

John E. Geraldts

OH

October 25, 2018  
Department of Treasury  
Internal Revenue Service  
310 Lowell St.  
Andover, MA 01810-4544

Re: Response to IRS CP2000 Date October 25, 2018

To Whom It May Concern:

I am in receipt of your recent unsigned letter (CP2000; Notice date – October 22, 2018) a copy of which is enclosed in this correspondence.

I have checked the box on page 8 of the letter response form marked: "I don't agree with some or all of the changes". I have enclosed the attachment along with copies of corrected Form 1099's for the tax year 2016 supporting the entries on the original Form 1040 which was filed for 2016.

The information described as "Nonemployee Compensation" in your CP2000 letter reported on Form 1099-MISC by Onepath Systems L.L.C., is bad Payer Data per section 4.2.2.4.4(E) of the Internal Revenue Manual.

IR Manual – 4.2.2.4 E. – "Nontaxable Income Reported as Taxable" (See Exhibit A) From the Instructions for Form 1099-MISC, under the listing of Specific Instructions:

"Trade or business reporting only. Report on Form 1099-MISC only when payments are made in the course of your trade or business. Personal payments are not reportable. ..."

(See Exhibit B)

Department of Treasury

Page 2

Internal Revenue Code – Section 7701. Definitions (a)(26) defines the term “Trade or business”:  
“(26) Trade or business The term “trade or business” includes the performance of the functions of a public office”

(Sec Exhibit C)

No taxable activities or taxable transactions occurred between myself and payers listed in your letter. All activities and transactions, for the Year 2016 for the payers listed, were personal payments. “Personal payments are not reportable” according to the Instructions for Form 1099-MISC. Amounts listed by a payer as “Nonemployee compensation” is, thus, erroneous information, i.e., “Bad Payer Data”.

When I filed Form 1040EZ for tax year 2016, I included one (1) corrected 1099-MISC form with a statement signed by me stating that the information submitted by the payer was incorrect. I have attached a copy of this corrected Form 1099-MISC with this letter to support entries on my original tax year 2016, Form 1040EZ filing. Internal Revenue Service Letter Notice (CP2000), listed above, cites no statutory or regulatory authority for “Proposed changes to your 2016 form 1040EZ”.

Thus, I have concluded that “Proposed changes” are made under color of law and are without any legal statutory or regulatory authority. No further action is required other than for the IRS to correct its account and transcript records pertaining to this matter.

Department of Treasury

Page 3

If the IRS or any of its agents have knowledge of taxable activities or taxable transactions performed by me in 2016 or other information that differs from what I declared on my 2016 Form 1040EZ and swore under penalties of perjury, I hereby request and demand clarification as to the nature of and the reason for said "Proposed changes", threat of assessment or notice of deficiency, the jurisdiction and character of any liability, the process by which these determinations were arrived at, and all other pertinent information regarding these assertions.

In accordance with 26 6201(d) I am asserting a reasonable dispute with respect to items of income reported on information returns filed with the Secretary under subpart (d) of USC 6041. I am cooperating with the Secretary in this matter, and am providing timely access and response to reasonable requests by the IRS and agents.

Be it hereby presented and advised that I make no declarations or admissions as to my status, the truthfulness of the assertions in IRS Letter CP2000: dated October 22, 2018 or to the fitness of any legal or administrative protocol I apply in this response.

Be it also hereby presented and advised that I do not waive or forfeit any of my rights to due process in this matter, nor do I waive or forfeit any right to which I am entitled by Law, or by birth.

Department of Treasury

Page 4

I hereby declare and affirm, under penalties of perjury, that the facts I have stated in this letter and accompanying attachments and enclosures are true, correct and complete to the best of my knowledge and belief.

Respectfully submitted,  
John E. Geraldts

Enclosures:

Completed Copy of IRS Response Form accompanying CP2000 Signed statement refuting and rebutting any proposed changes to my 2016 Form 1040 Copy of 2016 Form 1040 Copies of corrected 1099-MISC (2011) – one (1) Exhibit A – Copy of IR Manual 4.2.2.4 Exhibit B – Instructions for Form 1099-MISC Exhibit C – IRC Section 7701 (a)(26)