

‘War on tax’ waged against costs of war

Thousands of ‘resisters’ refuse to pay amount owed in protest

By Judy Keen
USA TODAY

SOUTH BEND, Ind. — Like most Americans, Peter Smith and his wife, Ellyn Stecker, sit down each year to fill out a federal tax form. Then they write a check to the U.S. Treasury for half the sum in the “amount you owe” box.

They are among thousands of Americans who refuse to pay part or all of their federal taxes as a protest against war and military spending. “It takes two things to fight a war: people and money,” says Smith, 67, a retired math and computer science teacher. “I can’t refuse anymore to go, but I certainly can refuse to send the money.”

The National War Tax Resistance Coordinating Committee says about 10,000 people “resist” paying taxes. The group plans demonstrations in Washington and 24 states Monday against the Iraq war.

Other tax protesters contend that the Constitution’s 16th Amendment, which was adopted in 1913 to give Congress the power to collect income taxes, is illegitimate because it was not ratified by the required three-fourths of the states. Courts have ruled repeatedly against this argument.

The organization We The People says on its website, “There is NO LAW that requires most Americans to file a tax return, pay the federal income tax or have the tax withheld from their earnings.”

There are no data on how many people refuse to pay taxes on constitutional grounds.

“There’s no free lunch; people have to pay their taxes,” IRS Commissioner Mark Everson says. “There have always been individuals who, for a variety of reasons, argue taxes are voluntary or illegal. The courts have re-

peatedly rejected their arguments as frivolous.”

Everson says people who “buy into these schemes ... will find it a very costly error.”

To recoup unpaid taxes, the IRS places liens on property, garnishes wages, takes money from bank and retirement accounts and can seize property.

In its 2007 budget request, the IRS proposed spending \$4.7 million on enforcement and set a goal of increasing voluntary compliance from 83% now to 85% by 2009.

Billions trapped in the gap

The result of tax protesters and scofflaws who can’t afford to pay or cheat on what they owe is a tax gap: the difference between what should be paid and what the IRS collects.

The gap was \$345 billion for the 2001 tax year, according to an IRS study completed last fall. Late payments and IRS enforcement efforts brought the 2001 gap down to \$290 billion.

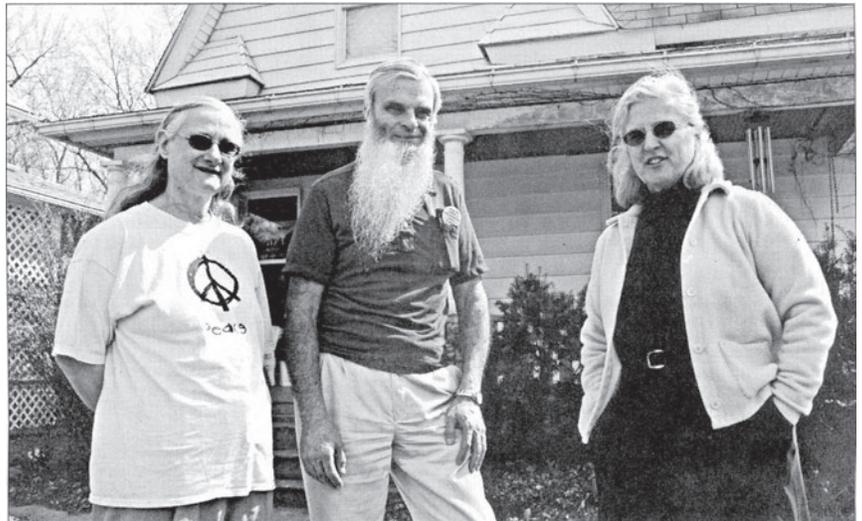
Smith and Stecker pay 50% of what they owe because they calculate that’s about the portion of the federal budget that goes to the military and interest on military-related debt.

Smith, who counsels people interested in becoming tax resisters, says other war opponents pay no federal income taxes. Some subtract \$10.40 from their payments as a low-risk anti-war statement. Others refuse to pay the 3% federal excise tax added to phone bills because that money goes into the federal budget and some of it funds the military.

Smith and Stecker donate their withheld tax money to charities, such as Oxfam America, which fights global poverty and hunger, and a local shelter for battered women.

Stecker, 60, a physician, wishes the government would spend tax dollars on those sorts of programs instead of war. “You look at what your money is being spent for, and you say, ‘No, I will not give my money for that,’” she says.

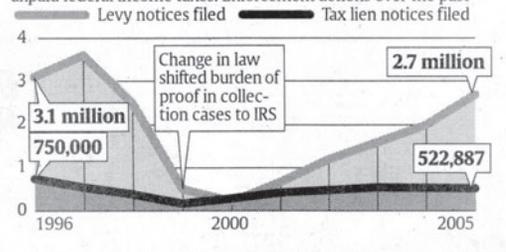
But the IRS eventually gets its share. The couple know the routine: By July, they get a



“I will not give my money for that”: Glenda Rae Hernandez, left, Peter Smith and Ellyn Stecker began resisting federal income taxes in 1969 to protest the Vietnam War. Smith says resisting taxes progressed from his involvement in the civil rights movement.

Tools of tax enforcement

The IRS can put liens on property, “levy” money from wages and bank accounts, and seize cars, boats and real estate to recoup unpaid federal income taxes. Enforcement actions over the past



letter from the IRS asking them to pay the rest of what they owe. They respond with a note explaining their reasons for not paying the full amount.

Then there’s a final notice. The IRS says in 30 days it will extract the money from paychecks, bank accounts or retirement funds. And the agency does just that.

The couple figure that over the years, the IRS has collected about \$75,000 in back taxes, penalties and interest from them. This year, thanks to withholding and charitable giving, they owe nothing to the federal government. They pay the full amount of their state taxes.

They belong to the Michiana Peace and Justice Coalition, a branch of the National War Tax Resistance Coordinating Committee. They distribute brochures that spell out the risks of refusing to pay taxes — “high” that the

IRS will assess fines and interest, “extremely low” for criminal penalties.

Glenda Rae Hernandez, 65, who also belongs to the Michiana group, says the IRS can be aggressive. “They always come after us,” she says. “That’s what they operate on — intimidation and fear.”

Hernandez, along with Smith and Stecker, began resisting federal income taxes in 1969 to protest the Vietnam War. “Kids were burning their draft cards, and I felt I had to do something,” Hernandez says.

Tradition of resistance

Smith, who served four years in the Navy in the early 1960s, says resisting taxes was a natural progression from his involvement in the civil rights movement. “Martin Luther King said it was just as important to oppose the fighting in Vietnam,” he says.

Proponents say there’s a

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NATIONAL WAR TAX RESISTANCE 1.800.269.7464

Anti-tax materials: A bumper sticker from the Michiana Peace and Justice Coalition offers a phone number where people can learn more about tax resistance.

long tradition of refusing to pay taxes that support wars:

- Quakers resisted taxes for military uses in Colonial times.

- In 1846, writer Henry David Thoreau protested the Mexican War by refusing to pay a Massachusetts poll tax. Later, he wrote that declining to pay taxes is preferable to enabling “the state to commit violence and shed innocent blood.” Thoreau went to jail for a night. He was released after a friend paid the tax for him.

- In 1942, Ernest Bromley refused to buy a \$7.09 “defense tax stamp” required for all cars and went to jail for 60 days.

Jeff Fouts, a tax attorney in the Atlanta area, says, “No matter what argument you raise as to the legitimacy of the tax system, you’re going to lose.”

