



## **The fraud of federal debt and income taxes**

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Why are the elite natural enemies of the people? The elite are a parasite class ruling through manipulative propaganda. They are nonproducers, and they pay nothing for what they get. They create imaginary money (numbers), and they use it to make pretend payment for goods and services. They camouflage their fraud with “income taxes” and double speak about national debt and balanced budgets.

Now we find ourselves on the eve of another “battle” in the District of Criminals over raising the debt ceiling. After much theater and blather and brinkmanship, the debt ceiling will be raised and more of your liberties will have been “compromised” away through bipartisanship and cooperation “in the best interests of the nation.”

The trouble is that we hear the word “debt” and we try to apply the conventional definition of debt as a legitimate accounting concept. It cannot be done as it refers to the so-called national debt because the nation’s debt is created out of thin air or on government computers. It is fiat.

The terms “debt” and “fiat” are incompatible. Fiat, by definition, is default; but debt implies repayment. Yet the most learned writers I read actually believe there is a U.S. government “debt,” and they repeat it over and over.

Just this month, the CATO Institute issued a new bulletin, “Washington’s Largest Monument: Government Debt.” In it, CATO tells us the federal “debt” now totals more than \$13 trillion, or about \$107,000 for every household in the nation.

Isn’t that clever? CATO would have you believe that you are responsible for \$107,000 in debt that you did not rack up and had no say in creating and, in fact, was stolen from you.

I can easily see why the government cabal wants the people to believe that there is government debt. Otherwise, people might get wind of the truth, that money in America isn’t created by the U.S. government. Rather, it’s created out of thin air by the banks through accounting entries! They might discover that the Federal Reserve was operating on printing press money (fiat).

In fact, there was one man who did discover this, much to his chagrin. His name was Merrill Jenkins. Right in the Federal Reserve’s own literature, Jenkins found descriptions of how

“money supply” was now irrelevant because a bank loaning money simply creates that money through bookkeeping entries and then deposits it into the account of the borrower.

The exception, of course, is interest due on the loan. That money would have to come from money already in circulation, and it is up to the borrower to come up with those dollars. If you click here, you can discover for yourself the truth about this theft and what you can do about it.

The net effect of this is that all wealth flows away from the producers to the nonproducers. Modern money (nonsubstance) expropriates wealth.

Translated, this simply means that one class of people perpetually steals from the other class. This makes them natural enemies. If you “buy” my labor and my goods and services with money that you create (get for nothing), you are stealing from me. This system is the cause of all political and social evil in America, but it is hidden beneath political oratory, hypocritical welfare benevolence and altruistic nonsense.

Common sense tells any sober mind that the political establishment cannot give you anything except that which it steals from you. This is clearly a fact of reality, but the mesmerized crowd has no sense of cause and effect. This can only be explained by the fact that the crowd (the people) are in a state of hypnosis and, therefore, do not possess conscious control of their minds.

Mass hypnosis is not just a stuporous state, but a well-defined system of behavior modification and absolute control. People in an altered state of consciousness will act against their best interest and dissipate their mental and physical energy on political myths and counter myths.

While in a state of hypnosis or learned behavior, obvious stupidity and self-denial become “politically correct.” To the conscious mind, this is madness and confounds communication between the hypnotized and the conscious person. Most of you have experienced this breakdown in trying to communicate with people around you. What is obvious to you is invisible to those under hypnosis.

Fewer and fewer people have any cognitive imperative to question the system because hypnosis and learned behavior are transferred from one generation to another. False beliefs are self-perpetuating and feed upon one another. The more generations accepting myths, the more reinforcing those myths become.

Police power is in the hands of the elite. And because of this, modern governments can be defined as one word: force.

Just as magnetism and electricity have a positive and a negative, amorality needs morality. Amorality is dependent upon morality. Politicians and governments are amoral. They could not exist without the self-sacrificing morality of the people.

In other words, crooks and politicians do not feed upon each other. They feed upon honest people or people with morality. Example: When you go into a “court of law” and swear to tell the truth, the system is using your morality to convict you and entangle you.

Another example is the income tax system. Second only to the word “democracy,” the word “taxpayer” is an establishment word.

The goal of the system is to get all people to think of themselves as taxpayers. They know that as we think we are taxpayers, so shall we become. People who believe that they are taxpayers have, in fact, become taxpayers. They lose all initiative to question those who question the income tax.

The income tax is an illegal and immoral evil that forces full disclosure of our lives to government authority. Income tax is more than disclosure. It is confession and self-incrimination.

It is impossible to file an income tax form without confession and self-incrimination.

The IRS will not accept a 1040 tax return without a signature. Once it is signed, it is an enforceable contract giving the IRS unilateral authority to force your confession or testimony (witness against yourself, which is illegal and unconstitutional) and to assess taxes, penalties and interest.

It is a modern star chamber, and the only reason we are not totally humiliated is because we are manipulated to believe that we are “paying our fair share.” This is another mind-altering phrase that is used to extract wealth from the American people. To whom or what are we “paying our fair share?” To immoral evil! The income tax system is a sinister creation of organized crime called government.

The IRS system is the perfect expression of police power because it operates as force, extracts confession and forces self-incrimination of citizens. Yet in its hypocrisy it persuades the public mind that it is “a voluntary system of self-assessment.”

The IRS is a system that uses police power to force involuntary servitude. There is a parasitic income tax system in America that prospers on the confusion and duplicity of the tax system by “helping” you comply. Millions of hours are expended by individuals and businesses in an effort to comply with a system that is essentially voodoo and witchcraft.

And even complying with the tax code to the letter does not make you safe. I know of a business owner who filed his taxes on time and in order and with supporting documentation. One day, his daughter called from college to say her bank account was frozen.

Fearing that she was the victim of fraud, he called the bank and learned that his personal and business accounts, his ex-wife's account and his daughter's account had all been frozen by the IRS because of business mileage deductions the IRS deemed suspicious and did not accept.

He hired an attorney and appealed. During his appeal, which stretched on for months (during which he had no access to the money in his accounts), penalties and interest were applied to his tax bill. And although he provided all the documentation as required by the IRS, and the IRS finally accepted his deductions as proper, when it was over he still "owed" the IRS \$40,000 in penalties and interest on an IRS debt he never owed in the first place.

The IRS is best described as a creation of benevolent totalitarianism. This means that members of the public are persuaded to accept tyranny because they assume that their response to the tax system is necessary. Add to this the fear and intimidation used by the IRS, and the result is essentially an attitude of "I've got to pay my fair share."

Self-sacrifice is not synonymous with moral duty, nor does it justify the accommodation of evil.

The frivolous issue put forth and debated is whether or not the income tax is mandatory by law. No, it is not mandatory by law but it is most definitely mandatory by force — police force. In the real world today, there is no law. All that matters is what is required by force.

Our lives are dominated and consumed by the process and payment of taxes. It would be accurate to say that our existence is indexed to the tax system in America.

Yet not 1 person in 10 million has the monetary understanding that income taxes have absolutely nothing to do with economic or financial support of the federal government. The federal government does not need your income taxes to pay its bills. The income tax system (withholding) was inaugurated in its present form under the "crisis" of World War II. Before that time, not more than 1 percent of the American people paid any so-called tax on income. What did the government do for money all those years before World War II?

Modern money is a system of numbers and abstraction. The government/Federal Reserve creates those numbers and "pays" the numbers called dollars for what it needs.

But for a fiat money system to work, it has to be regulated just as your carburetor regulates the speed of your car. The monetary system of the United States is regulated by the IRS income tax system. The IRS income tax system implies in the public mind that the IRS is collecting taxes to support the federal government and pay its expenses. This is not true, but it serves as a disguise to hide fraud.

What then is the IRS collecting? When you send your check to the IRS, the IRS then subtracts the numbers on your check from your checking account. In this action, the IRS is a regulator of your consumption. Your consumption of goods and services is reduced by the exact numbers.

The fiat monetary system would not work without the regulation of your consumption. This essential function of the IRS is the reason that it is a system backed by police power.

Does the IRS spend your numbers (dollars) or send them to Washington as taxes? No, they disappear in the reverse manner that they were created. The more numbers that disappear, the more the government can create without causing price inflation. When the IRS reduces your numbers, your consumption is effectively transferred to government consumption.

The most revealing statement describing the IRS system ever printed revealing the fraud is found in a book published in 1920 titled "Economic Consequences of the Peace" by John Maynard Keynes. Lord Keynes is the darling of modern bankers and politicians and pseudo economists, even though his theories have proven to be poppycock and disastrous.

He wrote, "If ... government refrains from regulation (taxation) and allows matters to take their course ... the worthlessness of the money becomes apparent, and the fraud upon the public can be concealed no longer."

This statement clearly says that the income tax system covers the fraud that government prints its own money. The government does not need your numbers (dollars). It creates its own in unlimited amounts. But the people must believe that they are paying taxes according to "their fair share." And the people must be made to believe there is a debt to "legitimize" the system.