

1 **Worker's Verified Statement Regarding Form W-4**
2 **(Request, Renewal or Replacement)**

3 Notice to Agent is Notice to Principal, Notice to Principal is Notice to Agent

4 **This document is to be made a permanent record in the files you maintain on me.**

5
6 Date _____ Return Receipt # _____

7
8 1. NOTICE TO: Entity name _____
9 ATTN: _____, _____ title
10 Entity address _____
11 city, st, zip _____

12 an entity created and organized within one of the united States of America, having no lawful
13 authority to take amounts from my pay without my explicit, voluntary, written consent.

14 2. FROM: Worker's name _____
15 mailing location _____
16 city, state _____

17 an inhabitant of one of the united States of America.

18 3. I am at least 18 years old and competent to testify to the facts stated herein, based on my knowledge.

19 4. This verified Statement is in reference to the renewal, replacement or request for *IRS Form W-4*.

20 5. Upon my review of this document, I have determined that I have fully complied with the law,
21 including all applicable federal and/or state statutes and regulations.

22 6. This is my OFFICIAL NOTICE AND DEMAND that I do not consent to withholding or deductions.

23 7. I have researched the laws about voluntary withholding certificates, voluntary payroll deduction
24 agreements and the nonconsensual taking from pay. Please share my findings with your tax
25 professionals (CPA, attorney, accountant, etc.)

26 8. Based on my determination on the following findings of fact and conclusions at law, effective today:

27 A. I exercise my lawful right to terminate all existing withholding agreements (W-4 or W-9
28 or their equivalents). **IRC § 3402(p)(3)(A)**

- 1 B. I exercise my lawful right to not voluntarily participate in any federal and/or state taxes,
2 programs, trusts (social security), benefits or privileges. *26 CFR 31.3402(p)-1(b)*
- 3 C. I exercise my lawful right to terminate the nonconsensual taking from my pay for all
4 federal and/or state taxes, fees or other charges (including a non-judicial tax lien,
5 levy or garnishment; social security; government social programs and benefits:
6 Medicare, disability insurance, etc). See *26 CFR 31.3402(p)-1(b)(2)*
- 7 D. Entities are not responsible for misstatements made by the worker, and the entity would
8 not be liable for a tax which should have been withheld [*Holmstrom v. PPG*
9 *Industries, 512 F.Supp 552, 554 DC WD Pa 1981. see also Murray v. City of*
10 *Charleston 96 U.S. 432 (1877)*].
- 11 E. The filing of a withholding certificate (W-4 or its equivalent) is purely voluntary
12 See *26 CFR 31.3402(p)-1(b)*. In fact, the Code of Federal Regulations clearly states
13 the entity OR the worker may terminate the withholding agreement at any time, by
14 furnishing a signed, written notice to the other. See *26 CFR 31.3402(p)-1(b)(2)*.
- 15 F. No law exists which compels a work eligible man or woman to submit a *Form W-4* (or its
16 equivalent) nor to obtain or disclose a social security number as a condition of being
17 hired or keeping one's job.
- 18 G. The "*Questionable W-4 Program*" is yet another flawed scheme perpetrated against
19 American entities. The IRS (who is without lawful capacity, authority or jurisdiction
20 to enforce this program) instructs entities to send "exempt" W-4's to the IRS each
21 quarter along with the entity's *Form 941 payroll report*. The IRS invites the entity to
22 send the W-4's more frequently if the entity so chooses.
- 23 H. According to the United States Government Accounting Office (USGAO) report dated
24 09/15/03, it stated in part, "*Under current law, the IRS does not have statutory*
25 *authority to impose a penalty to enforce employer compliance with the reporting*
26 *requirement. The reporting requirement was promulgated in Treasury regulations.*"
- 27 I. Most entities mistakenly believe they have a lawful duty to comply with the IRS request
28 for Forms W-4 and W-9, usually resulting from negligent or erroneous information

1 given by their incompetent tax professionals or incompetent IRS employees. The
2 court ruled that an entity is not required to send a *Form W-4* or other employment
3 forms to the IRS, unless the entity is served with an order from a court of competent
4 jurisdiction. See *U.S. v. Mobil Oil Co.*, 82-1 USTC para. 9242, U.S.D.C. ND Tex.
5 *Dallas 1981 CA. 3-80-0438-G*

6 J. Typically, the IRS instructs entities to change the worker's withholding status to Single-0.
7 The IRS clearly violates the law when it instructs the entity to disregard the worker's
8 W-4 (or its equivalent); the entity violates the law when it alters or dishonors the
9 worker's form or claim [*United States v. Malinowski*, 347 F. Supp. 352 in 1992].

10 K. The IRS "Lock-In Letter" applies only to government agencies, federal employees and
11 retirees, military personnel and Department of Defense employees, see Internal
12 Revenue Manual, Part 5, Chapter 1, Section 7. (IRM 5.1.7.) Private entities, states
13 and political subdivisions are NOT REQUIRED to enter into payroll deduction
14 agreements, see IRM 5.14.10.2. <http://www.irs.gov/irm/index/.html>

15 L. Therefore, under Title 26 USC, this means:

- 16 1. The IRS has no lawful capacity, authority or jurisdiction to impose or enforce
17 collection of taxes or returns on private entities, states and political
18 subdivisions.
- 19 2. The "*duly authorized*" withholding agent has a duty to collect and transmit
20 ONLY when the NONRESIDENT VOLUNTEERS to have amounts withheld
21 or deducted from pay.
- 22 3. Entities engaged in federal revenue taxable activities, events or commodities have
23 a DUTY to collect a federal excise tax and transmit it on a return.
- 24 4. Entities cannot lawfully deduct amounts from pay for taxes without the worker's
25 explicit, VOLUNTARY, written consent (see *Form 2159- Payroll*
26 *Deduction Agreement*).
- 27 5. Entities may VOLUNTEER to deduct from pay for taxes ONLY upon receipt of
28 the worker's signed, voluntarily CONSENT (see *Form 2159 Payroll*

Deduction Agreement.

M. IRS threats and penalties **only apply** to government agencies, federal employees and retirees, military personnel and Department of Defense employees.

N. With the exception of an order from a court of competent jurisdiction, no amounts can be lawfully taken from the worker's pay (for taxes, fees or other charges, including tax liens, levies or garnishments) without the worker's explicit, knowing, voluntary, written consent.

CONCLUSION: ALL lawful taking from pay must be consensual. When I do not desire to file a new W-4, I may lawfully terminate any existing withholding agreement. I cannot be compelled to participate in any state or federal taxes, program, trust (social security), benefit or privilege, etc.

VERIFICATION

_____ state, _____ county } ss.

IN WITNESS, WHEREOF, I solemnly affirm, I have read the foregoing, and know its contents to be true to the best of my knowledge, except as to the matters which are therein stated on my information or belief, and as to those matters, I believe them to be true. This instrument is submitted upon good faith effort that is grounded in fact, warranted by existing law for the modification or reversal of existing law and submitted for proper purposes, and not to cause harassment and unnecessary delay or costs, so help me God. See Supremacy Clause (Constitution, Laws and Treaties are all the supreme Law of the Land).

Dated _____, Worker

ACKNOWLEDGMENT

Subscribed and affirmed to before me, _____, a Notary Public, this _____ day of _____, _____, that the above-named man/woman did appear before me and proved to be the man/woman executing this document.

_____, Notary Public My commission expires: _____

Form W-4 (2004)

Purpose. Complete Form W-4 so that your employer can withhold the correct Federal income tax from your pay. Because your tax situation may change, you may want to refigure your withholding each year.

Exemption from withholding. If you are exempt, complete only lines 1, 2, 3, 4, and 7 and sign the form to validate it. Your exemption for 2004 expires February 16, 2005. See **Pub. 505**, Tax Withholding and Estimated Tax.

Note: You cannot claim exemption from withholding if: (a) your income exceeds \$800 and includes more than \$250 of unearned income (e.g., interest and dividends) and (b) another person can claim you as a dependent on their tax return.

Basic instructions. If you are not exempt, complete the **Personal Allowances Worksheet** below. The worksheets on page 2 adjust your withholding allowances based on itemized

deductions, certain credits, adjustments to income, or two-earner/two-job situations. Complete all worksheets that apply. **However, you may claim fewer (or zero) allowances.**

Head of household. Generally, you may claim head of household filing status on your tax return only if you are unmarried and pay more than 50% of the costs of keeping up a home for yourself and your dependent(s) or other qualifying individuals. See line E below.

Tax credits. You can take projected tax credits into account in figuring your allowable number of withholding allowances. Credits for child or dependent care expenses and the child tax credit may be claimed using the **Personal Allowances Worksheet** below. See **Pub. 919**, How Do I Adjust My Tax Withholding? for information on converting your other credits into withholding allowances.

Nonwage income. If you have a large amount of nonwage income, such as interest or dividends, consider making estimated tax payments using

Form 1040-ES, Estimated Tax for Individuals. Otherwise, you may owe additional tax.

Two earners/two jobs. If you have a working spouse or more than one job, figure the total number of allowances you are entitled to claim on all jobs using worksheets from only one Form W-4. Your withholding usually will be most accurate when all allowances are claimed on the Form W-4 for the highest paying job and zero allowances are claimed on the others.

Nonresident alien. If you are a nonresident alien, see the **Instructions for Form 8233** before completing this Form W-4.

Check your withholding. After your Form W-4 takes effect, use Pub. 919 to see how the dollar amount you are having withheld compares to your projected total tax for 2004. See Pub. 919, especially if your earnings exceed \$125,000 (Single) or \$175,000 (Married).

Recent name change? If your name on line 1 differs from that shown on your social security card, call 1-800-772-1213 to initiate a name change and obtain a social security card showing your correct name.

Personal Allowances Worksheet (Keep for your records.)

A Enter "1" for **yourself** if no one else can claim you as a dependent **A** _____

B Enter "1" if:
 { • You are single and have only one job; or
 • You are married, have only one job, and your spouse does not work; or
 • Your wages from a second job or your spouse's wages (or the total of both) are \$1,000 or less. } . . . **B** _____

C Enter "1" for your **spouse**. But, you may choose to enter "-0-" if you are married and have either a working spouse or more than one job. (Entering "-0-" may help you avoid having too little tax withheld.) **C** _____

D Enter number of **dependents** (other than your spouse or yourself) you will claim on your tax return **D** _____

E Enter "1" if you will file as **head of household** on your tax return (see conditions under **Head of household** above) . . . **E** _____

F Enter "1" if you have at least \$1,500 of **child or dependent care expenses** for which you plan to claim a credit . . . **F** _____

(**Note:** Do not include child support payments. See **Pub. 503**, Child and Dependent Care Expenses, for details.)

G **Child Tax Credit** (including additional child tax credit):
 • If your total income will be less than \$52,000 (\$77,000 if married), enter "2" for each eligible child.
 • If your total income will be between \$52,000 and \$84,000 (\$77,000 and \$119,000 if married), enter "1" for each eligible child plus "1" **additional** if you have four or more eligible children. **G** _____

H Add lines A through G and enter total here. **Note:** This may be different from the number of exemptions you claim on your tax return. **H** _____

For accuracy, complete all worksheets that apply.
 { • If you plan to **itemize or claim adjustments to income** and want to reduce your withholding, see the **Deductions and Adjustments Worksheet** on page 2.
 • If you have **more than one job** or are **married and you and your spouse both work** and the combined earnings from all jobs exceed \$35,000 (\$25,000 if married) see the **Two-Earner/Two-Job Worksheet** on page 2 to avoid having too little tax withheld.
 • If **neither** of the above situations applies, **stop here** and enter the number from line H on line 5 of Form W-4 below.

Cut here and give Form W-4 to your employer. Keep the top part for your records.

Form W-4	Employee's Withholding Allowance Certificate	OMB No. 1545-0010
Department of the Treasury Internal Revenue Service	▶ Your employer must send a copy of this form to the IRS if: (a) you claim more than 10 allowances or (b) you claim "Exempt" and your wages are normally more than \$200 per week.	2004
1 Type or print your first name and middle initial Last name	2 Your social security number	
Home address (number and street or rural route)	3 <input type="checkbox"/> Single <input type="checkbox"/> Married <input type="checkbox"/> Head of household (at higher Single rate). Note: If married, but legally separated, or spouse is a nonresident alien, check the "Single" box.	
City or town, state, and ZIP code	4 If your last name differs from that shown on your social security card, check here. You must call 1-800-772-1213 for a new card. ▶ <input type="checkbox"/>	
5 Total number of allowances you are claiming (from line H above or from the applicable worksheet on page 2)	5	
6 Additional amount, if any, you want withheld from each pay period	6	\$
7 I claim exemption from withholding for 2004 if I expect to have a refund of all Federal income tax withheld because I had no tax liability and • Last year I had a right to a refund of all Federal income tax withheld because I had no tax liability and • This year I expect a refund of all Federal income tax withheld because I expect to have no tax liability. If you meet both conditions, write "Exempt" here		
Under penalties of perjury, I certify that I am entitled to the number of withholding allowances claimed on this certificate, or I am entitled to claim exempt status.		
Employee's signature (Form is not valid unless you sign it.) ▶	IRC §3402(p)(3)(a) and 26 CFR 31.3402(p)-1(b)	Date ▶
8 Employer's name and address (Employer: Complete lines 8 and 10 only if sending to the IRS.)	9 Office code (optional)	10 Employer identification number (EIN)

I DO NOT VOLUNTEER

TO PARTICIPATE

which a flat percentage rate of withholding may be used.

Example 3. Assume the same facts as in Example 2, except that the consideration for W's services is a set insurance premium rather than reimbursement for costs plus a fee. Under these circumstances W is the payor and is not acting solely as the agent of V. An employee of V to whom W makes payments under the agreement may request under section 3402(o) and the regulations thereunder that W withhold income taxes from those payments.

(i) *Special rules for sick pay paid pursuant to certain collective-bargaining agreements.* (1) Special rules (enumerated in subparagraph (2)) apply to sick pay where all of the following tests are met.

(i) The sick pay must be paid pursuant to a collective-bargaining agreement between employee representatives and one or more employers.

(ii) The agreement must contain a provision that section 3402(o)(5) is to apply to sick pay paid pursuant to the agreement.

(iii) The agreement must contain a provision for determining the amount to be deducted and withheld from each payment of sick pay.

(iv) The social security number of the payee must be furnished to the payor. The agreement may provide that the employer will furnish this or the payee may furnish his social security number directly to the payor.

(v) The payor must be furnished with information that is necessary for the payor to determine whether the payment is pursuant to the agreement and to determine the amount to be deducted and withheld. The agreement may provide that the employer will furnish this information directly to the payor.

(2) The following special rules apply to sick pay where all of the tests of subparagraph (1) are met.

(i) The requirement of section 3402(o)(1)(c) and this section that a request for withholding be in effect does not apply.

(ii) The amount to be deducted and withheld from the sick pay shall be determined according to the provisions of the agreement and not according to this section. This rule shall not however apply--

(A) To payments enumerated in section 3402(n) (relating to employees incurring no income tax liability) and the regulations thereunder, or

(B) To payments made to a payee more than 7 days after the date that the payor receives a statement from the payee that the payee expects to claim an exclusion from gross income under section 105(d). Such statement must include adequate verification of disability. A certificate from a qualified physician attesting that the employee is permanently and totally disabled (within the meaning of section 105(d)) shall be deemed to constitute adequate verification. If the payor receives such a statement, the payor shall not withhold any income tax from the payments made to the payee, regardless of the provisions of the collective bargaining agreement. This exception from withholding does not affect the requirements of §31.6051-3.

(Secs. 3402(o), 7805, Internal Revenue Code of 1954 (94 Stat. 3495, (26 U.S.C. 3402(o)); 68A Stat. 917 (26 U.S.C. 7805)))

[T.D. 7813, 47 FR 11277, Mar. 16, 1982, as amended by T.D. 7915, 48 FR 44076, Sept. 27, 1983]

§ 31.3402(p)-1 Voluntary withholding agreements.

(a) *In general.* An employee and his employer may enter into an agreement under section 3402(b) to provide for the withholding of income tax upon payments of amounts described in paragraph (b)(1) of §31.3401(a)-3, made after December 31, 1970. An agreement may be entered into under this section only with respect to amounts which are includible in the gross income of the employee under section 61, and must be applicable to all such amounts paid by the employer to the employee. The amount to be withheld pursuant to an agreement under section 3402(p) shall be determined under the rules contained in section 3402 and the regulations thereunder. See §31.3405(c)-1, Q&A-3 concerning agreements to have more than 20-percent Federal income tax withheld from eligible rollover distributions within the meaning of section 402.

(b) *Form and duration of agreement.*
 (1)(i) Except as provided in subdivision (ii) of this subparagraph, an employee

who desires to enter into an agreement under section 3402(p) shall furnish his employer with Form W-4 (withholding exemption certificate) executed in accordance with the provisions of section 3402(f) and the regulations thereunder. The furnishing of such Form W-4 shall constitute a request for withholding.

(ii) In the case of an employee who desires to enter into an agreement under section 3402(p) with his employer, if the employee performs services (in addition to those to be the subject of the agreement) the remuneration for which is subject to mandatory income tax withholding by such employer, or if the employee wishes to specify that the agreement terminate on a specific date, the employee shall furnish the employer with a request for withholding which shall be signed by the employee, and shall contain—

(a) The name, address, and social security number of the employee making the request,

(b) The name and address of the employer,

(c) A statement that the employee desires withholding of Federal income tax, and applicable, of qualified State individual income tax (see paragraph (d)(3)(i) of §301.6361-1 of this chapter (Regulations on Procedures and Administration)), and

(d) If the employee desires that the agreement terminate on a specific date, the date of termination of the agreement.

If accepted by the employer as provided in subdivision (iii) of this subparagraph, the request shall be attached to, and constitute part of, the employee's Form W-4. An employee who furnishes his employer a request for withholding under this subdivision shall also furnish such employer with Form W-4 if such employee does not already have a Form W-4 in effect with such employer.

(iii) No request for withholding under section 3402(p) shall be effective as an agreement between an employer and an employee until the employer accepts the request by commencing to withhold from the amounts with respect to which the request was made.

(2) An agreement under section 3402 (p) shall be effective for such period as the employer and employee mutually

agree upon. However, either the employer or the employee may terminate the agreement prior to the end of such period by furnishing a signed written notice to the other. Unless the employer and employee agree to an earlier termination date, the notice shall be effective with respect to the first payment of an amount in respect of which the agreement is in effect which is made on or after the first "status determination date" (January 1, May 1, July 1, and October 1 of each year) that occurs at least 30 days after the date on which the notice is furnished. If the employee executes a new Form W-4, the request upon which an agreement under section 3402 (p) is based shall be attached to, and constitute a part of, such new Form W-4.

(86 Stat. 944, 26 U.S.C. 6364; 68A Stat. 917, 26 U.S.C. 7805)

[T.D. 7096, 36 FR 5216, Mar. 18, 1971, as amended by T.D. 7577, 43 FR 59359, Dec. 20, 1978; T.D. 8619, 60 FR 49215, Sept. 22, 1995]

§ 31.3402(q)-1 Extension of withholding to certain gambling winnings.

(a)(1) *General rule.* Every person, including the Government of the United States, a State, or a political subdivision thereof, or any instrumentality of any of the foregoing making any payment of "winnings subject to withholding" (defined in paragraph (b) of the section) shall deduct and withhold a tax in an amount equal to 20 percent of the payment. The tax shall be deducted and withheld upon payment of the winnings by the person making such payment ("payer"). See paragraph (c)(5)(ii) of this section for a special rule relating to the time for making deposits of withheld amounts and filing the return with respect to those amounts. Any person receiving a payment of winnings subject to withholding must furnish the payer a statement as required in paragraph (e) of this section. Payers of winnings subject to withholding must file a return as required in paragraph (f) of this section. With respect to reporting requirements for certain payments of gambling winnings not subject to withholding, see section 6041 and the regulations thereunder.

TO: (Employer—name and address)

REGARDING: (Taxpayer—name and address)

I DO NOT CONSENT

Contact person: _____

Title: _____

Telephone: _____

For: Employer

The taxpayer named on the right above owes federal taxes. This individual has named you as an employer and requests that a fixed amount be withheld from *each* wage or salary payment to be applied to the balance due. This payment arrangement is called a payroll deduction agreement and requires your approval. If you agree to participate, please read and sign the following statement:

I agree to participate in this payroll deduction agreement and will withhold the amount shown below from each wage or salary payment due this employee (taxpayer).

IRS
Use **→**
Only

I will send the money to the Internal Revenue Service every (circle one):

WEEK TWO WEEKS MONTH Other: _____

Signed: _____

Title: _____ Date: _____

Social security or employer identification number:

(taxpayer) (spouse)

Kinds of taxes (Form numbers)

Tax periods

As of _____, this taxpayer owes \$ _____, PLUS ALL PENALTIES AND INTEREST PROVIDED BY LAW

Telephone:
(Home)
(Work)

Banks (Names and addresses)

AGREEMENT LOCATOR NUMBER: _____
(circle)

0 No future action is required

5 Financial review date: ____ / ____

6 Monitor ES compliance:

Indicator: 1st Qtr ____ 2nd Qtr ____ 3rd Qtr ____

ES payment: \$ ____ \$ ____ \$ ____

Check box if
Pre-assessed
Modules included

Earliest CSED

I am paid every (circle one)

WEEK TWO WEEKS MONTH Other: _____

I agree to have \$ _____ deducted from each pay beginning _____

I also agree and authorize this deduction to be increased or decreased as follows:

For assistance:
Call: 1-800-829-1040
or write: _____ Service Ctr.

City, State, Zip Code

Date of increase (or decrease)	/ /	/ /
Amount of increase (or decrease)	\$	
New deduction amount	\$	

- Conditions of this agreement** (applies to taxpayer):
- We must receive each payment by the date shown above; if you have a problem, contact us immediately.
 - This agreement is based on your current financial condition. We may change or cancel it if our information shows that your ability to pay has changed significantly.
 - We may cancel this agreement if you don't give us updated financial information when we ask for it.
 - While this agreement is in effect, you must file all federal tax returns and pay any taxes you owe on time.
 - We will apply your federal or state tax refunds (if any) to the amount you owe until it is fully paid. (This includes the Alaska Permanent Fund dividend for Alaska residents.)
 - You must pay a \$43 installment agreement fee, which we have the authority to deduct from the first payment.
 - If agreement defaults, you must pay a \$24 reinstatement fee if agreement is reinstated, which we have the authority to deduct from the first payment.

- If you don't meet the conditions of this agreement, we will cancel it, and may collect the entire amount you owe by levy on your income, bank accounts or other assets, or by seizing your property.
- We will cancel this agreement at any time if we find that collection of the tax is in jeopardy.
- We will apply all payments on this agreement in the best interest of the United States.
- This agreement may require managerial approval. If it is not approved, you will be notified.

To be filled in by IRS

- A NOTICE OF FEDERAL TAX LIEN** (check one)
- HAS ALREADY BEEN FILED
 - WILL BE FILED IMMEDIATELY
 - WILL BE FILED WHEN TAX IS ASSESSED
 - MAY BE FILED IF THIS AGREEMENT DEFAULTS

Additional Conditions: (To be completed by IRS)

Taxpayer's signature

IRS originator, title and IDRS number

Originator Code:

Agreement examined or approved by (Signature, title and function)

Date

Date

I DO NOT CONSENT