

Tax Protests

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The Tax Code mandates the payment of taxes and yet some individuals purposefully fail to do so. Their reasons range from seemingly substantive claims of unconstitutionality to frivolous claims of inconvenience.

Inez Morin arrived in court without any documentation and claimed, "It's just a lot of paperwork." Like the taxpayer, the court could not be bothered with this excuse and assessed a negligence penalty (T.C. Summ. Op. 2001-134). Similarly, Christopher McCann's blatantly false assertion that "personal and business expenses...are one and the same" in conjunction with his unwillingness to separately account for them, did not endear him to the court (81 T.C.M. (CCH) 1819, 2001).

These arguments seem both irrational and impudent on their face and it is surprising that these taxpayers were even granted their day in court. On the other hand, some tax protesters argue issues that they believe to have genuine merit. Kenneth Tedder alleged that the federal tax system was based on *voluntary* compliance. However, his contention was flatly rejected since "Congress gave the Secretary of Treasury the power to enforce the income tax laws through involuntary collection" (787 F.2d 540, 1986). Straining the limits of credulity even further, other protesters argue that the 16th Amendment did not give Congress the power to tax despite its expressly ratified language.

These allegations may sound ludicrous to compliant taxpayers, but are nevertheless employed by those who wish to parse words or (mis)interpret statutory and judicial language. Despite the improbability of success, recalcitrant taxpayers may bring these contentions into a courtroom where they may engage in such pedantic discourse as did President Clinton when he said, "It depends on what the meaning of the word 'is' is" (Grand Jury Transcr. 58:5, 1998). Although Clinton may have truly believed that such linguistic analysis could excuse his previously uttered misstatements, his response was later often quoted in derogatory or humorous fashion.

Many tax protest cases are sources of hilarity, beginning with the outlandish premises of the lawsuits and ending with the judicial pronouncements chastising taxpayers for their folly. Doomed to fail, if only because "the ability of the Government to function [w]ould be impaired if persons could refuse to pay taxes because they disagreed" with our system of taxation (7 F. Supp. 2d 143, 1998), Tax Court cases yield an amusing study of language and law.