

# Avatar Update

Personal Opinion of Sofia Smallstorm

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email: avatarproducts@earthlink.net PO Box 698, Cardiff CA 92007

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*A subscription newsletter  
to bring you bits and pieces  
that clarify understanding  
as I come to learn more  
in my own Rabbit Hole  
discoveries*

## ***A Little Matter of Tampering***

You could call it putting words in someone's mouth, which is far too mild. Or you could call it witness tampering, which is what it is. And if the jury had not hung itself, as I like to put it, and created a temporary lull in what may play out to be an even bigger deal than 9/11 and Sandy Hook, we would not have still another few months to potentially turn the tables ... *Those tables are very tough to budge* but we can absolutely try, folks! Let's hear it from the husband of the defendant (transcribed from an October 28th radio update with Jim Fetzer—see [RadioFetzer.blogspot.com](http://RadioFetzer.blogspot.com)):

*Pete Hendrickson:* My wife Doreen was indicted in June on a charge of criminal contempt of court for having refused to let the government stuff words in her mouth and make her regurgitate them over her own signature, under oath, while concealing the fact that the words had been forced upon her. A truly bizarre and unprecedented event in American jurisprudence, to my knowledge. The government effected this by requesting a court to make this order to my wife seven years ago ... and the court did [so] six years ago. And since that time, my wife has exercised her First Amendment rights, not to mention due process rights, because the words the government has asked her to be made to say involve testimony in a civil action in which the government is a party and from which it would benefit if she were made to say what the government wishes her to say.

*Fetzer:* Peter, as I understand it, the government is asking your wife to make an admission that is contrary to her own belief and knowledge – in other words, the government is trying to compel her as a witness to give false testimony under oath.

*Hendrickson:* That's exactly correct.

*Fetzer:* That is just stupefying! I mean, what has become of our whole legal process and system that an absurdity of this character can take place?

*Hendrickson:* Indeed. The fact is that the government recognizes that there is a huge issue at stake here, and that is its ability to continue prosecuting its income tax scam – which is to say the manner in which it successfully exploits the ignorance of the American public about the true nature of the income tax—and this order to my wife is an effort to shut her mouth, basically. It isn't only that the government is demanding that she say the words that it wishes her to say, but it's actually also demanding that she repudiate her previous freely made testimony about the issue involved here. And that's because her freely made testimony thwarts a government effort to impose the tax on earnings of my wife's that do not qualify for the tax. What the government has asked the court to do is make my wife declare her agreement that her earnings *do* qualify for the tax, sparing the government any obligation to *prove* its allegation – an allegation, by the way, which it has never dared make over its own signature – anywhere.

...  
My wife's earnings don't happen to qualify [as taxable income], which is why there has never been an assessment against her in all of those years, and we're talking 11 years back now, by the way, from the time that this freely made testimony went into the record, and in all that time there's never been any dispute about the fact that she owes no tax and received nothing that was subject to the tax in that period. ... [The government is] attempting to force a litigant in a legal contest to agree with its version of the facts.

...  
The principle that's being violated here is not a principle that only has relevance in this immediate

circumstance. *This is a principle that has relevance in any litigation.* If you think about this, anytime the government would now want to do something to somebody, and do it by way of the fiction of a court proceeding, it will be able to ask the court to force its opponents to agree to its version of facts. Meaning that there is effectively no litigation. Anything can be done at that point.

...

This principle will not be limited to tax cases. If the government decides it wants to take your kids, it now has a precedent by which it can have a court order you to declare yourself an unfit parent. It can have a court order you to admit to abusing your children. It can have the court order you to declare *anything*. What is the limit here? There is no limit. Should it come to pass – Doreen is going to trial two days from now ...

### ***The Ancient Art of Self-Defense***

And it was a trial in which she defended herself. It is becoming increasingly recognized among us that attorneys work for the system, not for their clients (except perhaps when those clients are part of the system). An email report from a supporter who made the trip to the Theodore Levin federal courthouse in Detroit:

The trial was intense. I attended all three days. The emotional exhaustion was far greater than any physical exhaustion I have known. Trying to sit motionless, resisting the urge to show reaction to the behavior of the criminal actors for three days was a real challenge. Doreen ran the show for her defense and used her [public defender] attorney sparingly and wisely. I have never seen such composure and gentle confidence as I witnessed in Doreen. Being charged with disobeying a court order to bear witness against herself and falsify a document, she stuck to her guns and refused the court's order to purge herself. Of course the criminals tried every which way to turn that around and make it look like she was in contempt, which the evidence clearly showed she was not. Tasked with having to make a jury discern truth from fiction, I must say Doreen did a heroic job. Any reasonable person [unwilling to] succumb to intimidation [could] arrive at only one conclusion: that Doreen is innocent of the charge.

If it was hard for an observer to sit and watch the ordeal, imagine how it was for Doreen! To read her opening and

closing statements, please go to <http://www.veteranstoday.com/2013/11/03/bizarre-jury-instruction-you-cannot-consider-the-constitutionality-of-the-law/> ... I believe that last word "law" in the VT article title should be "order" or "court order," as explained by Pete in the Fetzer radio update:

*Hendrickson:* It gets worse. The government has asked the court to rule that the unlawfulness or unconstitutionality of the order given to Doreen be kept from the jury's consideration. That's bad enough by itself. ... In addition, the government, a few days ago, asked the court to prevent the jury from considering *Doreen's* perception of the order as unlawful!

If a judge told you to go rob a convenience store, would you do it? That's pretty much what was happening, and here is how Doreen explained the case in her opening statement (all of which you can read at the Veteran's Today link above):

I am accused by the government of having committed a crime for refusing to obey an order to swear to facts I do not believe are true. I agreed to obey the order if I could also simply add to my signature that I had been ordered by a judge to swear to the facts. That didn't suit the government however. Not only must I obey an order to swear to something I do not believe, but I am not allowed to indicate that I've been ordered to swear under threat of imprisonment.

This began more than seven years ago. The government did not like testimony I had given by affidavit in an income-tax-related civil case. Attorneys from the Department of Justice asked a federal judge – by way of a lawsuit – to order me to abandon my testimony and replace it with words they dictated to me.

The judge – without ever having laid eyes on me, without reviewing any evidence, and without holding any hearing at all – signed a ruling that was written by a government attorney. The Court ordered me to say what the government attorney wanted me to say. The Court ordered me to swear to it under penalty of perjury. I was to put these dictated words on a legal document that was part of a civil case in which the government was a party, and by which the government would benefit.

The Court offered no explanation of its authority

to dictate sworn testimony. I was ordered to say what the government demanded I say. I was ordered not to say what it didn't want me to say. I was ordered to sign a sworn statement declaring that I believe what I was being forced to say. I was ordered to lie about the fact that my statements were completely coerced. [...]

Frankly, every single person to whom I've ever explained this case finds it inconceivable that such orders have been made to an American. Equally incredible is that an American could be threatened with prison for insisting on her right to control her own statements and beliefs.

As best I have been able to discover, no American court has ever made an order like this before; nor has anyone ever before been subjected to criminal charges for refusing to swear to testimony dictated by the government.

Luckily, the jury could not agree on what the court and government wanted, which was a criminal conviction of Doreen. At least there are one or two regular Americans (we don't know how many jurors went which way) who aren't asleep at the wheel. The jury did ask to read Doreen's husband's book *Cracking the Code: The Fascinating Truth About Income Tax In America*, and they were allowed to do so. I asked Pete how this was possible, and he said it had (finally!) been admitted into evidence. I mused aloud about what they could have gotten out of it in such a short time, and he said: "Enough not to convict her."

So someone was wondering, which resulted in the calling of a mistrial and a stay until May which is when the new trial is scheduled. How many people can wake up in the next six months, I am wondering ... enough to deny the Beast its weekly meals of paycheck withholdings, volunteered quarterly bonuses, estate taxes and all the other goodies we provide it because we *simply don't realize*?

### ***How Nice That Obama Cares***

Want to know why the IRS is the partner of Obamacare? Because of the very nature of who is required/qualifies/will-be-penalized-for-skipping Obamacare ... This bit of helpful information is from Intuit's TurboTax website:

*If you don't need to file a 2014 tax return because your income is less than the minimum, you won't have to pay the penalty fee for not having health insurance. (my italics)*

The buzz flying around or commonly shared belief is that if you forego health insurance, as many do by choice or necessity, you'll be stuck with an annual IRS penalty, which functions as the mind-control part of the stunt. But if you understand who and who only needs to pay "income" tax, which is a tax on federal income (translation: does the government pay you?), then the above quote will make perfect sense. The penalty that everyone fears so much will be imposed by the IRS on that much-relished yearly tax refund that we wait for in the spring and then rush off to buy ourself a present with. Now, in case the Obamacare monster has been gnawing away at you, this is from Yahoo Finance (October 25, 2013 <http://finance.yahoo.com/news/does-the-obamacare-penalty-actually-have-teeth--144740030.html>):

The Obama administration this week said it is delaying the enforcement of the Affordable Care Act's mandate, extending until March 31 how long Americans can go without insurance before facing a penalty. But how strict is the Affordable Care Act's individual mandate to begin with? It's a question that's floated around since the mandate was first mentioned: Can the government—and more specifically, the IRS—really enforce the mandate penalty? The answer is yes, but only up to a point. [...]

Consumers don't have to report on whether they have coverage or are exempt from the mandate until they file their 2014 income tax return, which are due April 15, 2015. (Insurers will be required to provide everyone they cover with information that will help them demonstrate they had coverage.) As it stands now, the individuals who don't obtain health coverage in a given year (and are not exempt from the mandate) are subject to a fine of \$95 for an individual or 1% of family income, whichever is greater. In 2015, the penalty increases to \$325 per adult, or 2% of family income, whichever is greater.

How exactly will the penalty be assessed? If you don't have sufficient health coverage by the deadline, the "IRS will hold back the amount of the fee from any future tax refunds," according to HealthCare.gov, the government's marketplace website. But what if you don't get a tax refund? Conservative radio talk show host Rush Limbaugh picked up on this subject on his show this week, telling listeners: "The only way that they can collect the penalty or the fine is by taking money from your refund. If you are not owed a refund,

they cannot get money from you.”

We asked Mark Luscombe, principal analyst at CCH Tax & Accounting North America, about that. Turns out Limbaugh is essentially right. If you don't get a refund next year, “the IRS could carry over the sum due and apply it against any refunds in future years. On a joint return, the penalty of one joint filer could be applied against the refund due to the other joint filer,” Luscombe says. “If you don't pay it, all they can do is wait until they owe you some money and take that. Or probably just send you a letter every now and then reminding you that you owe money to the IRS,” says Timothy Jost, a professor at the Washington and Lee University School of Law and coauthor of the casebook *Health Law*. And by the way, once the IRS assesses the penalty, they've got 10 years to collect, says Bryan Camp, law professor at Texas Tech University.

The law also prohibits the IRS from using liens or levies to collect any “payment you owe related to the law, if you, your spouse or a dependent included on your tax return does not have minimum essential coverage,” according to the IRS. That means the IRS cannot go into someone's “checking account anyway and just take the money,” as one of Limbaugh's callers suggested the Obama administration might just do.

One other possible way for the government to recover the penalty owed is by suing you, says Camp. “It's a difficult process because it's the Department of Justice that has to file the suit, and they'll only do that if the IRS asks and begs them to do it... The IRS can't sue anyone for failure to pay taxes,” says Camp. If the government sues you for other tax debts, they can add this penalty to the amount. But “if it's such a small amount, it's unlikely the government would sue for the same very practical reasons you wouldn't sue someone for \$25,” he says.

Perhaps most important, there are no criminal penalties for not paying up. “You can't go to jail—that's not an option,” Jost says. As Limbaugh explained on his show, “If you structure your taxes so that you do not get a refund, you do not have to buy insurance and you do not have to pay a fine because they can't collect it from you if you don't have a refund due. And that is just another

nail in the coffin of Obamacare imploding on itself.” (That might be tough, however—most Americans get tax refunds. The IRS said about 75% of taxpayers got a refund last year.)

As Jost says, unless the law boosts the IRS's power to collect these fines, it is, indeed, possible for one to go on without obtaining health coverage and never be financially penalized.

So there you have it, and it even comes from mainstream news. And the Internal Revenue Code, when properly read and understood, tells us the same thing (and I will quote from a Pete Hendrickson newsletter):

... that the Obamacare mandate only applies to someone whose household “income” for the year is equal to or greater than the amount of gross income specified in 26 USC section 6012 as the amount prompting a filing requirement:

26 USC § 6012 - Persons required to make returns of income

(a) General rule - Returns with respect to income taxes under subtitle A shall be made by the following:

(1)(A) Every individual having for the taxable year gross income which equals or exceeds the exemption amount ...

And THAT means [says Pete], when all is said and done, that the Obamacare mandate and penalty do not apply to anyone with less than the exemption amount of “income” – *which is most of us*. Like most federal mandates, the Obamacare mandate only applies to the minority of Americans making use of a federal privilege.

### ***The Privilege of Writing History***

If you cannot recall what *federal privilege* is: Very loosely translated, it means doing business with the feds and being paid by them, and somewhat more technically, it means engaging in activities by which you are seeing a profit (i.e., making money), activities in which the federal government has a direct ownership interest. Ask yourself, if you haven't already, does this definition apply to you??

It is also very interesting to me that Yahoo Finance bothered to tell us that the penalty cannot be enforced except by way of IRS tax refunds. And that the IRS cannot sue anyone unless it can get the DOJ to do so on its behalf. This is what happened to the Hendricksons – both of them – in order to

create the buzz that both the author of *Cracking the Code* and his wife were convicted of tax fraud and put in prison, although this has not yet happened to Doreen. Even though *there was no "income tax" owed by Doreen* on the tax returns at issue in the lawsuit the DOJ filed against her, a criminal indictment was obtained and a trial date set. They were doing it from soup to nuts – and she didn't owe them a dime! So what was it about?? Well, people (as my fifth-grade teacher used to call us), it was and is about the *kind* of tax return Doreen filed, which is known as an "educated return," and which is not customarily submitted by rank and file Americans because they don't know anything about it. And, as you know, the case and trial were about her unwillingness to put numbers on the return that the IRS created for her and sign it without adding to the record that she was being made to submit testimony (the numbers) that she didn't agree with. So if we had anything to be thankful about en masse this past Thanksgiving, it would be that Doreen was not convicted and there's now more time to wake some more people up before, heaven forbid, a precedent of the sort that will be set by this case if the bad guys win is made a part of American history.

I personally think that explaining Obamacare to our friends and neighbors is the green light to the Educated Income Tax Highway. I have already explained to people that Obamacare is only for taxpayers, and they most likely do not qualify as taxpayers. They look at me with *Huh?* all over their face ... and then I give them a snippet of the rest and they are even more confused. One behavioral default I've noticed is that they brush it all off by saying well-that's-what-I've-done-all-these-years-and-I-don't-know-if-I-should-stop-now. But what people ought to realize pretty quick (ungrammatical) is that the more broke the government gets from its foolhardy spending on the advice of foreign warmongers, the more it will attempt to drain its people of their meager wealth and personal reserves. This is what Obamacare is really about: They know people will choose the lesser of the blows—\$325 (to climb every year, of course) less on their tax refund or the cost of an entire health plan— and this way the government gets to keep more of everyone's money and the sheeple don't mind because it's not as bad as the alternative!

So the privilege is about taking money *and* writing history, and as long as we roll over and cough up our rights and earnings, it will continue. It is not enough to be a noisy member of the Ain't It Awful Club; complaining isn't enough. To get educated and do your thing and teach others is a much better idea, and the under-exposure of the educated tax return absolutely needs to change.

### ***Continuing Indoctrination***

For those who do buck up and decide to enroll themselves in a health-insurance plan, which is code for "taking advantage of allopathic medicine," you can dial 8-OBAMACARE and thus "take the first step forward: start with a free confidential conversation [/] consultation which entails speaking one on one with a knowledgeable (*sic*) Agent that has been state licensed and trained to answer your questions." There are actual plans offered by Obamacare. You can enroll in the Platinum Plan and get 90% of your benefits paid, or in the Gold, Silver and Bronze plans (80%, 70%, 60% paid); there are High Deductibles and Essential Benefits and Catastrophic and More Affordable for People Under 30 plans, with Choice of Deductibles and Core Benefits ... it's all there for you to pick and choose from. And just to keep everyone as up-to-date as possible, doctors will have special Obamacare training videos provided by the government, for which they will receive continuing education credits. Reports Dr. Joseph Mercola in his popular newsletter (12/4/13):

According to *The Washington Times*, WebMD, the second-most visited health site on the World Wide Web, has received a \$4.8 million government contract to educate doctors about the ins and outs of the Affordable Care Act, colloquially dubbed "Obamacare." ... The contract includes training services aimed at physicians using the private portal, in the form of lectures, articles, podcasts, and "expert viewpoints" in audio, video, or writing, among other presentations. ... A 4-minute-long video featuring the viewpoint of a medical expert can cost [the government] as much as \$68,916 under the contract. And an "exclusively sponsored five to eight question quiz to convey key sponsor messages will cost the U.S. government in excess of \$140,000.

...

You may recall that three years ago WebMD was found to have created a depression-screening test in which 100% of quiz-takers ended up having a "high likelihood of major depression," and being asked to talk to their doctor about available treatment. The test was sponsored by drug giant Eli Lilly, the maker of Cymbalta, and it's quite telling that no one is found mentally healthy when Eli Lilly foots the bill. The quiz was really nothing but direct-to-consumer advertising masquerading as a valid health screen. This is perhaps the most hazardous kind of drug advertising there is ... Most would fail to consider that such a test might be rigged to turn you into a

consumer. ... The [Eli Lilly mental health quiz] sounds awfully similar to the quizzes WebMD has [a \$4.8 million government contract for] “to convey key sponsor messages.”

We could just call it brainwashing. But it's not for the sheeple this time, it's for doctors. More scripting and indoctrination posing as continuing ed, perhaps with a little subliminal influencing thrown in? Those hypnotizing swirls in the ice-cubes ... all to get our health experts to think the way the gubmint wants them to about our physical and mental problems.

However, the real purpose of the government contract for the WebMD training videos, in the true context of whom Obamacare is specifically meant for, would be to educate physicians for the health care of government workers. Not us. But since 1942, when the broad “income” tax was brought into our lives by the Department of the Treasury to fund America's participation in World War II, and the wide-scale implementation of reporting forms (a.k.a. “information returns” – think of 1099s and W2s) began, Americans have come to believe that we are all “taxpayers,” or ought to be, if we obey [what is a complete misconception of] the law and share our annual earnings with our masters. Even Wikipedia, gives a fitting definition of “income tax”:

An **income tax** is a government levy (tax) imposed on individuals or entities (taxpayers) that varies with the income or profits (taxable income) of the taxpayer. ... Income tax generally is computed as the product of a tax rate times taxable income.

Note that the term used is always “taxable income,” suggesting heavily that there is a lot of what we get that doesn't qualify. “Individuals or entities” is followed in parentheses (meaning that the terms are further defined) by the word “taxpayers.” Hmmm. There must be something to this term *taxpayer*. And there is. Until WWII, only about 4% of Americans paid “income tax,” being “taxpayers.” Then, when we were called in to become Allies to the destruction and takeover of European people and their governments, we were all encouraged to think of ourselves as “taxpayers,” and our accountants and bookkeepers were brainwashed in the art of issuing those “income” reporting forms – a grossly improper use of materials intended for federal payers only. And shucks, it is these little forms that make us recipients of federal income and thus liable for payment of “federal income” tax, not “federal” income tax. What is reported on those little federal reporting forms automatically becomes “income” – or earnings from a federal source. Whether it is

or isn't is of no consequence to the gubmint, as your tax return is your chance to support or rebut the reports made to them about your earnings.

### Got “Income”?

It's kind of like the depression quiz whipped up by WebMD. It doesn't matter if you're actually depressed or not; the quiz is rigged to make you come out looking that way. Similarly, the convention of non-federal payers and payees writing and receiving information returns, instituted some 70 years ago, was designed to make us all appear to be recipients of federal income, whether we actually were or not. The trick remains in place today. And once you yourself agree to this, as the WebMD quiz takers did when they turned to their doctors for help, then there are protocols to be followed – and enforced. Filing an “uneducated return” like all the sheeple have been trained to by their parents and bookkeepers and CPAs is like tromping into the doctor's office and telling him to get you on Cymbalta.

We're getting milked, and we're all wearing the fuzzy white mustache. The hoax, like many others, is brazen, and we're happily going along with it. Unfortunately, making “room” for the loss of wealth in our lives represented by coughing up that un-obligatory “income” tax is something we have learned to live with, and the little windfall the IRS returns to 75% of us in the spring (from which they will now keep a little more if we ignore their having taken the trouble to set up Obamacare) creates the impression that the system is fair and cooperative – even munificent – giving us the chance to make adjustments on the pound of flesh they bite out of us every week or month.



Merry Christmas and a Happy New Year!