

Second Printing Errata

The citation from the case of *Lucas v. Earl* on page 12 is incorrectly attributed to the U.S. Supreme Court. The language cited actually belongs to the Ninth Circuit court, and is included in the Supreme Court case summary. The distinction is immaterial from the standpoint of the cite's utility, as the Supreme Court left its key point-- that there is a difference between what is received, and what is 'derived' from what is received (and that the law specifically addresses itself only to the latter)-- unchallenged. The Supremes reversed the Ninth, but simply because the higher court disagreed with the lower about at what point that derivation could be considered as consummated. It is unclear whether 'income' was being used by either court as the common word or the (by then) Constitutional term "income", but the issue of whether Earl's receipts qualified as the latter was not addressed by the Supreme Court.

In the transcription of Section 93 of The Revenue Act of 1862 on pages 14 and 167, the last word of the section should be "collected", rather than "declared".

The second quote on page 17 is from a subsequent U.S. Supreme Court summary of the *Pollock* ruling, not from that ruling itself, as might be imagined from the construction of that page.

The Supreme Court language cited as *So. Pacific v. Lowe* on page 23 should be cited as *Stanton v. Baltic Mining Co*, 240 U.S. 103 (1916)

The reference to *So. Pacific v. Lowe* on pages i and 24 should read, "...for instance, the court acknowledges," (rather than says). The quoted language is actually from the plaintiff's

argument in the lower court (So. Pacific v. Lowe, 238 F 847 U.S. District Court S.D.N.Y. (1917)), in whose favor the Supreme Court ruled. In so doing, the court put the same thought in different words, *"We must reject in this case, ... the broad contention submitted in behalf of the government that all receipts- everything that comes in- are income within the proper definition of the term 'gross income,'..."*

The language cited from the Montello ruling on page 55 (which is misspelled as "Montillo") should read: *"[Including] is the participle of the word 'include,' which means, ... (1) 'to confine within something; hold as in an inclosure; inclose; contain.' (2) 'To comprise as a part, or as something incident or pertinent; comprehend; take in;..."*

The first sentence in the Russello cite on page 59 is actually from Keene Corp. v. United States, 508 u.s. 200 (1993): *"Although some of the provisions surrounding 1500 use the phrase "jurisdiction to render judgment," 1500 speaks of "jurisdiction," without more; **this fact only underscores the Court's duty to refrain from reading into the statute a phrase that Congress has left out.**"*

Material on page 138 suggests that 1099's are not created and submitted by the 'payer' as sworn affidavits. This is incorrect. The 1096's by which 1099's are transmitted to the government attest to the completeness and accuracy of the associated 1099's under penalty of perjury, just as do the W-3's by which W-2's are similarly transmitted.

On page 173, the citation of 26 USC 6402(a) includes a reference to *"...subsections I, (d) and (e)..."*. This should read *"...subsections (c), (d) and (e)..."*.