

from  
**Upholding the Law  
and Other Observations**  
by  
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**The Criminal Rites Of Spring**



Over the next 3 1/2 months, thousands of American businesses and millions of individual citizens will use tax preparation specialists or software to help themselves commit one or more of a variety of serious crimes. Willfully, or, at best, negligently, these otherwise law-abiding Americans will prepare and execute a variety of fraudulent affidavits, resulting in serious harmful consequences for themselves and others. Despite being 100% personally responsible-- both morally and legally-- for its accuracy and its effects, these men and women will engage in a mass exercise of perjury, putting into the record sworn testimony about matters of which they are completely ignorant.

For instance, without ever having looked-- even for a moment-- at the highly specialized, quite-different-from-common-meaning statutory definitions of such custom legal terms as "employee", "trade or business", "employer" or "self-employed", these people will execute tax instruments declaring themselves to be one or more of these things. Those who do so inaccurately (the majority, I'm afraid) will at the same time subject themselves to a vastly higher tax liability than is legally

appropriate; but whether right or wrong, each will swear to the truth and correctness of it all, to the best of their knowledge and belief.

Knowledge and belief. Read carefully now. The oath by which a tax instrument is executed doesn't say knowledge or belief, it says *knowledge and belief*. To make such an affirmation *without* any knowledge about what is being affirmed, and particularly without having made any effort to acquire such knowledge, is perjury-- a felony carrying a five year prison term. The criminal nature of the act is even independent of the accuracy or inaccuracy of what is being affirmed, just as would be your testifying to having seen the accused shoot the gun when you really didn't, the fact that he or she actually did notwithstanding.

Some might argue that they act in good faith, because they follow the instructions of others. They might say, for instance, that because they have been told to put the number found in box 1 of a W-2 onto line 7 of their 1040, they 'believe' that that number accurately reflects the "*wages as defined in 26 USC 3401(a) and/or 3121(a)*" they have received, for which that line on a 1040 is exclusively intended. I wouldn't buy it. I think the best that could credibly be claimed by that device is a belief as to what *MUST* be true, rather than what *IS* true. (Frankly, daring to speculate that precious few get out all their check stubs and add them up, I'd even go so far as to say that most couldn't honestly swear to a meaningful 'belief' that the *number* is correct, regardless of what it is supposed to represent.)

But it doesn't matter. Even if a 'belief' standard *allowed* for some latitude, mere 'belief' isn't good enough. Personal knowledge, as well as belief, is what is being attested to-- and what one has only been told by others in no way represents personal *knowledge*. Anyone who has not read the relevant law for himself or herself has no knowledge whether what has been put down on the form is right, or utterly wrong. This is true

even of someone who DOES get out those paychecks and the adding machine, because each number on a tax return reflects two different kinds of testimony simultaneously: testimony as to an amount of something, and testimony as to the *legal nature* of that something. Swearing to the *'truth, completeness and correctness to the best of one's knowledge and belief'* of having received, for instance, \$100 dollars of "wages" without knowing-- or making any effort to know-- the specialized legal definition of "wages", is a bald-faced lie.

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One thing that can be said about false testimony on a 1040 is that it only hurts the criminal, who typically ends up saddling himself or herself with a huge tax bite which is not otherwise owed. The other common tax-related felony which huge numbers across the country will commit between now and April 15th is of a much graver character. It involves false testimony regarding money paid to others, and makes victims of those others, as well as criminals of the testifiers themselves.

In some cases, this compound crime is committed through the issuing of W-2's-- affirmed under oath and attesting to the payment of "wages" as detailed earlier-- without any knowledge as to the truth or accuracy of the testimony. That represents perjury to start with, of course. However, as regards the overwhelming majority of Americans about whom these instruments will be executed, the assertion is also flat-out wrong. Nonetheless (and, in fact, quite deliberately), it will be relied upon by a hungry government to presume a tax liability on the part of the identified 'payee'. While common private-sector earnings are not taxable, the highly specialized kind of earnings which are assigned the title "wages" within the tax law definitely are. So, once the testimony on a W-2 has been entered into the record-- even if in complete ignorance (or disregard) of its import-- it becomes a body of evidence with

which the payee must contend in doing his or her own tax filings. When that evidence is incorrect, dealing with it can be an enormous burden to that person.

In other cases, the compound 'information return' crime is committed with 1099's. Here, companies allege that payments made to others were in connection with a "trade or business", without the least notion of the narrow and specialized legal meaning of that phrase. To the degree that this is done in willful or negligent ignorance, this also amounts to perjury, because 1099's are transmitted over a sworn statement as to their accuracy (on Form 1096), just as are W-2's (by way of Form W-3). More importantly, a 1099, like a W-2, creates a burden of false evidence against the payee with which he or she will be obliged to deal-- sometimes at considerable trouble and expense. These are both truly despicable offenses.

(It is worth noting that the creation of W-2's and 1099's also establishes the basis for presumptions about the tax liability of the creating entity, often wrong and to its serious disfavor. Very considerable statutory civil penalties apply to the creation of erroneous information returns, as well. Still, as in the case of a errant 1040, no one but the filer is directly harmed by these effects.)

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It will come as a surprise to none but the most naive that the Internal Revenue Service-- the primary function of which is maximizing the amount of wealth turned over to the government-- will decline to recommend prosecution of the millions of felons committing the crimes outlined above. In fact, it won't even bring the crimes to the perp's attention, something which would clearly amount to a public service, but which would as clearly be contrary to that primary function. Rather, the 'service' will confine the bulk of its punitive efforts to harassing

those about whom 'information returns' have been issued which have neither been acknowledged nor rebutted-- thus leaving an unresolved presumption of liability on the books.

It would be nice to think that those committing these crimes would police themselves, once made aware of the true nature of their unethical and unlawful behavior-- and many will. Others though, will balk and seek to excuse themselves from taking responsibility, saying, *"I don't want to be a criminal, but you say I have to testify based on my own knowledge. The federal revenue law, even condensed into the Internal Revenue Code, amounts to 3,413,780 words, plus regulations! Who can know the truth?"*

To that I shrug, and ask, *"How then can you sign a tax document?"* Perhaps you should not.

Perhaps you should take your records to your local IRS office and sit down with an agent and ask him or her to fill out and sign a return for you. Have them do the same with those W-2 and 1099 transmittals...

They won't, of course. However much the government likes to promote the myth that everything everyone earns in America is subject to the income tax, those who administer the system know perfectly well that this is nonsense. YOU can declare the money you received (or paid) to be "wages", or connected with a "trade or business"-- and once you sign on the dotted line the system will happily take you at your word. But unless the government is the one paying you, and thus can attest to its OWN *knowledge and belief* regarding your money, it has no legal basis to make any unilateral assertions of any kind about your earnings. Its agents certainly can't-- and won't-- sign anything under penalty of perjury which independently declares the legal status of payments made to you, or by you. (Neither will any of those 'professionals' who urge you to just do what the IRS wants, for that matter.) The fact is, calling upon

the IRS (or anyone else) to relieve you of your responsibility would be fruitless-- getting you nothing but threats and curses.

What you *really* should do is read '[Cracking the Code- The Fascinating Truth About Taxation In America](#)', and learn what important and misleading custom legal terms-- such as "wages", "employee", "employer", "trade or business", "self-employed", and others-- actually mean within the law. You should read '[Cracking the Code-...](#)' and learn to whom the federal revenue laws apply; how those to whom they don't are made to think the contrary; and what the law provides for those who are being improperly treated.

You should read '[Cracking the Code-...](#)' and equip yourself to sign your own future tax documents with confidence and a clear conscience (or confidently decline to create any in the first place); and to deal with erroneous evidence created about you by others who do not know, or respect, the truth. 3 1/2 days of reading '[Cracking the Code- The Fascinating Truth About Taxation In America](#)' will make that 3 1/2 months between now and April 15th take on a whole new character.

So curl up in front of the fire with a good book; turn over a new leaf; and put your criminal past behind you. You'll be glad you did, and *that's* the truth.