation (person).

One not only has to read this at <http://www.atgpress.com/inform/tx021.htm> but must totally comprehend what is said here otherwise they are spinning wheels. Remember we are dealing with past masters here of the utmost deceit we will ever imagine.

For instance in 7701 (a) 10, State is a TERM and not a WORD. Therefore, it is defined exactly like the words employed and no more. State is exactly what is written, that is the District of Columbia. It does NOT include any of the states of the Union as it cannot be expanded upon as it is not a WORD but a "TERM" already defined as the idea of the law writer. In 7701 (a) (9) the United States is only the district of Columbia and only the states that the United States owns such as those described in 26 U.S.C. 3121 (e) (1) and (2). Notice the word "TERM" in the beginning of the definition to alert you that it is a technical specific closed meaning to those words employed in that section. Therefore, in all the entire code, that meaning stands unless altered specifically. Now where that might be?

Turn to 26 U.S.C. 6103 (b) (5). Note after the word TERM is used it includes the word MEANS. No where else but one or two other places will you see the word means used. Now they are telling you that for that section and that section only the definition is expanded upon to include all the states in the Union as it names them as such. You do not see this definition in 3121 (e) (1) and (2). Because to do so, as stated in 7701 (a) it would be "manifestly incompatible with the intent thereof."

Be not so fast to look at what the word "means" means. Just like Clinton argued the word "is." Yes, words are used to kill you by IRS and this government. From the 1828 American Dictionary this is very revealing as to why they had to use "means" in 6103. I bold the words of study.

**MEAN.** Pronounced *ment* . To mean, to intend, **also to relate**, to recite or tell, also to *moan*, to lament; **The primary sense is to set or thrust forward, to reach, stretch or extend.**

So the use of the word "means" to describe a different meaning to the United States and State is required to make an expansion to the TERM United States and State as found throughout the IR Code. If you will please note the use of the word include is not to be found in 6103, whereas in all the other definitions "include" appears. We all know that includes is argued back and forth that it can be expansive. Well this proves includes is restrictive when the word TERMS is employed, which in itself is a special "technical" restrictive meaning. We all know that "includes " is defined as to shut up, confine within and so forth. Now go and read 3121 (e) (1) and (2) and you will see "The term "State" includes" and "The term United States when used in a Geographical sense." Geographical is explained in my book *Which One Are You*, as it is another WORD OF ART.

Now when you look at 7701 (a) (4) and (5) you can see the fraud by the use of TERMS rather than words to define domestic and foreign. Remember, the entire set of laws Titles 1 to 50 are designed to apply strictly to the United States and NOT to the States in Union. It is to apply to government people and not to the people in the States. It is to apply to "Domestic

corporations" and NOT to the "Foreign corporations" located in the States of the Union. Can the state of Texas, Ohio, Florida or California statutes apply to any other State or to the United States? The answer is obviously not. Can the laws of the United States apply to one living in the foreign states just mentioned? Obviously not when the Case of John Barron was decided and since then all the other cases where the Supreme Court stated the Bill of Rights was never to extend to the people in the states as it was a Bill for ONLY the United States. That means none of the laws or Constitution FOR the United States apply to the people of the States.

Have fun in reading the use of the words of art following the use of the TERM in any definition in the Code or for that matter any other Title of the United States code. You might want to see how your state uses the word TERM in it's definition. This is one reason why the kids of today starting in about 1974 have gone down hill so they could never begin to understand what was employed by use of words that have an entirely different meaning than what they think they mean in law. Always remember, there is a common use of a word and there is a "legal technical" use of the word as stated by the Supreme Court above. Now at the back of the U.S. Supreme Court Rule book at Rule 47 it says,

"The **term** "State Court,"when used in these Rules, includes the District of Columbia Court of Appeals and the Supreme Court of the Commonwealth of Puerto Rico. See 28 U.S.C. Sections 1257 and 1258. References in these Rules to the common law and Statutes of a State include the common law and statutes of the District of Columbia and the Commonwealth of Puerto Rico." This is a prime example of deceit because "includes" is restrictive to the terms defined which is State Court. Had this been properly designed to mean in the very beginning the state courts of each of the 50 states it would say so but it does not. It would have to be written this way if the word TERM was not used. **A "State Court" when used in these Rules means the 50 State courts of the Union and includes the District of Columbia Court of Appeals and the Supreme Court of the Commonwealth of Puerto Rico.** The original wording is stating that besides the U.S. Supreme Court being the State Court so are the other two. It does not mean any of the 50 State of The Union courts.

I cannot harp on this enough but by definition we people in the states are non resident aliens and are not subject to the income tax unless falling under sections 871 to 877. See 26 U.S.C. Section 2 (d). No one or very few people heeded my words on this in, *Which One Are You*, published over 12 years ago. People called me crazy, but I knew the words employed and they refused to pick up a dictionary to understand. The IRS gets you on words of common meaning when saying you are not a non resident alien because they ask, "don't you live and work in the United States?" to which the man says "yes," not realizing the IRS agent just stepped outside the legal technical" definition of United States and applied it in common language. Read 871 to 874 and 7701 (b) (1) (B) and ask this. If I am a non resident alien and I make money or carry on a trade or business within the United States am I subject to an income tax? The answer is yes? Why? What United States are you referring to that you work and receive income from? That's about all I can say; the rest is up to educating yourself in the fine line of "Words of Art." But I will include part of a Chapter from *Which One Are You* to digest.

## Chapter IV

### FEDERAL REGULATIONS

Lets follow the Code of Federal Regulations trail to see where it leads. You have to remember, Nonresident Alien is an American, not a United States citizen, not in the **state of the forum**, per term. This is for self-employment income in 26 CFR, but applies equally to an American working for a corporation not chartered by Congress.

**26 CFR § 1.1402 (b)-1 (a) In general.** Except for the exclusions in paragraph (b) and (c) of this section and the **exception in paragraph (d) of this section**, the term "self employment income" means the net earnings from self employment derived by an individual during a taxable year.

Lets see what **paragraph (d)** says.

**26 CFR § 1.1402 (b)-3 (d) Nonresident Alien.** "A nonresident alien individual **never** has self-employment income. While a nonresident alien individual who derives income from a **trade or business** carried on **within the United States, Puerto Rico, the Virgin Islands, Guam, or American Samoa ..** may be subject to the applicable income tax provisions on such income, such nonresident alien individual will not be subject to the tax on self employment income, since any net earnings which he may have from self employment do not constitute self-employment income. For the purposes of the tax on self-employment income, an individual who is not a citizen of the United States but who is a resident of the Commonwealth of Puerto Rico, the Virgin Islands or for taxable years beginning after 1960, of Guam or American Samoa **is not** considered to be a nonresident alien individual."

Explanation; I like "**never**", don't you? Just what is this term **trade or business**? But remember the phrase **is not**, for I

will get to that. Again look at the context of the statute. They are using the term nonresident in its geographical/citizen form.

**26 CFR § 1.1402 (c) 1 Trade or Business.** "In order for an individual to have net earnings from self employment, he must carry on a **trade or business**, either as an individual or as a member of a partnership. Except for the exclusions discussed in §§ 1.1402 (c) (2) to 1.1402 (c) (7), inclusive, the term **'trade or business'**, for the purpose for the tax on **self-employment income**, shall have the same meaning as when used in section **162**."

**I am adding here, which comes from the book as to what section 162 says so you have a better understanding since you do not have the book to refer.**

Here comes the Section 911 I have been referring to. There are people who say that, if you are a United States citizen, you can use § 911 of 26 USC, to avoid the tax because you are in one of the foreign 50 states, making foreign earned income which then cannot be taxed. True you are in a foreign state, they got that right but they still don't understand the term United States citizen. The U.S. citizen has to be a **"qualified individual"** 26 USC § 911 (d) (1), who has a **"tax home"** identified in 26 USC § 911 (d) (3), which is an individual listed in 26 USC § 162 (a) (2). That individual has earned income as defined in 26 USC § 911 (d) (2) (A) & (B), and is a **CONGRESSMAN**. It also talks about 'State Legislators' at 26 USC § 162 (h) (1) thru (4), which, when the term State is understood, means the District of Columbia and the 5 federal States. Now go back and read 26 USC § 864 again.

**(B) NONRESIDENT.**--- The term "nonresident" means any person other than a United States resident.

Are you an individual listed in **911 (d) (3)**?

**911 (d) DEFINITIONS AND SPECIAL RULES.**-- For purposes of this section--

**(3) TAX HOME.**-- The term "tax home" means, with respect to any individual, such individual's home for purposes of section **162 (a) (2)** (relating to traveling expenses while away from home). An individual shall not be treated as having a tax home in a foreign country for any period for which his abode is within the United States.

So now they have established that to be a **United States resident** in the **United States**, you must have a **tax home** as relates to **traveling expenses** in section **162 (a) (2)**. So we go to § 162 (a) (2) to see if you are the taxpayer for "internal revenue." Remember what "United States" we are talking about.

**26 USC § 162. TRADE OR BUSINESS EXPENSES.**

**(a) In general.**-- There shall be allowed as a deduction all the ordinary expenses paid or incurred during the taxable year in carrying on any trade or business, including--

- (1) a reasonable allowance for salaries or other compensation for personal services actually rendered;**
- (2) traveling expenses (including amounts expended for meals and lodging other than amounts which are lavish or extravagant under the circumstances) while away from home in the pursuit of a trade or business; and**
- (3) rentals or other payments required to be made as a condition to the continued use or possession, for purposes of the trade or business, of property to which the taxpayer has not taken or is not taking title or in which he has no equity. [that was one sentence]**

**For purposes of the preceding sentence, the place of residence of a MEMBER OF CONGRESS (including any Delegate and Resident Commissioner) within the State, congressional district, or possession which he represents in Congress shall be considered his home for amounts expended by such Members within each taxable year for living expenses will not be deductible for income tax purposes in excess of \$3,000.**

There you have it folks; are you a Congressman who is effectively connected with a **trade or business**, getting money from the public treasury, which is a privilege to which you are to return a portion of **internal revenue**? You thought they were talking about you in the beginning, right? Now read 26 CFR § 1.1402 (c) 2 (b) Meaning of Public Office, as this relates to,

26 USC 7701 (a) 26, which defines "Trade or Business" as **"the performance of the functions of a public office."**

Bear this in mind when we look at 26 USC § 911 infra.

When comparing what is stated in the Social Security Handbook of 1982, Chapter 11 § 1101, pg. 176, it really helps you understand the private capacity of the laws that apply only to the United States and its agents, to wit:

"A 'TRADE OR BUSINESS' for Social Security purposes means the same as when used in **section 162 of the Internal Revenue Code of 1954**, relating to income taxes.

First lets see to whom the exclusions apply at 1.1402 above. It applies to government employees and foreign government employees. Who are these foreign government employees? Why the foreign sister state governments of the Union employees while performing in the United States as defined in section 3121 (e) (2) of 26 USC. Ever here of the Public Salary Tax Act? No mention of Congress in these 1.1402 sections, so we have to go back to section 162 where they are mentioned. Are you a member of Congress to be taxed?

Now remember the resident of the islands, in 1.1402 (b) (3) (d) (remember **is not**), cannot be considered nonresident alien because he resides within the term United States. Could you, an American who is not a United States citizen, and not residing within D.C. or the islands be a resident of those areas? NO, then you are a nonresident and alien to those areas, while those residing in the islands are residents and are not alien since they live on United States soil. Now the term nonresident takes on a geographical meaning, doesn't it?

Why isn't a resident of the islands considered nonresident of the **U.S.**? Here is a case from **U.S.** tax court that should prove to you who are still skeptical because Johnson was a **resident** of the Island.

87-1 USTC 9362 Johnson v Quinn,

"As stated in Revenue Ruling 73-315, 1973-2 C.B. 225, [T]he United States and Virgin Islands are separate and distinct taxing jurisdictions although their income tax laws arise from an identical statute applicable to each."

"In construing the Internal Revenue Code of 1954, as in effect in the Virgin Islands, in addition to other modifications **when necessary and appropriate**, it will be necessary **in some sections** of the law to **substitute** the words `Virgin Islands' for the words `United States' in order to give the law proper effect in those islands."  
**Emphasis theirs.**

The court also stated;

"Petitioners, having been taxed by **A STATE OF THE UNITED STATES**, contend that they are entitled to a foreign tax credit for taxes paid to that **STATE.**"

You can now see that petitioners did not understand that they were in a **state** belonging to that entity called the **U.S.**, they thought they were in a foreign country.

You already have a taste for how colorable the "law" is in using the term nonresident. Here is another example how **colorable** the tax law is. The Virgin Islands can be called a foreign country when Congress so declares:

## **26 USC § 3455. Other definitions and special rules.**

### **(a) DEFINITIONS.**

For purposes of this subchapter

#### **(4) FOREIGN GOVERNMENT.**

The term "foreign government" means a foreign government, a political subdivision of a foreign government, and any wholly owned agency or instrumentality of any one or more of the foregoing.

[Only Congress could come up with this utterly stupid definition to deceive the functional illiterate. This is like defining a quart of milk by saying, a quart of milk is a quart of milk or part of a quart of milk. They haven't defined milk or a quart, have they?]

Continuing,

§ 2014 at (g) states; "**Possessions of United States Deemed a FOREIGN COUNTRY.**-- For purposes of the credits authorized by this section, **each possession** of the United States shall be deemed to be a **FOREIGN COUNTRY.**"

The rest of 26 CFR § 1.1402 (b) doesn't apply unless you decide to work for a government corporation or are "effectively connected with" a "trade or business" **within** the United States. If you do, then follow 26 CFR § 1.6012 (b) -1. Read this very carefully and compare with;

**26 CFR § 1.6015 (i)-1. Nonresident Alien Individuals.** (a) Exception from requirement from making a declaration. No declaration of estimated income is required to be made under section 6015 (a) and § 1.6015 (a)-1 by a nonresident alien individual **unless--** (1) Such individual has **wages**, as defined in section 3401 (a), and the regulations thereunder, upon which tax is required to be withheld under section 3402.

See how nicely the government slides around to the term "wages?" Only Congressmen and Government employees have wages. Now we have to go back to wages in 26 CFR § 1.1402 (b) (3). Now as a nonresident alien working for government you do have wages, so follow 26 CFR § 1.1402 (c) -3 (a) & (d). This is where the 1040 NR comes in and possibly the Form 8233 for withholding. Now wait a minute, you say you don't work for government but a corporation chartered by a State of the Union? Fine then go to;

**26 CFR 31.3401 (a) (6) -1 (b). Remuneration for services performed outside the United States.** Remuneration paid to a nonresident alien individual... for services performed outside the United States is **excepted** from **wages** and hence is **NOT SUBJECT TO WITHHOLDING**.

This is NOT the **unless category** found in 26 CFR § 1.6015 (i) -1 (1), is it? See how they slide around to **wages** like for self-employed. Isn't this in agreement with;

**26 USC § 3401 (a) Wages.** For purposes of this chapter, the **term** "wages" means all remuneration... for services performed by an employee for his employer, including the cash value of all remuneration... paid in any medium other than cash; **except** that such **term** SHALL NOT INCLUDE remuneration paid--(6) for such services performed by a nonresident alien individual, as may be designated by regulations prescribed by the Secretary;

The State chartered company may refer you to 26 CFR § 31.3402 (f) (6) (1), but this is wrong for you are not the employee described in 26 USC § 3401 (c), working for the employer 26 USC § 3401 (d), which corresponds to 26 CFR § 1.1402 (c) 3 (d) and (c) 2 (b). This indicates you are not the "person" described in 26 USC 7343, because you are not to be treated as a resident working for the foreign (State), governments instrumentality **within the United States**. Therefore, the company is not defined as a government employer. How does the following read in your mind **The Federal Register, Tuesday, September 7, 1943 Page 12267 section 404.104 EMPLOYEE;**

"... x ... The term `employee' ... **SPECIFICALLY INCLUDES** officers and employees whether elected or appointed, of the United States, a state ["Federal states" remember] Territory, or any political subdivision thereof, or the District of Columbia, or any agency or instrumentality of any one or more of the foregoing."

**Note the use of the word "TERM" and it is a specific restricted meaning correct?**

On page 12266 Section 404.102 of the Federal Register, Congress states:

" (g) Compensation paid to nonresident alien individual. ...remuneration for services performed by nonresident alien individuals **does not constitute wages subject to withholding** under section 1622..."

This means you are not in a "Covered group" which requires a Social Security Number. This is stated in Title 42 USC Chapter 7 section 418 (b) (5), as you would be performing a Proprietary function, which is described in CFR Title 26 pages 6001 and 6002 section 29.22 (b)-1, as being exempt from gross income, which is, "**under the Constitution, not taxable by the Federal government.**"

END of EXCERPT

Oh, I might add that this is why everyone has a VAL-1 SS number freeze on their IMF because they are not performing a job that needs a Social Slave number and the main computer recognizes this and will not post a valid number. Pat Lynch has more info on this as he is THE expert IMF decoder in my book.

Alas, people are destroyed by words when they presume them to mean what they think they mean only to maybe never find out they don't mean what they say in common words.

Sincerely,  
The Informer. Jan 2002

