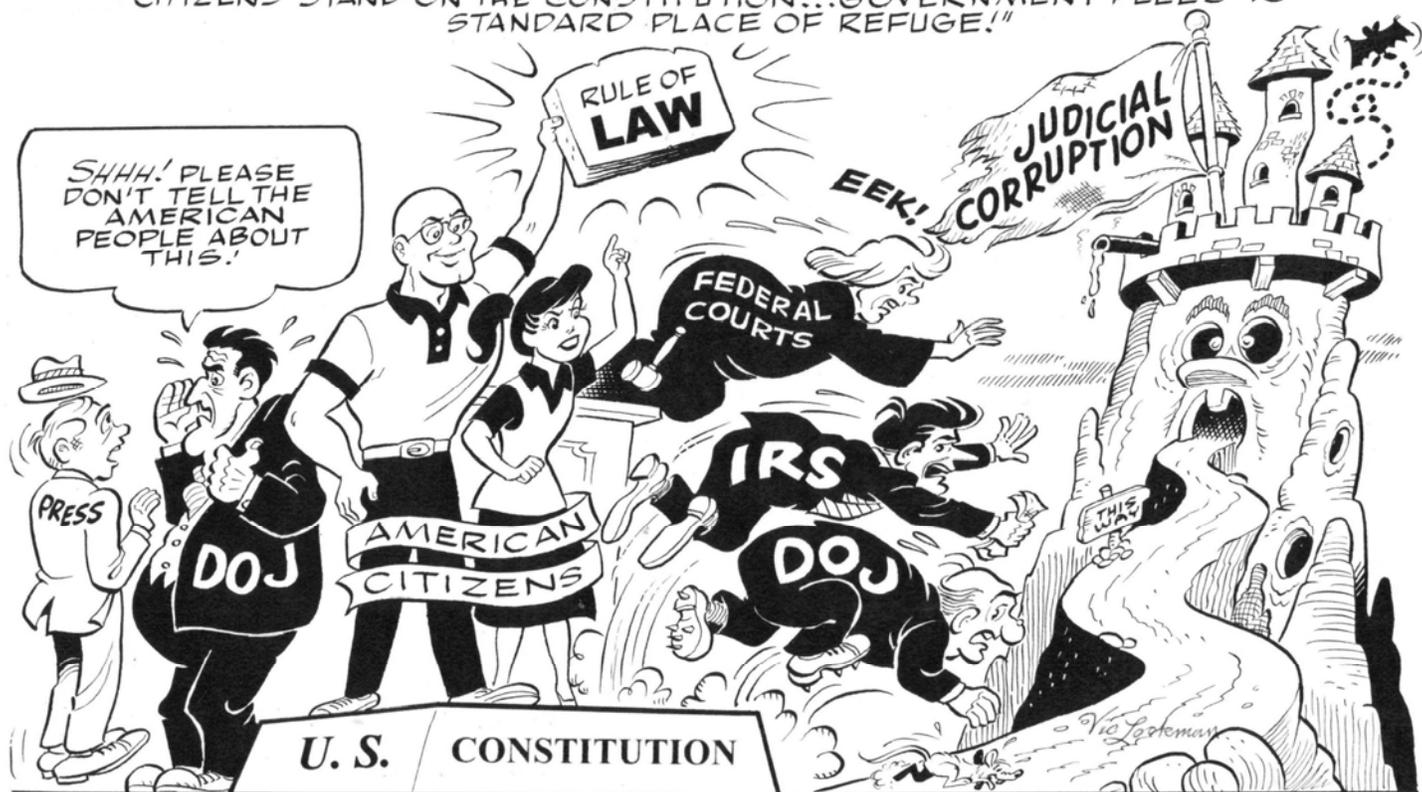


"CITIZENS STAND ON THE CONSTITUTION...GOVERNMENT FLEES TO STANDARD PLACE OF REFUGE!"



### Judge Orders Michigan Couple To Testify Against Themselves

On February 26, 2007 and again on May 2 of that year, a team of U.S. Department of Justice (DOJ) Attorneys and Federal District Court Judge Nancy G. Edmunds of the Eastern District of Michigan tried to order Peter and Doreen Hendrickson to testify against themselves.

Judge Edmunds (described by The Ann Arbor News and The Grand Rapids Press as guilty of perverting justice [in another recent case](#), as well) granted a DOJ- and IRS-requested "summary judgment" in a lawsuit attempting to force the Hendricksons to change sworn testimony on their tax returns in order to give the federal government a pretext for claiming the couple owed income taxes in 2002 and 2003.

The suit, and Edmunds' "order", are part of a sustained IRS effort to suppress revelations about the true legal nature of the income tax presented in Peter Hendrickson's book, ['Cracking the Code- the Fascinating Truth about Taxation in America'](#), which have had the tax agency in behind-the-scenes disarray for many years now. Since the book went to print in August 2003, readers have been steadily recovering every penny withheld from them in connection with the income tax from the federal and state governments -- including Social Security and Medicare 'contributions'.

Edmunds' "order" is purely for the consumption of a gullible public and press. Forcing someone to change sworn testimony is not only outside the authority of any court (or anyone else) but attempting to do so is a violation of several different criminal statutes.

Nonetheless, the DOJ and IRS have made careful and deliberate use of the "order"-- posting press releases claiming a victory in court, without mentioning that the "order" purports to dictate the content of the Hendricksons' sworn testimony, and thus is inherently void. The agencies also fail to mention that the reason this "order" was sought is that without a change in the Hendricksons' returns, there is

no legal pretext by which the government can claim that any tax is due from the couple for the years involved.

Along with issuing the "order" regarding the Hendricksons' previous testimony, Edmunds also played her part in another IRS pretense by way of this "lawsuit", involving agency-fabricated mis-statements of law it claimed were found in Hendrickson's book. In constructing its "complaint", the government asked Judge Edmunds to enjoin the Hendricksons from filing returns reflecting these fabricated, erroneous legal assertions.

Edmunds compliantly issued this additional meaningless injunction, barring the Hendricksons from filing any forms based on these IRS-invented "false and frivolous claims" which she says are set forth in ['Cracking the Code-...'](#). (These "claims"-- such as that "wages do not constitute income", or that "only government workers are liable for income taxes"-- not only do not appear in the book, but are explicitly contradicted by the book.)

The tax agency then began announcing that Pete Hendrickson has been enjoined against acting on what is presented in his book, when Hendrickson and his wife have actually been barred from nothing by this "injunction". (Such an injunction would be outside the power of the court in any event, since to tell anyone what he or she CAN'T say amounts to dictating what must be said.)

Judge Edmunds did all of this without the formality of a trial, and despite the fact that not only do official Treasury Department Certificates of Assessment show that the Hendricksons owe no taxes for the years in question, but nowhere in the complaint does the DOJ present evidence that the Hendricksons owe anything or that their testimony is false.

The Hendricksons have taken the matter to the Supreme Court.

The IRS has been trying to suppress Hendrickson's book since it first appeared. This latest effort is the fourth to make it into a courtroom. In each of the previous three, the DOJ itself [asked the various courts involved to dismiss the agency's suits](#) once they were contested, but in this latest instance, the intensity of the IRS's desire apparently overrode the DOJ's better instincts.

['Cracking the Code-...'](#) shows that the application of the income tax is far more limited than most Americans believe. It demonstrates how key terms in the code such as "wages," "employer," "employee," "trade or business" and "self-employment" are explicitly defined in the law in order to limit the income tax to benefits of federal privilege, such as dividends from federally-controlled corporations, and compensation paid to federal officeholders. Earnings unconnected with such privilege are not subject to the tax. Unaware of these special definitions, most Americans give the words their common meaning, fill out and sign their tax returns accordingly, and mistakenly pay taxes they do not owe.

Hendrickson points out that, *"The limited nature of the tax is not a matter of my opinion. In addition to the clear words of the law, dozens of United States Supreme Court rulings agree with my research and analysis, while no Supreme Court rulings support any alternative view, including the broad misunderstanding of the law the IRS likes to encourage."*

The IRS appears, at best, "conflicted". Even while presenting a disparaging (but carefully inaccurate) summary of ['Cracking the Code-...'](#) on its web site and in its "lawsuit", the agency continues to send full refunds-- Social Security and Medicare 'contributions' included-- to nearly everyone who files accurate returns based on what they learn by reading the book. Hendrickson's web site, [www.losthorizons.com](http://www.losthorizons.com),

shows copies of refund checks, credits and corrected account statements amounting to over \$9.8 million (as of 3/09/09) received by his readers since the book was first published. This amount, which the IRS says is a mere fraction of what it has returned to readers of Hendrickson's book so far, continues to grow every week.

Indeed, each and every month since the filing of this "lawsuit" more than two years ago, an average of more than \$83,000.00 worth of subsequent victories have been [shared with the world by upstanding CtC-educated Americans](#), an even higher figure than had been the case for the several years before this latest effort to suppress the book began. The only differences between pre- and post-"lawsuit ploy" is that now many more state governments (31, so far) have joined the feds in acknowledging the truth about the law revealed in [CtC](#) than had done so before.

This discrepancy between rhetoric and reality is broad and consistent. Six other "lawsuits" were announced at the same time as the one against the Hendricksons, each targeting [CtC](#)-educated filers carefully selected for their locations around the country so as to provide a pretext for a nation-wide press release on the matter. Two of the others targeted by this publicity campaign have stood their ground and are in the appellate courts dealing with district court rulings similar to that issued by Judge Edmunds.

Three of other four targets of these "lawsuits", however, surrendered to government harassment and declared that they had perjured themselves on their original filings. Nonetheless, although the DOJ and IRS touts these cases as "victories", the reality is that the government gratefully accepted new filings from these folks and then quickly slunk away without a backward glance. There have been no charges or other proceedings in connection with the repudiated original filings. In fact, the "righteous and victorious" feds formally agreed to take a hike in exchange for the new filings.

In the fourth case, the refund secured by the original filing was handed back as the government's price for having the suit dismissed, but no amended return was filed. The DOJ issued a self-congratulatory press release claiming "victory" in this case too, but later the IRS quietly credited the returned money in full as a positive balance on the related "account"...

Not one such "lawsuit" has since been filed against any other of the hundreds of [CtC](#)-educated filers whose upstanding [victories on behalf of the rule of law](#) are posted on [losthorizons.com](#) each and every week, or the thousands more who have enjoyed such victories without having been so generous of spirit as to share them. At least three of the victims of these seven "lawsuits" have gone on to secure subsequent complete refunds even after having been singled out for this "special attention".

The simple fact is, while the DOJ and Judge Edmunds work to suppress Hendrickson's book, and the IRS floods the media with disinformation and fear, the hard evidence-- the words of the law, dozens of Supreme Court rulings, the ongoing stream of complete refunds and everything else-- remains squarely on the side of the liberating revelations in ['Cracking the Code- the Fascinating Truth about Taxation in America'](#).

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Download the Hendricksons' petition to the Supreme Court at [www.losthorizons.com/PostSCPetition.pdf](http://www.losthorizons.com/PostSCPetition.pdf)

For a quick introduction to the truth about the tax, see [www.losthorizons.com/Intro.pdf](http://www.losthorizons.com/Intro.pdf)