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Congress of the United States
House of Representatives

June 8, 2026

Mr. and Mrs. [redacted] and [redacted]
[redacted], PA [redacted]

Dear Mr. and Mrs. [redacted],

Thank you for contacting me with your concerns about the U.S. Tax Code. I appreciate your views and research, as I do your patience with my response as we navigate a great deal of correspondence.

First, thank you for your in-depth and detailed letters. The research you put in clearly demonstrates your passion for civic engagement, and I applaud you for standing up for what you believe. I read your letters carefully; please allow me to respond directly to your specific legal arguments.

In one of your letters, you concluded that the Title 26, Section 7701(a)(26) definition of "trade or business" only includes "the performance of the functions of a public office," and therefore, that is the only definition of the term. Section 7701(c), however, states "The terms 'includes' and 'including' when used in a definition contained in this title shall not be deemed to exclude other things otherwise within the meaning of the term defined." While drafting the Internal Revenue Code, Congress explicitly built an anti-exclusion rule for the word "includes" to avoid arguments like this. The entire chain of reasoning, that "trade or business" only means public office work, making ordinary employment non-taxable, collapses under Clause C.

You also argue that, because Sections 3121(e)(2) and 3306(j) of the IRS define "State" and "United States" as including territories like Puerto Rico, Guam, and the Virgin Islands, that all other geographic areas of the United States are excluded from this definition, and therefore, Citizens of the States are "non-resident aliens" for tax purposes; however, this is the opposite of what that provision means. In this case, U.S. territories are being added alongside the 50 states, not the other way around, and, per Section 7701(c), the term "include" does not explicitly exclude other states in the definition of "United States". In the Internal Revenue Code, "United States" covers all 50 States, D.C., and the territories. Numerous tax courts have rejected this argument as frivolous every time it has been raised.

In one of your letters, you claimed that, per the Chapter 24 definition of an "employee" in the Internal Revenue Code, the only "employees" liable for taxes are officers or employees of the federal government. This is not only defeated by Section 7701(c) of the Internal Revenue Code, but needs to be read in the historical context of when the law was written. At the time the law was written, there were debates about whether the federal government had the constitutional authority to tax the salaries of state officers, or whether taxing public officials interfered with government functions. By defining "employee" to include federal and state government employees, Congress was ensuring that public officials could not claim immunity from tax

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liability. Rather than narrowing the scope of tax law to exclude the general public, this definition was meant to broaden the scope of tax law to include the government.

The 16th Amendment to our Constitution is absolute: Congress has the power to raise and collect taxes "without apportionment among the several States." Here, "several States" covers all 50 States, and Citizens residing therein are squarely within its reach; this has never been seriously disputed in any court.

Title 26, Section 1(b) of the Code of Federal Regulations is clear – "In general, all citizens of the United States, wherever resident, and all resident alien individuals are liable to the income taxes imposed by the Code whether the income is received from sources within or without the United States." The phrase "wherever resident" means that no matter where you are in the United States, you are liable to pay federal taxes.

I respect the level of research you conducted and the time you've dedicated to it; but the legal foundation of your arguments doesn't hold up in these instances. If you have specific concerns or issues with getting documents or money you are owed from the IRS, we're absolutely able to help you navigate that process, so please reach out to any one of my offices at any time.

Once again, thank you for contacting me. I hope I was able to adequately answer your questions and respond to your concerns. Please feel free to visit our website at perry.house.gov to submit further questions/comments or to sign up for our e-newsletter, Facebook page, and/or X updates.

Very Respectfully,

Scott Perry
Member of Congress
10th District, Pennsylvania