

# The **MODERN** Church

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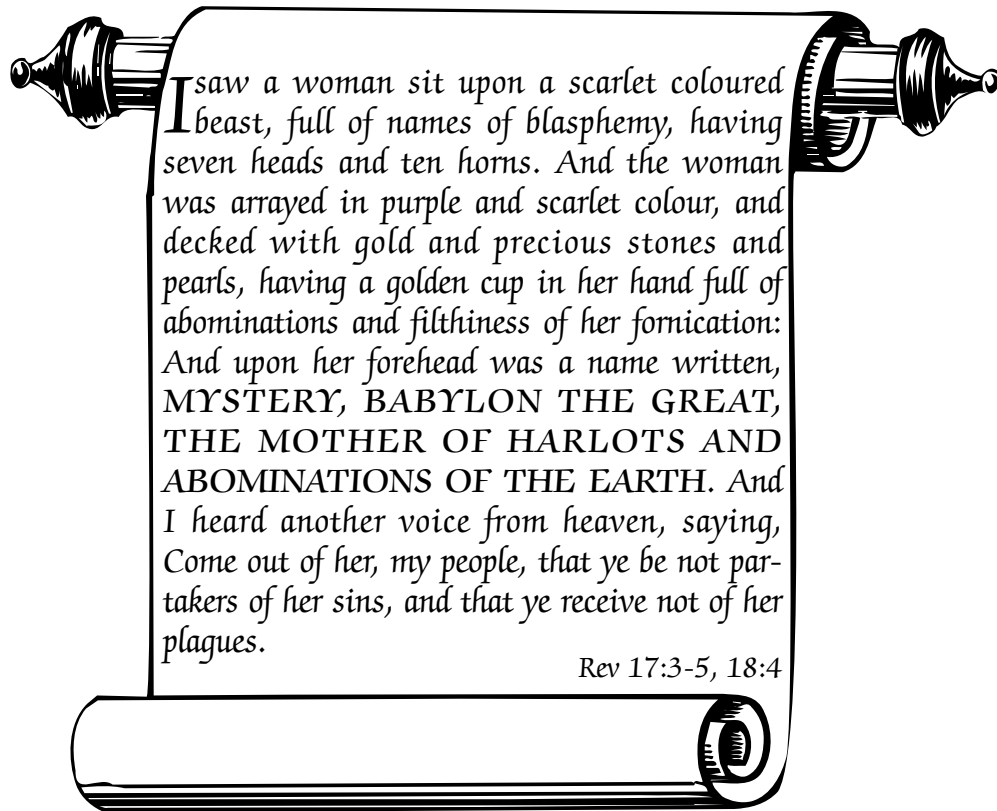
## Counterfeit?



Did you realize that the vast majority of “churches” in America today aren’t really Churches at all?

- Who creates the Church, God or government?
- Who is the Church accountable to, God or government?
- Can church-corporations be taxed by government (are they businesses)?
- Are Churches exempt from taxation or are they immune from taxation?
- Do church-corporations have Constitutional Rights (freedom of religion, speech, etc.)?
- Are gifts and tithes to a licensed 501(c)(3) church a private matter between the contributor and God, or do they become a matter of public record?

by: **Peter Kershaw**



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All scripture quoted is from the King James Version.

Many thanks to Pastor Greg Dixon, Pastor Robert McCurry, Pastor John Weaver, Pastor Leonard Zike, and Pastor John Lewis, of the American Coalition of Unregistered Churches, for their distinguished input and encouragement — five of the only Preachers left in the Nation who have the backbone to walk what they talk. Thanks to Donald Bergeron for his input. Thanks also to Mr. Doug Campbell for his assistance with proofing.

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# The Modern Church

## Instituted by God or Counterfeited by Man?

by: Peter Kershaw

### Preface

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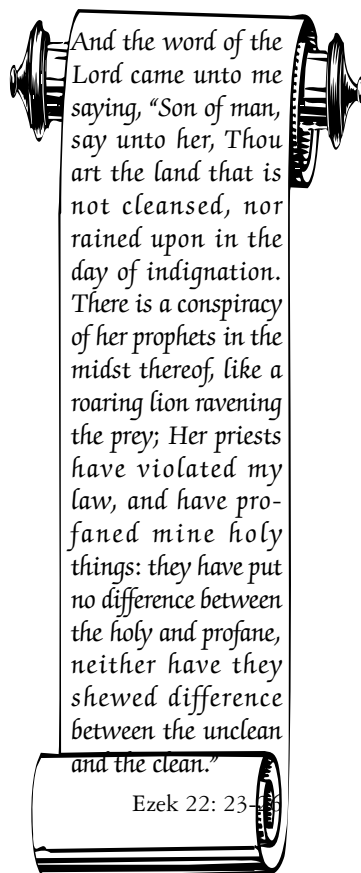
Can there be any doubt that many of the churches in America today are in peril? Thousands leave church each Sunday, never to return. Many millions of Americans profess to be Christians but haven't been to church in years. Church closures and bankruptcies are at an all-time high. Pastors and clergy are leaving the ministry in record numbers. Intense stress, marital problems and infidelity, alcohol and substance abuse, emotional disturbances, and even nervous breakdowns have become commonplace in many pastoral circles. The need for Christian psychiatrists and counselors has never been greater. There is a crisis of leadership, and all the while, the nation is going to hell in a handbasket! Who will stop it? Churches and clergy which themselves are feeble and ineffectual?

It's time we asked ourselves the hard questions — Where were the churches and pastors when our government banned prayer and the Bible from our schools? Where were the churches and pastors when our government legalized the taking of innocent human life by sanctioning abortion? Have our pastors been sleeping? Have thousands of them been playing the part of Rip vanWinkle, just now waking up after some 20 years to discover that their slumber has caused the death of over 30 million babies? Will they act, or will they go back to sleep? What kind of fruit is the Church bearing?

We agonize over these questions and many more like them. Such questions cannot go unanswered. God's Character is one of reason, logic, and common sense, and His Word is also. Could it be that we have overlooked a very simple, yet important issue? Perhaps an issue so unsophisticated and obvious that few have bothered to stop and seriously contemplate it? Not all of our pastors have been asleep, but the vast majority have not spoken out. The reason they don't speak out is that they have voluntarily contracted with the government to be a regulated business enterprise. In the process, they waive the churches' God-given, inalienable rights and fetter themselves with a pact whereby the church is silenced! As a result, these pastors are guilty of complicity with an evil, despotic, and tyrannical government.

This booklet is likely to become one of the most controversial the churches of America have ever had directed to them. The message is hard-hitting and likely to be repudiated, particularly by attorneys and the clergy. The author is a legal researcher, knowledgeable in Common Law, the Constitution, the Internal Revenue Code, and Corporate Status. Although the author is a committed Christian, that fact should not preclude study of this booklet by individuals of other faiths. It matters little whether we speak of a church, cathedral, temple, synagogue, etc.; all have made the same fatal error — claiming faith in God but acquiescing to the *lordship* of government.

The author, early in 1993, published a booklet entitled "Why Is America Bankrupt?", of which there are well over 300,000 in circulation nationwide. That booklet details the single greatest fraud in the history of the United States — the Federal Reserve Act of 1913. The booklet you now read details the single greatest fraud ever perpetrated on the churches of America — church incorporation and the 501(c)(3) tax-exempt license.



And the word of the Lord came unto me saying, "Son of man, say unto her, Thou art the land that is not cleansed, nor rained upon in the day of indignation. There is a conspiracy of her prophets in the midst thereof, like a roaring lion ravening the prey; Her priests have violated my law, and have profaned mine holy things: they have put no difference between the holy and profane, neither have they shewed difference between the unclean and the clean."

Ezek 22: 23-24



- Q:** Is there any law which requires a church to incorporate?  
**A:** No.
- Q:** Is there a law which requires a church to register with the government for tax-exempt status?  
**A:** There is no such law. Churches are automatically tax exempt.
- Q:** Is there any law which requires a church to register with the government as a charitable organization, so that any contributions made to it may be taken as an income tax deduction by the contributor?  
**A:** No, there is no such law. All contributions to a church, whether registered with the government or not, automatically qualify as a tax deduction.

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### Can a Church Be a Corporation?

**Church.** In its most general sense, the religious society founded and established by Jesus Christ, to receive, preserve, and propagate His doctrines and ordinances.

**Corporation.** An artificial person or legal entity created by or under the authority of the laws of a state. An association of persons created by statute as a legal entity.

Black's Law Dictionary, 6 Ed.

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Many thousands of churches in America have incorporated. Although no hard statistics exist, it would appear that well over 90% of all churches in America function as corporations. Prior to 40 years ago, this was virtually unheard of, but much at the behest of the burgeoning attorney population, most churches have incorporated. If you attend a church, chances are it is a corporation. What are the ramifications of this? If you are a pagan, it would make little difference. If you are a Christian, it should trouble you greatly. In analyzing the above definitions, it should be clear that it is quite impossible to create such a thing as a "Church-Corporation." The term is conflictive and contradictory. Either Jesus Christ is the creator and head of His Church, or the State is. Either Jesus is sovereign over His Church, or the State is. It is not possible for both Christ and the State to establish and maintain jurisdiction over the Church.

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"And hath put all things under his feet and gave him to be the head over all things to the church, Which is his body, the fullness of him that filleth all in all."

Eph 1:22-23

"And he is before all things, and by him all things consist. And he is the head of the body, the church; who is the beginning, the firstborn from the dead; that in all things he might have the preeminence."

Col 1:17-18

"...Christ is the head of the church: and he is the saviour of the body."

Eph 5:23

1577. **ekklesia**, ek-klay-see'-ah; from a compl. of 1537 and a der. of 1564; a calling out, i.e. (concr.) a popular meeting, espec. a religious congregation (Jewish synagogue, or Chr. community of members on earth or saints in heaven or both);— assembly, church.

Strong's Exhaustive Concordance of the Bible

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& 10

The Church, the "ekklesia," the ones who are called out, cannot enter into a contract of submission and complicity with the world and remain called out. The two are mutually exclusive and incompatible — "Come out of her, my people, that ye be not partakers of her sins."

### Should a Church Be an Incorporated, Tax-Exempt, Charitable Organization?

pg. 1

In spite of the fact that there is no justifiable rationale for a church to incorporate, or to seek a tax-exempt status, the clergy seem to find plenty of excuses as to why it's still a good idea. In most cases, attorneys have convinced the clergy, based upon alleged benefits and privileges offered by the government:

**Pro:** Limited Liability — clergy and members are not liable for church actions.

**Rebut:** Is it a scriptural principal that we not be held accountable for our actions? No, this is a secular-humanist doctrine. The humanist does not recognize right and wrong, good and evil, Heaven and Hell, God and Satan, and therefore, no one can be held accountable for his own actions. Limited liability is a dangerous notion as it may tend to promote reckless and, perhaps, even unethical behavior. The motive for seeking limited liability protection is frequently based upon fear of personal law suits against clergy. Is fear something Christians are to become preoccupied with, so much so that we must seek the protection of the heathen? Isn't our protection from the Lord our Shield? At one time, limited liability did indeed provide an effective shield against personal suit, but such is no longer the case. In order to bolster the most rapidly growing area of litiga-

tion, attorneys are holding seminars on a nationwide basis to train people how to sue their church and clergy. Whether merited or completely frivolous, any lawsuit is expensive. Virtually nothing now prevents personal suit, regardless of corporate status. It has become commonplace to sue the officers of a corporation when the business itself is sued. In some cases, even the shareholders have been sued (so much for limited liability)! Statistically, odds are much higher that a corporation will be sued; it's almost like the siren and flashing lights beckoning the ambulance chaser. In many cases, the attorney that incorporated the church will later be the same attorney representing the plaintiffs in a suit against the church. Talk about the fox guarding the hen house!

**Pro:** Perpetuity — continuous succession, irrespective of changes in membership.

**Rebut:** Were one's perspective that the church is a business, the government granted privilege of perpetuity could be construed as a benefit. When one's perspective is based upon the reality that the Church is an extension of God's eternal Kingdom in a temporal world, it is hard to rationalize the need for receiving such a privilege.

**Pro:** Tax Exempt — government exemption from property, sales, income tax, etc.

**Rebut:** Churches in America have always been immune from taxation anyway! Most churches' only source of financial support is the contributions of the congregation. Can you imagine the ramifications of government exacting a tax on God's tithe? Government has never had any jurisdiction to lawfully tax a church. Why would a church want to voluntarily reduce its status from one of immunity to that of a government-granted exemption? Tax exemption is viewed by government and the courts as a subsidy and there are always strings attached. When will the IOU come due?

**Pro:** Charitable Organization — tax deductible for income tax purposes.

**Rebut:** Whether licensed by the government or not, all churches have always been automatically recognized as charitable organizations. Any contributions made are automatically qualified as a tax write-off. A church does not have to be a corporation to be tax deductible, nor does it need a license from the IRS.

**Pro:** Since our government thinks it is in the business of social programs, subsidies, welfare, social security, health care, handouts, etc., there is certainly no reason why the church shouldn't get in line for its fair share of the *pork*, right?

**Rebut:** Where are we to look for our provision; government or God?

## Can Government Establish a Church?

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The First Amendment to the Constitution forbids government from establishing any religion, yet is this not exactly what occurs when the State incorporates a church? Our Founding Fathers very wisely prevented the establishment of any single preeminent government religion, endowed with certain privileges and benefits, while non-sanctioned religions could be oppressed by the State. Such had been the case with the Church of England and could not recur in our own nation, were we truly desirous of having "freedom of religion." The Founders also deemed it necessary to prevent any meddling in church affairs by government, but now we have voluntarily handed over our churches to that same government to meddle with as they please! In a limited sense, the "establishment clause" has been complied with, because the government has not initiated the establishment of the government-church; but it has been initiated by the clergy, and all churches and denominations have been treated *fairly and equally* in the establishment of their government-churches.

In a speech entitled, "Politics and Morality Are Inseparable," given to the Ecumenical Prayer Breakfast in Dallas, August 23, 1983, President Ronald Reagan stated:

"The churches of America do not exist by the grace of the state; the churches of America are not mere 'citizens' of the state. The churches of America exist apart — they have their own vantage point, their own authority. Religion has its own realm; it makes its own claims. We establish no religion in this country, nor will we ever."

"The 'establishment of religion' clause of the First Amendment means at least this: Neither a state nor the federal government can set up a church."

U.S. Supreme Court Justice Hugo Black [Everson v. Board of Education] (1947)

In spite of the constitutional mandate and very clear evidence, as well as much supporting case law, pastors, assisted by their ever-faithful attorneys and the State, have established many thousands of government-churches. The ramifications of such pagan lawlessness are staggering!

"Shall the throne of iniquity have fellowship with thee, which frameth mischief by a law?"

Ps 94:20

## Church-Corporations Are Businesses

**Corporation** (Latin *corpus*, a body). An artificial being created by law and composed of individuals who subsist as a body politic under a special denomination. A corporation aggregate is a collection of individuals united in one body by such a grant of privileges as secures succession of members without changing the identity of the body and constitutes the members for the time being one artificial person or legal being capable of transacting the corporate business like a natural person.

Bouvier's Law Dictionary

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In times past, the Common Law recognized a broad diversity of corporate statuses. Space does not permit development of the history of these, but our courts now recognize only two kinds of corporations — public and private. Public corporations are characteristically governmental in nature. All others are private corporations. In our day, all private corporations are recognized as businesses, whether for profit or not, endowed by their creator, the State, with certain privileges and benefits. They are regulated by statutes and public policy as established by the State. Certain corporations, such as charitable organizations, are chartered by the government to serve a public interest. In this sense, they are more akin to a public corporation, and may come under greater scrutiny and control by the State, than would a private corporation formed strictly for private business purposes. All licensed churches are treated at law as charitable organizations, when they are used for tax deductible purposes. All corporations, because of their legal recognition as business entities, are the embodiment of State-granted business franchises, merchandizing and engaging in commerce according to the terms of their charter.

pg. 3

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pg. 5

pg. 3

“Make not my Father’s house an house of merchandise.”

John 2:16

### “It was He who gave some to be [Presidents, CEO’s, Secretaries, Treasurers]...”

pg. 5

When a church incorporates, it must designate to the State certain Officers which it has appointed to its various business offices. This is no different than any other business which serves a public interest, either for-profit or not-for-profit. The officers typically include a President, Vice President, CEO, CFO, Chairman, Executive Director, Secretary, Treasurer, Trustee, etc. Such offices are only for the purpose of fulfilling the government-church’s franchise obligations to its creator, the State. The corporate officer has placed himself in the service of the State and is accountable for his every word and action. This is particularly true of the corporation which is a tax-exempt, charitable organization.

“The officers of a charitable organization are accountable to the court and subject to removal by the court, or by the state board of charities. They are bound by the ordinary strict rules concerning the authority of a fiduciary; and persons dealing with them must at their peril, take notice of the powers granted the corporation by its articles of incorporation.”

[11 C.J. Charities § 103]

Christ has established the framework of Christian government over His Body, within which a system of offices are specified. He has designated ministers and servants to perform their roles in those offices. There is no scriptural basis for the Church to create its own system of worldly offices and designate corporate officers for worldly pursuits. Indeed, the only legitimate purpose of a Pastor and other ministers is “so that the body of Christ may be built up.”

“It was He who gave some to be apostles, some to be prophets, some to be evangelists, and some to be pastors and teachers, to prepare God’s people for works of service, so that the body of Christ may be built up.”

Eph 4:11,12

Just who is the Pastor/President of Church, Inc. serving, the Lord or the government? In reality, he is attempting to do both, even though scripture clearly tells us this is impossible.

“No man can serve two masters: for either he will hate the one, and love the other; or else he will hold to the one, and despise the other.”

Mat 6:24

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The courts have ruled in numerous cases that, if a church merely has the appearance of doing business as a corporation without having formally incorporated, it will be treated at law as a corporation and the courts may assume jurisdiction over it. The rationale has been that no entity may take for itself the privileges and benefits of doing business as a corporation without also incurring its liabilities. Does your church have Business Officers? A Board of Trustees or Directors? Business Meetings? A Charter? Articles of Association? Does it advertise as a business (yellow pages listing, etc.)? If it looks like, acts like, functions like a business, it’s certainly of this world, but is it a Church?

### Your Pastor Could Be a Government Agent

In addition to appointing business officers to designated posts of the church-corporation, there must also be designated by the State a “Registered Agent” of the corporation. The Registered Agent is an officer of the corporation and, in many cases, is the Pastor. The Registered Agent is not the representative of the corporation to the State. He is the representative of the State to the corporation, and he is accountable to the State to ensure that the corporation abides by any laws or public policy it chooses to enforce upon the corporation. The Registered Agent is under the exclusive jurisdiction of the State by contract, practicing his “free exercise of religion” and “freedom of speech” only insofar as it agrees with the law and



public policy of the State. He is the resident “whistle-blower” and is contractually obligated to notify the government should the corporation violate its charter. Any officer of the church acting as the Registered Agent of the State is literally a Government Agent!

**Agent.** A person authorized by another (principal) to act for or in place of him; one intrusted with another’s business. One who represents and acts for another under the contract or relation of agency. A business representative, whose function is to bring about, modify, affect, accept performance of, or terminate contractual obligations between principal and third persons. One who undertakes to transact some business, or to manage some affair, for another, by the authority and on account of the latter, and to render an account of it.

Black’s Law Dictionary, 6 Ed.

## The Corporate Charter

**Corporation.** All corporations, of whatever kind, are moulded and controlled, both as to what they may do and the manner in which they may do it, by their charters or acts of incorporation, which to them are the laws of their being, which they can neither dispense with nor alter.

Bouvier’s Law Dictionary

**Charter.** An instrument emanating from the sovereign power, in the nature of a grant, either to the whole nation, or to a class or portion of the people, to a corporation, or to a colony or dependency, assuring to them certain rights, liberties, or powers. Such was the “Great Charter” or “Magna Charta,” and such also were the charters granted to certain of the English colonies in America. A charter differs from a constitution, in that the former is granted by the sovereign, while the latter is established by the people themselves.

Black’s Law Dictionary, 6 Ed.

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All corporations receive from the State, or file with the State, a charter (each State prescribes its own format and content). The charter is approved by the State Legislature or the Secretary of State prior to the authorization and creation of the corporation. The charter specifies the purpose and function of the corporation and delineates its powers. Once created, no corporation can exceed its specified powers or enter into any function which is not specified in its charter. The charter is the corporation’s contractual admission of subservience and oath of absolute obedience to the State, in exchange for certain privileges and benefits granted to it. The charter establishes, as a matter of public record, that the State is sovereign over what it has created. That which the State creates it may also “put asunder,” and this is especially true should the corporation exceed what is specified in its charter.

“The character of the corporation and the purpose for which it was organized must be ascertained by reference to the terms of its charter, and the right of the corporation to its exemption must be determined likewise by the powers given in its charter.”

[Harrison v. Barker Annuity Fund; 90 F.2d 286]

The corporation’s supreme law is its charter. No law is higher; not the Constitution, not even the Bible.

“The nature of the corporation, as well as its purposes and objects, must be determined from its charter or articles of association, and cannot be shown by extrinsic evidence.”

[11 C.J. Charities § 9]

Were a corporation to have a dispute with its creator (the State), generally the resolution to the dispute would first require going back to the corporation’s charter. The State would likely impose its will on the corporation. Furthermore, if the dispute were based upon a moral argument, and the corporation chose to use the Bible as the basis of its argument, the State could exclude the Bible as “extrinsic evidence.”

**Extrinsic evidence.** External evidence, or that which is not contained in the body of an agreement, contract, and the like. Evidence which does not appear on the face of a document, but which is available from other sources such as statements by the parties and other circumstances surrounding the transaction.

Black’s Law Dictionary, 6 Ed.

If a corporation wanted to include the Bible, or any portion thereof, as the basis of its existence, or as a means of establishing its system of values, it needs to include the full text within the body of the charter itself, or it may at some time be excluded by the State or the courts as extrinsic evidence. Once chartered, a corporation cannot ever change its purpose, alter its function, or exceed the powers authorized it by the State, without first receiving the permission of the State to amend its charter. Corporations are fully accountable to their creator for their every action. Where an officer exceeds those powers delegated him by the State in its charter, that officer may be held liable by the State and its courts for a civil penalty and, in some cases, a criminal offense. Some churches are not incorporated but may still have a Charter, or they may have Articles of Association. Whether incorporated or not, such entities are still creatures of the State. The Charter and the Articles are in every case the Supreme Law.

“The charter of a corporation is to be strictly construed.”

U.S. Supreme Court [130 U.S. 1]

## The U.S. Constitution and The Church

Our Constitution and the founding documents affirm that Jesus Christ is head of His Church and prevent government from interfering in the affairs of Church. Government has no jurisdiction over the Church.

The only exception where government may intervene in church affairs is where a church violates the Life, Liberty, or Property of any person and the church has failed to provide a suitable remedy.

“Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or the right of the people peaceably to assemble, and to petition the Government for a redress of grievances.”

First Amendment, U.S. Constitution (December 15, 1791)

“No law” means just what it says; NO LAW! Yet we know that unconstitutional statutes and regulations are fabricated by lawless men every day. Oppression and subjugation of our fellow man are the hallmark of the Enemy. Christ set us free from the bondage of man’s regulation. Our Founders recognized this by creating the Supreme Law of the Land, the U.S. Constitution, which, as much as humanly possible, was written to be in total harmony with God’s Law, His Word. Congress is restricted by the Constitution from making laws “prohibiting the free exercise” of our faith, but can the States or local government?

“This Constitution, and the Laws of the United States which shall be made in Pursuance thereof; and all Treaties made, or which shall be made, under the Authority of the United States, shall be the supreme Law of the Land; and the Judges in every State shall be bound thereby, any Thing in the Constitution or Laws of any State to the Contrary notwithstanding.”

Article 6, Clause 2, U.S. Constitution

“Nothing should ever be implied as Law which leads to unjust or absurd consequences.”

Abraham Lincoln

## **The Natural Person’s Constitutional Rights**

Liberty, freedom, inalienable rights, justice, and sovereignty are the battle cry of the American Patriot, but what is the source of our rights? Do we have inalienable rights simply because our Founding Fathers stated so in the Declaration of Independence, the Articles of Confederation, the Constitution and the Bill of Rights, the Federalist Papers, and the other founding documents? If men gave us our rights, then men could take them from us. Rights emanate not from man, or even from the Constitution, but from God Himself. The Constitution affirms God’s sovereignty over His creation, that man is created in His image, and therefore, man is sovereign over all that he lawfully establishes, including government. The Constitution is a trumpeting declaration of the truth of God’s Word, the Bible.

In Genesis 1:26-28, we are given the account of the creation of man and woman. Created in the image of God, they were commanded to “replenish the earth, and subdue it.” This is the source of the statement in the Declaration of Independence, which explains to us our divine right of individual sovereignty:

“We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty, and the pursuit of Happiness. That to secure these rights, Governments are instituted among men, deriving their just powers from the consent of the governed...”

## **Corporations Have No Constitutional Rights**

**Corporations Not a Person.** A corporation is not deemed a person within the clause of the Constitution of the United States protecting the privileges and immunities of citizens of the United States from being abridged or impaired by the law of a State, and the liberty guaranteed by the Fourteenth Amendment against deprivation without due process of law is that of natural, not artificial, persons [204 U.S. 359].

Bouvier’s Law Dictionary

For those godless men who would seek to undermine and destroy the church, we can rely upon the Supreme Law of the Land, the Constitution, as our claim to sovereignty, “free exercise” of our religion, and “freedom of speech,” so that we might freely share our faith and values with others. However, do incorporated churches possess these same rights? Once a church incorporates, it may no longer rely on the Constitution to protect its inalienable rights. It has voluntarily waived its rights and exchanged them for the privileges and benefits granted to it by its “creator,” the State. Such privileges and benefits are not determined according to the Constitution or the age-old absolutes of the Common Law, but according to the shifting trends and secular-humanist influence of public policy. The Constitution and the Bill of Rights apply only to natural persons. Corporations are, at law, artificial or unnatural persons. They are a fiction, a front, a facade, and the Constitution grants them no protection.

“The individual may stand upon his constitutional rights as a citizen. He is entitled to carry on his private business in his own way. His power to contract is unlimited. He owes no duty to the State or to his neighbors to divulge his business, or to open his doors to an investigation, so far as it may tend to criminate him. He owes no such duty to the State, since he receives nothing therefrom, beyond the protection of his life and property. His rights are such as existed by the law of the land long antecedent to the organization of the State, and can only be taken from him by due process of law, and in accordance with the Constitution. Among his rights are a refusal to incriminate himself, and the immunity of himself and his property from arrest or seizure except under a warrant of the law. He owes nothing to the public, so long as he does not trespass upon their rights.

“Upon the other hand, the corporation is a creature of the State. It is presumed to be incorporated for the benefit of the public. It receives certain special privileges and franchises, and holds them



subject to the laws of the State and the limitations of its charter. Its powers are limited by law. It can make no contract not authorized by its charter. Its rights to act as a corporation are only preserved to it so long as it obeys the laws of its creation.”

U.S. Supreme Court [Hale v. Henkel, 201 U.S. 74]

Rights secured by the Constitution and Bill of Rights (Amendments 1-10), available to the free and natural person but not guaranteed to the unnatural person, include:

- Freedom of speech.
- Freedom of religion.
- Freedom of press.
- Right to be safe and secure in one’s person, papers, and effects (right to privacy).
- No unreasonable searches and seizures.
- No warrants issued but upon probable cause, supported by oath or affirmation.
- No compulsory self-incrimination or testimony against oneself.
- No private property taken without just compensation (eminent domain).
- Right to trial by jury of peers.
- Right to due process of law.
- Right to speedy trial.
- No double jeopardy.
- No excessive bail or excessive fines.
- Right to counsel of choice.
- Right to be confronted by witnesses and to examine their testimony.
- Right to be apprised of the nature and cause of the accusation.
- Right to defend oneself against the accusations (no ex parte hearings).

### **“Be ye not unequally yoked...”**

Pastors have been bamboozled by the very same rascals Christ castigated as a “brood of vipers” — attorneys. Who else but an attorney could sucker a preacher into handing his church over to the government? As a result, the pastor becomes a co-conspirator, whether he understands the issues at law or not. The pastor already has the greatest Law book the world has ever known — the Bible. If he would simply read God’s Law and meditate upon it, surely he would know that it is impossible to incorporate his church without impugning the sovereignty of God and denigrating His Holy Name before the heathen.

“Do not be yoked together with unbelievers. For what do righteousness and wickedness have in common? Or what fellowship can light have with darkness? What harmony is there between Christ and Belial? What does a believer have in common with an unbeliever? What agreement is there between the temple of God and idols? For we are the temple of the living God. As God has said: ‘I will live with them and walk among them, and I will be their God, and they will be my people. Therefore, come out from among them and be separate,’ says the Lord.”

II Cor 6:14-17

In the passage of Matthew 23:13-33, Christ blasts the Pharisees and scribes (attorneys) numerous times as “hypocrites,” “blind guides,” “snakes,” and “vipers.” Why was Christ so upset? These self-professed lawmakers were ignoring and violating God’s laws and giving greater significance to their own fabricated laws. Aren’t things pretty much the same today? Does not a pastor become a pharisee when he takes the advice of an attorney rather than obeying the Word of God? Most pastors have attended seminary, a place where they supposedly learned how to study, discern, and preach the Law of God. Yet they would rather heed the admonition of solicitors — men who, if trained in any religion at all, are schooled in secular humanism. Tragically, it is often in seminary where the biblical scholar is first taught to heed the words of the lawyer. Many seminaries even go so far as to actively recommend that their students incorporate and license their churches! The Pharisaic Schools of Jesus’ day were much the same.

### **Church Licensure Is Blasphemy**

When any man advocates the incorporation of a church, when he advises taking licenses from the government to do that which God has already ordained as Holy, he declares Christ incompetent. He proclaims openly and through public record that Jesus Christ is not fit to serve as the Head of His Church. He takes from Christ that which is God’s divinely inspired creation and institution and places it under the control and jurisdiction of the State. He commits adultery by using the Bride of Christ to play the harlot with the world.

**Blasphemy.** Any oral or written reproach maliciously cast upon God, His name, attributes, or religion. In general, blasphemy may be described as consisting in speaking evil of the Deity with an impious purpose to derogate from the divine majesty, and to alienate the minds of others from the love and reverence of God. It is purposely using words concerning God calculated and designed to impair and destroy the reverence, respect, and confidence due to Him as the intelligent creator, governor, and judge of the world.

Black’s Law Dictionary, 6 Ed.

## The 501(c)(3) Church

[SEC. 501(c)]

(c) LIST OF EXEMPT ORGANIZATIONS —

(3) Corporations, and any community chest, fund, or foundation, organized and operated exclusively for religious, charitable, scientific, testing for public safety, literary, or educational purposes, or to foster national or international amateur sports competition (but only if no part of its activities involve the provision of athletic facilities or equipment), or for the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private shareholder or individual, no substantial part of the activities of which is carrying on propaganda, or otherwise attempting, to influence legislation, (except as otherwise provided in subsection (h)), and which does not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of (or in opposition to) any candidate for public office.

Internal Revenue Code

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The IRS Code, Section 501(c)(3), exempts qualified organizations from taxation. Among these are “religious” organizations. Because of the establishment clause, government was never given any authority to tax a religion anyway, so, in point of fact, churches are immune from taxation.

**Exempt.** To release, discharge, waive, relieve from liability. To relieve, excuse, or set free from a duty or service imposed upon the general class to which the individual exempted belongs; as to exempt from military service.

Black’s Law Dictionary, 6 Ed.

**Immunity.** Freedom from duty or penalty; freedom from what otherwise would be a duty or burden.

[31 C.J. 252]

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The distinction between an exemption and immunity is most significant. The element of freedom as expressed in an immunity is irrevocable. An exemption is invariably conditional and granted with stipulations made as to its revocability. Immunity is a sovereign, God-given right. The tax-exempt status can be modified, amended, or revoked for any number of reasons. The exemption is granted as a matter of administrative procedure, meaning that it is typically a bureaucrat who bestows it. A bureaucrat can likewise take it away without any due process of law. An organization cannot maintain both a tax-immune and a tax-exempt status — they are mutually exclusive.

Some organizations are not required to file Form 1023. These include:

Churches, interchurch organizations of local units of a church, conventions or associations of churches, or integrated auxiliaries of a church, such as a men’s or women’s organization, religious school, mission society, or youth group.

These organizations are exempt automatically if they meet the requirements of section 501(c)(3).

IRS Publication 557

The above statement from Publication 557 is somewhat misleading as churches are more than just “exempt automatically;” they are immune from taxation. When a church receives a tax-exempt status of the government, it waives its sovereignty and tax immunity. Since an exemption is clearly inferior to immunity and may be revoked, why would a church want it? Publication 557 goes on to say:

However, if the organization wants to establish its exemption with the Internal Revenue Service and receive a ruling or determination letter recognizing its exempt status, it should file Form 1023 with the key District Director. By establishing its exemption, potential contributors are assured by the Service that contributions will be deductible.

**Churches.** Although a church, its integrated auxiliaries, or a convention or association of churches is not required to file Form 1023 to be exempt from federal income tax or to receive tax deductible contributions, such an organization may find it advantageous to obtain recognition of exemption.

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As is typical of the IRS bureaucrats and the congressmen who approve this gobbledygook, they have made a completely nebulous and indefinite commitment, based upon half-truths. The government is offering us privileges and benefits, but our right of immunity must be waived. What if, at some time in the future, Congress elects to eliminate certain exemptions? Your church is still going to be euphemistically called “tax-exempt;” it’s just not exempt from *all* taxes. Congress has already done just that and will, no doubt, do it again. With the approval of Ronald Reagan in 1984, 501(c)(3) churches were required to reclassify all church workers as “employees” and start paying Social Security tax. Had your church retained its sovereignty and its right of tax immunity, it would have had no such problem to contend with. Sovereign Churches don’t have employees, they have ministers. The Greek word for “minister” is “diakonos,” from which we get the word “deacon.” It literally means: *attendant, servant, one who performs works of service*. Churches risk another problem with their status, if they consider their ministers to be employees. Only businesses have employees.

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What the pastor found “advantageous” in 1983 suddenly became most disadvantageous in 1984 (a rather ironic year for this to happen, don’t you think?). The quandary he faces is that he has agreed in advance to comply with all future IRS statutes that Congress may hand down without having the vaguest notion of how those forthcoming statutes might affect his church. It’s not unlike sleeping with a hibernating griz-

zly bear — you'll be warm and comfortable all winter, but when he wakes up, you've got a real problem!

“He who answers a matter before he hears, to him it is folly and shame.”

Prov 18:13

## **Licensed Churches Are Government Tax Collectors**

Prior to becoming one of Jesus' disciples, Matthew was a tax collector. Matthew functioned as an agent for the Roman government, extracting taxes from his own people, the Jews. Feared and hated, the tax collector was the most despised of his society. Today in America, it is the IRS and government-churches that have taken their place. Church-corporations are tax collectors, record keepers, and informers for the government. Just as Matthew sold his soul for mammon and made himself fully accountable to his Roman masters, so has the church-corporation. Matthew collected the taxes, kept government records, and informed on his fellow Jews. Matthew made a lot of money plying his trade, but he waived all his rights including his right to privacy. The church-corporation is no different, and you should be aware that any documentable financial transactions that you make with a government-church are made a matter of public record. **The church-corporation cannot refuse its books or records for government inspection.**

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**“The IRS, for many years has had the right to examine church records, because churches have been collecting taxes for many years for the government. The churches, therefore, hold in trust that which belongs to the government. We have a right to examine church records to see if the churches are handling government funds properly.”**

**Roscoe Egger, former IRS Commissioner**

Mr. Egger speaks the truth! Well, most of what he says is the truth, anyway. As is typical of a bureaucrat, he isn't capable of being 100% factual in his statements. **It has not been “for many years” that the IRS has had this alleged “right.” It has only been since 1954, and it only applies to licensed churches.**

## **Tax-Deductible Tithes**

It is certainly your prerogative to take a tax deduction for your gifts to your church, regardless of whether or not it is a 501(c)(3); but should you? There does seem to be somewhat of a moral dilemma. In Matthew 6, Christ condemned the Pharisees for blowing trumpets and making a big production of their giving. He called them “hypocrites,” and He went on to say:

“Let not thy left hand know what thy right hand doeth.”

and

“Verily I say unto you, They have their reward.”

How then can a pastor encourage his congregation to take a tax deduction for contributions to the church? Is this not completely contrary to Christ's teaching and the biblical principles on gifts and tithing? One who does so already “has his reward” and is “blowing the trumpets.” The right of privacy is more than a constitutional guarantee, it is a command of scripture. It is just good common sense to keep your financial affairs private, not only from the government, but even from the church. Should I write a check and put it in the offering basket — thereby divulging my identity and contributions not only to the church, but to anyone who has access to my bank records — or should I slip in cash (Federal Reserve Notes) so that I can maintain anonymity? If I follow the Lord's command, I must maintain anonymity. Should I claim an income tax deduction? Not if I want my reward in heaven, for those who let “thy left hand know what thy right hand doeth... have no reward of your Father which is in heaven.”

When it comes to income tax matters, maintaining anonymity is impossible. The Constitution guarantees privacy, and government is prohibited from extracting information from the sovereign citizen without his consent. The income tax and anonymity are incompatible and mutually exclusive:

**“We may give the [income tax] information to the Department of Justice and to other Federal agencies, as provided by law. We may also give it to cities, states, the District of Columbia, and U.S. commonwealths or possessions to carry out their tax laws. And we may give it to certain foreign governments under tax treaties they have with the United States. If you do not file a return, do not give us the information we ask for, or provide fraudulent information, the law says that we may have to charge you penalties and, in certain cases, subject you to criminal prosecution. We may also have to disallow the exemptions, exclusions, credits, deductions, or adjustments shown on your tax return.”**

IRS Privacy Act Notice

Doesn't sound very private, does it? In fact, it reads just like a Miranda Warning. We are being advised in advance that any information we furnish can be used against us, not only for tax assessment and collection purposes, but even for criminal prosecution! Just as in *Miranda v. Arizona*, the courts have ruled that the IRS must inform us of our rights, so that we do not make admissions and confessions which they can then use against us. Like it or not, when you file an income tax return, you have just voluntarily waived any inviolable rights you had to privacy. Your entire personal financial history has just been made a matter of public record. This is why the income tax, as applied to individuals, is a “voluntary compliance” system. Not even the IRS can compel an individual to furnish information against his will and over his objection. This is especially true when the IRS has already notified that individual via the Privacy Act Notice that any information furnished could be used in a criminal case against him.