

26 U.S. CODE § 861 - INCOME FROM SOURCES WITHIN THE UNITED STATES

The statutory term “United States” is defined at IRC 7408(d) to mean only the District of Columbia and its US Territories.

(d) Citizens and residents outside the United States “If any citizen or resident of the United States does not reside in, and does not have his principal place of business in, any United States judicial district, such citizen or resident shall be treated for purposes of this section as residing in the District of Columbia.”

(a) Gross income from sources within United States

The following items of gross income shall be treated as income from sources within the United States:

(3) Personal services – [Discussion on Nonresident Alien Individuals having no federal income tax liability]

Compensation for labor or personal services performed in the United States; except that compensation for labor or services performed in the United States shall not be deemed to be income from sources within the United States if—

(A) the labor or services are performed by a nonresident alien individual temporarily present in the United States for a period or periods not exceeding a total of 90 days during the taxable year,

(B) such compensation does not exceed \$3,000 in the aggregate, and

(C) the compensation is for labor or services performed as an employee of or under a contract with—

(i) a nonresident alien, foreign partnership, or foreign corporation, not engaged in trade or business within the United States...

A Nonresident alien is defined statutorily in IRC 7701 (b)(1)(B) “An individual is a nonresident alien if such individual is neither a citizen of the United States nor a resident of the United States.” [This only states what it is not rather than what it is]

26 CFR 1.871-1(a) “Nonresident alien individuals are taxable only on certain income from sources within and without the United States which is effectively connected for the taxable year with the conduct of a trade or business in the United States.”

26 CFR 1.871-1(b) (4) Expatriation to avoid tax, “For special rules applicable in determining the tax of a nonresident alien individual who has lost U.S. citizenship with a principal purpose of avoiding certain taxes.”

NOTE:

- (A) In the IRC 7701 (b)(1)(B), you see that a nonresident alien individual cannot be either a U.S. citizen nor a resident alien.
- (B) In 26 CFR 1.871-1(b) (4) Expatriation to avoid tax, you see that a Nonresident alien individual can lose their U.S. citizenship and lose it by expatriation.
- (C) There is only one group of individuals that can have a U.S. citizenship and lose it by expatriation. Those are Americans born in the Constitutional Republic or naturalized there.

In a separate jurisdiction, the District of Columbia, you find the following:

The statutory term “United States” means the District of Columbia. Now substitute that understanding for the statutes.

A statutory U.S. citizen is defined at 8 USC section 1401(a) “a person born in the United States, and subject to the jurisdiction thereof;”

A statutory U.S. citizen is defined in the American Journal of Jurisprudence at 3C Am Jur 2d Section 2689, Who is born in United States and subject to United States jurisdiction, “A person is born subject to the jurisdiction of the United States, for purposes of acquiring citizenship at birth, if his or her birth occurs in territory over which the United States is sovereign....”

Those born in the Constitutional Republic are not ‘subject to the jurisdiction of the National Government’ as they ‘are not born in territory belonging to the statutory United States’ [the National Government]. The Constitutional Republic is a separate and distinct jurisdiction from that of the territory belonging to the statutory United States, the District of Columbia. The District of Columbia is not a state of the Union. Private Sector Employers cannot be presumed as Federal.

A statutory trade or business is defined at IRC 7701(a)(26) “includes [consists of to the exclusion of all other terms] the performance of the functions of a public office.” [All public offices are those created by the US Congress for IRC purposes]
