

Label
(See instructions on page 16.)
Use the IRS label.
Otherwise, please print or type.

LABEL HERE	For the year Jan. 1-Dec. 31, 2005, or other tax year beginning _____, 2005, ending _____, 20		OMB No. 1545-0074
	Your first name and initial Walter D.	Last name Martin III	Your social security number [REDACTED]
	If a joint return, spouse's first name and initial Maria M.	Last name Martin	Spouse's social security number [REDACTED]
	Home address (number and street). If you have a P.O. box, see page 16. [REDACTED]		Apt. no.
City, town or post office, state, and ZIP code. If you have a foreign address, see page 16. [REDACTED]			

Presidential Election Campaign Check here if you, or your spouse if filing jointly, want \$3 to go to this fund (see page 16) You Spouse

Filing Status

- 1 Single
 2 Married filing jointly (even if only one had income)
 3 Married filing separately. Enter spouse's SSN above and full name here. Head of household (with qualifying person). (See page 17.) If the qualifying person is a child but not your dependent, enter this child's name here. Qualifying widow(er) with dependent child (see page 17)

Exemptions

6a Yourself. If someone can claim you as a dependent, do not check box 6a.
 b Spouse
 c Dependents:

(1) First name	Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) <input checked="" type="checkbox"/> If qualifying child for child tax credit (see page 19)
				<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>

d Total number of exemptions claimed **2**

Income

7	Wages, salaries, tips, etc. Attach Form(s) W-2	7	0
8a	Taxable interest. Attach Schedule B if required	8a	178 24
b	Tax-exempt interest. Do not include on line 8a	8b	0
9a	Ordinary dividends. Attach Schedule B if required	9a	0
b	Qualified dividends (see page 23)	9b	0
10	Taxable refunds, credits, or offsets of state and local income taxes (see page 23)	10	0
11	Alimony received	11	0
12	Business income or (loss). Attach Schedule C or C-EZ	12	0
13	Capital gain or (loss). Attach Schedule D if required. If not required, check here <input type="checkbox"/>	13	0
14	Other gains or (losses). Attach Form 4797	14	0
15a	IRA distributions	15a	0
b	Taxable amount (see page 25)	15b	0
16a	Pensions and annuities	16a	1182 31
b	Taxable amount (see page 25)	16b	1182 31
17	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E	17	0
18	Farm income or (loss). Attach Schedule F	18	0
19	Unemployment compensation	19	0
20a	Social security benefits	20a	0
b	Taxable amount (see page 27)	20b	0
21	Other income. List type and amount (see page 26)	21	0
22	Add the amounts in the far right column for lines 7 through 21. This is your total income	22	1360 55

Adjusted Gross Income

23	Educator expenses (see page 29)	23	0
24	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ	24	0
25	Health savings account deduction. Attach Form 8889	25	0
26	Moving expenses. Attach Form 3903	26	0
27	One-half of self-employment tax. Attach Schedule SE	27	0
28	Self-employed SEP, SIMPLE, and qualified plans	28	0
29	Self-employed health insurance deduction (see page 30)	29	0
30	Penalty on early withdrawal of savings	30	0
31a	Alimony paid b Recipient's SSN	31a	0
32	IRA deduction (see page 31)	32	0
33	Student loan interest deduction (see page 33)	33	0
34	Tuition and fee deduction (see page 34)	34	0
35	Domestic production activities deduction. Attach Form 8803	35	0
36	Add lines 23 through 31a and 32 through 35	36	0
37	Subtract line 36 from line 22. This is your adjusted gross income	37	1360 55

Tax and Credits

Standard Deduction for—

• People who checked any box on line 39a or 39b or who can be claimed as a dependent, see page 34.

• All other:

Single or Married filing separately, \$5,000

Married filing jointly or Qualifying widow(er), \$10,000

Head of household, \$7,300

38	Amount from line 37 (adjusted gross income)	38	1380	55
39a	Check <input type="checkbox"/> You were born before January 2, 1941, <input type="checkbox"/> Blind. <input type="checkbox"/> Spouse was born before January 2, 1941, <input type="checkbox"/> Blind. Total boxes checked ▶ 39a			
b	If your spouse itemizes on a separate return or you were a dual-status alien, see page 35 and check here ▶ 39b			
40	Itemized deductions (from Schedule A) or your standard deduction (see left margin)	40	10000	
41	Subtract line 40 from line 38	41	<8639	45>
42	If line 38 is over \$109,475, or you provided housing to a person displaced by Hurricane Katrina, see page 37. Otherwise, multiply \$3,200 by the total number of exemptions claimed on line 6d	42	6400	
43	Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0-	43	0	
44	Tax (see page 37). Check if any tax is from: a <input type="checkbox"/> Form(s) 9814 b <input type="checkbox"/> Form 4972	44	0	
45	Alternative minimum tax (see page 38). Attach Form 6251	45		
46	Add lines 44 and 45	46	0	
47	Foreign tax credit. Attach Form 1116 if required	47	0	
48	Credit for child and dependent care expenses. Attach Form 2441	48	0	
49	Credit for the elderly or the disabled. Attach Schedule R	49	0	
50	Education credits. Attach Form 8863	50	0	
51	Retirement savings contributions credit. Attach Form 8880	51	0	
52	Child tax credit (see page 41). Attach Form 8801 if required	52	0	
53	Adoption credit. Attach Form 8839	53	0	
54	Credits from: a <input type="checkbox"/> Form 8396 b <input type="checkbox"/> Form 8559	54	0	
55	Other credits. Check applicable box(es): a <input type="checkbox"/> Form 3900 b <input type="checkbox"/> Form 8901 c <input type="checkbox"/> Form	55	0	
56	Add lines 47 through 55. These are your total credits	56	0	
57	Subtract line 56 from line 46. If line 56 is more than line 46, enter -0-	57	0	

Other Taxes

58	Self-employment tax. Attach Schedule SE	58	0	
59	Social security and Medicare tax on tip income not reported to employer. Attach Form 4137	59	0	
60	Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required	60	118	23
61	Advance earned income credit payments from Form(s) W-2	61	0	
62	Household employment taxes. Attach Schedule H	62	0	
63	Add lines 57 through 62. This is your total tax	63	118	23

Payments

If you have a qualifying child, attach Schedule EIC.

64	Federal income tax withheld from Forms W-2 and 1099	64	18929	78
65	2005 estimated tax payments and amount applied from 2004 return	65	0	
66a	Earned income credit (EIC)	66a	0	
b	Nontaxable combat pay election ▶ (66b)			
67	Excess social security and tier 1 RRTA tax withheld (see page 59)	67	0	
68	Additional child tax credit. Attach Form 8812	68	0	
69	Amount paid with request for extension to file (see page 59)	69	0	
70	Payments from: a <input type="checkbox"/> Form 2436 b <input type="checkbox"/> Form 4136 c <input type="checkbox"/> Form 8865	70	0	
71	Add lines 64, 65, 66a, and 67 through 70. These are your total payments	71	18929	78

Refund

Direct deposit? See page 59 and fill in 73b, 73c, and 73d.

72	If line 71 is more than line 63, subtract line 63 from line 71. This is the amount you overpaid	72	18811	55
73a	Amount of line 72 you want refunded to you	73a	18811	55
b	Routing number			
d	Account number			
74	Amount of line 72 you want applied to your 2006 estimated tax	74		

Amount You Owe

75	Amount you owe. Subtract line 71 from line 63. For details on how to pay, see page 60	75		
76	Estimated tax penalty (see page 60)	76		

Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see page 61)? Yes. Complete the following. No

Designee's name	Phone no.	Personal identification number (PIN)
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Sign Here

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature	Date	Your occupation	Daytime phone number
<i>Wanda M. Martin</i>	2/13/06	American Citizen	()
Spouse's signature, if a joint return, both must sign.	Date	Spouse's occupation	
<i>Mark H. Martin</i>	2/13/06		

Paid Preparer's Use Only

Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN
Firm's name (or yours if self-employed), address, and ZIP code	EIN	Phone no.	()

CORRECTED (if checked)

PAYER'S name, street address, city, state, and ZIP code

TEACHERS AND STATE EMPLOYEES
RETIREMENT SYSTEM OF N. C.
325 N. SALISBURY STREET
RALEIGH, NC 27603-1385

PAYER'S Federal identification number

56-6118072

RECIPIENT'S identification number

[REDACTED]

Account number (optional)

[REDACTED]

RECIPIENT'S name, street address, city, state, and ZIP code

HARLA M MARTIN

[REDACTED]

Although it is hard to see, there is a withheld amount of \$236.46 recorded in one of the gray boxes to the right -PH

2b Taxable amount not determined

Total distribution

3 Capital gain (included in box 2a)

\$

5 Non-Taxable amount

\$

.00

6 Net unrealized appreciation in employer's securities

\$

7 Distribution code

1

IRA/SEP SIMPLE

8 Other

\$

%

9a Your percentage of total distribution

%

9b Already taxed contributions

\$

10 State of NC tax withheld

\$

.00

11 State/Payer's state no.

92-035567

12 State distribution

\$

13 Local tax withheld

\$

14 Name of locality

15 State distribution

\$

OMB No. 1545-0119
2005
Form 1099-R
Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.

This information is being furnished to the Internal Revenue Service

COPY B

Report this income on your Federal tax return. If this form shows Federal income tax withheld in Box 4, attach this copy to your return.

Substitute for Form W-2, Wage and Tax Statement, or Form 1099-R, Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.
▶ Attach to Form 1040, 1040A, 1040-EZ or 1040X.

1 Type or print your first name and middle initial. Last name
2 Social security number (SSN)

3 Address

4 Enter year in space provided and check one box. For the tax year ending December 31, 2005,
I have been unable to obtain (or have received an incorrect) Form W-2 OR Form 1099-R.

I have notified the IRS of this fact. The amounts shown on line 7 are my best estimates for all wages or payments made to me and tax withheld by my employer or payer named on line 5.

5 Employer's or payer's name, address and ZIP code
6 Employer's or payer's identification number (if known)

7(A) Form W-2. Enter wages, tips, other compensation, and taxes withheld.

a Wages, tips, and other compensation	0	g State income tax withheld	2381.86
b Social security wages	0	(Name of state) <u>NC</u>	
c Medicare wages and tips	0	h Local income tax withheld	0
d Advance EIC payment	0	(Name of locality)	
e Social security tips	0	i Social security tax withheld	2599.82
f Federal income tax withheld	3809.09	j Medicare tax withheld	608.01

7(B) Form 1099-R. Enter distributions from pensions, annuities, retirement/profit-sharing plans, IRAs, insurance contracts, etc.

1 Gross distribution	0	4 Federal income tax withheld	0
2a Taxable amount	0	5 State income tax withheld	0
2b Taxable amount not determined <input type="checkbox"/>		6 Local income tax withheld	0
Total distribution <input type="checkbox"/>		7 Employee contributions	0
3 Capital gain (included in 2a)	0	8 Distribution codes	

8 How did you determine the amounts in lines 7(A) and 7(B) above?
Company provided records and the statutory language behind IRC sections 3401 and 3121 and others.

9 Explain your efforts to obtain Form W-2, Form 1099-R, or Form W-2c, Corrected Wage and Tax Statement.
None. Most companies will refuse to issue forms correctly listing payments of "wages as defined in 3401(a) and 3121(a) for fear of IRS retaliation. The amounts listed as withheld on the W-2 it submitted are correct, however.

Under penalties of perjury, I declare that I have examined this statement, and to the best of my knowledge and belief, it is true, correct, and complete.

Sign Here

Signature ▶ [Redacted]

Date ▶ 2/13/06

Substitute for Form W-2, Wage and Tax Statement, or Form 1099-R, Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.
 Attach to Form 1040, 1040A, 1040-EZ or 1040X.

GMB No. 1545-0074

1 Type or print your first name and middle initial. Last name Social security number (SSN)

3 Address

4 Enter year in space provided and check one box. For the tax year ending December 31, 2005,
 I have been unable to obtain (or have received an incorrect) Form W-2 OR Form 1099-R.

I have notified the IRS of this fact. The amounts shown on line 7 are my best estimates for all wages or payments made to me and tax withheld by my employer or payer named on line 5.

5 Employer's or payer's name, address and ZIP code Employer's or payer's identification number (if known)

7(A) Form W-2. Enter wages, tips, other compensation, and taxes withheld.

a Wages, tips, and other compensation	0	g State income tax withheld	1313.00
b Social security wages	0	(Name of state) NC	
c Medicare wages and tips	0	h Local income tax withheld	0
d Advance EIC payment	0	(Name of locality)	
e Social security tips	0	i Social security tax withheld	3386.27
f Federal income tax withheld	7498.18	j Medicare tax withheld	791.95

7(B) Form 1099-R. Enter distributions from pensions, annuities, retirement/profit-sharing plans, IRAs, insurance contracts, etc.

1 Gross distribution	0	4 Federal income tax withheld	0
2a Taxable amount	0	5 State income tax withheld	0
2b Taxable amount not determined <input type="checkbox"/>		6 Local income tax withheld	0
Total distribution <input type="checkbox"/>		7 Employee contributions	0
3 Capital gain (included in 2a)	0	8 Distribution codes	

8 How did you determine the amounts in lines 7(A) and 7(B) above?
 Company provided records and the statutory language behind IRC sections 3401 and 3121 and others.

9 Explain your efforts to obtain Form W-2, Form 1099-R, or Form W-2c, Corrected Wage and Tax Statement.
 None. Most companies will refuse to issue forms correctly listing payments of "wages as defined in 3401(a) and 3121(a) for fear of IRS retaliation. The amounts listed as withheld on the W-2 it submitted are correct, however.

Under penalties of perjury, I declare that I have examined this statement, and to the best of my knowledge and belief, it is true, correct, and complete.

Sign Here

Signature ▶ [Redacted]

Date ▶ 2/13/06

February 12, 2006

Internal Revenue Service Center
Atlanta, GA 39901-0002

To whom it may concern:

The income tax is an excise tax on the exercise of federal privilege. The federal government only has jurisdiction over those who take part in this privilege. Those whose receipts are federally connected are taxpayers; those receipts that are not federally connected are non-taxpayers. The statutory law of Title 26 plainly reflects this restriction on jurisdiction.

The monies my wife and I receive are private sector, unprivileged payment for labor and therefore are not taxable. There is no statutory language in Title 26 that makes private sector earnings taxable. If there were, it would be unconstitutional for lack of apportionment. Surprisingly enough, the IRC, as written is completely constitutional. The majority of Americans are simply making themselves liable for a tax that they should not be liable for. This is accomplished through the use of erroneous information returns such as W-2's and 1099's. Private sector companies mistakenly submit such returns to the IRS falsely characterizing private sector earnings as payment of "wages as defined in 3401(a) and 3121(a)". The IRS rightly assumes that federally connected "wages" have been paid and uses these information returns as prima facie evidence. It is upon the citizen to know the law and correctly rebut such mischaracterizations.

It has taken me an entire year of studying the Declaration of Independence, the Constitution of the United States, the history of income tax enactments starting in 1862, the 16th Amendment, the Internal Revenue Code and the Code of Federal Regulations, Black's Law dictionary, the rules of statutory construction, and many Supreme Court decisions to arrive at the only possible honest conclusion: the income tax does not apply to private sector, unprivileged earnings.

Being the respectable servant government that you are a part of, I am confident that you will uphold the rule of law and kindly remit payment of our rightful property. This includes all monies withheld as federal income, social security, and Medicare taxes along with the applicable interest. As you well know, Social Security and Medicare taxes are nothing more than additional income taxes going directly into the general fund.

Sovereign Citizen,

Walter Martin /