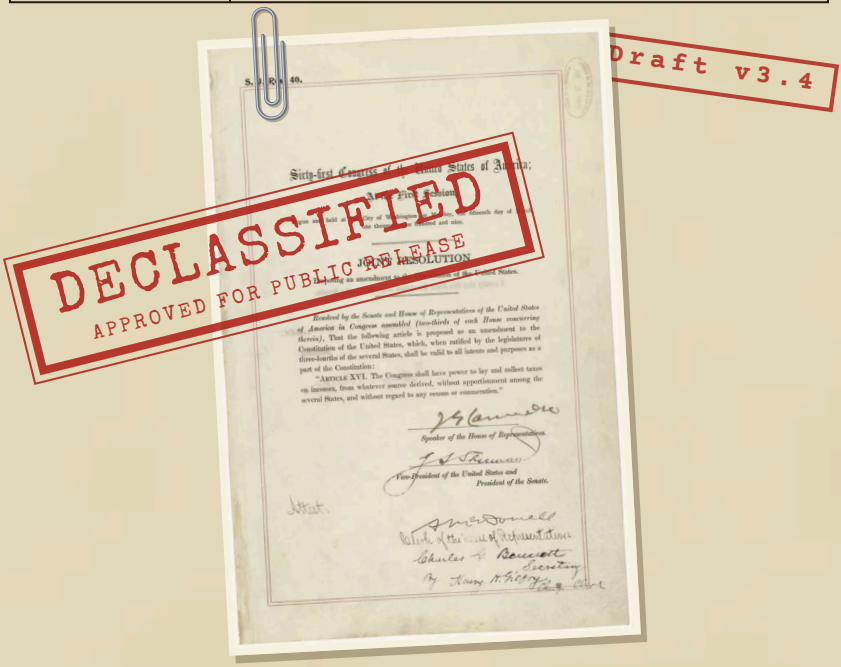
~~TOP SECRET~~

COVER SHEET · FILE PACK 1895 TO 2026

THE 16TH AMENDMENT FILES

SUBJECT	How America got the income tax, how it works today, and how an amendment gets repealed
CONTENTS	10 files from the public record
CLASSIFICATION	~~TOP SECRET~~ None. Public record.
RELEASE	Approved for public release
PREPARED BY	Clayton Financial · @clayton.financial



These files were never actually classified. Every page is public record. Most people have just never seen them.

~~TOP SECRET~~

DECLASSIFIED

BRIEFING · READ FIRST

Before you open the files

Nothing in this pack was ever classified. Every page is a public record, kept by the National Archives, the Library of Congress, the courts, the Treasury and the IRS.

Officially, none of this was ever classified. Styled after declassified files; not affiliated with the CIA or any government agency.

EXHIBIT: THE WHOLE AMENDMENT

> ***"The Congress shall have power to lay and collect taxes on incomes, from whatever source derived, without apportionment among the several States, and without regard to any census or enumeration."***

One sentence, 30 words. Ratified February 3, 1913.

CONTENTS

File 01	1895. The case that struck down the income tax
File 02	1909. The resolution they expected to fail
File 03	1910. The meeting on Jekyll Island
File 04	1913. Ratified and certified
File 05	1913. The first Form 1040
File 06	1913. The Federal Reserve Act
File 07	1916. The ruling that settled it
File 08	"I won't pay": what courts said
File 09	How the income tax works today
File 10	"Tax the billionaires": income vs. wealth
Next	Start a quest, or help finish this one

DOCUMENT NO. CF16-001 NO CHANGE IN CLASS. ☐

☒ DECLASSIFIED CLASS. CHANGED TO: none, never classified

AUTH: public record DATE: 2026/11/09 BY: [redacted]

UNCLASSIFIED

DECLASSIFIED

FILE 01

MAY 20, 1895 · U.S. SUPREME COURT

Pollock v. Farmers' Loan & Trust Co.

EXHIBIT 01 · ORIGINAL PRINT



The Supreme Court of the United States, 1894. The same nine justices decided Pollock the next year. Library of Congress.

WHAT IT IS

A 5 to 4 ruling that struck down the income tax Congress passed in 1894: 2% on income over $4,000 ($161,000 in 2026 dollars).

WHY IT MATTERS

The Court said a tax on income from property (rents, interest, dividends) is a "direct tax." The Constitution says direct taxes must be split among the states by population. That made a national income tax close to impossible. This ruling is the reason the 16th Amendment exists.

~~EYES ONLY~~ DECLASSIFIED

WHAT THEY DIDN'T TELL YOU [redacted]

Justice Henry Billings Brown, dissenting, called the ruling "nothing less than a surrender of the taxing power to the moneyed class."

SOURCE: Pollock v. Farmers' Loan & Trust Co., 158 U.S. 601 (1895). Full text: law.cornell.edu

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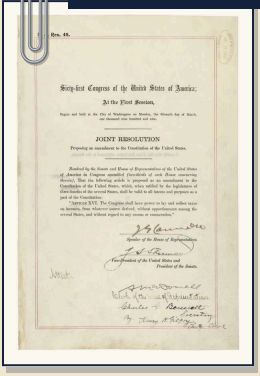
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FILE 02

JULY 1909 · 61ST CONGRESS

S.J. Res. 40: the resolution they expected to fail

EXHIBT 02 · ORIGINAL DOCUMENT



Sixty-first Congress of the United States of America;

At the First Session,

JOINT RESOLUTION

The signed joint resolution proposing the 16th Amendment. National Archives, Record Group 11, ID 1408918.

WHAT IT IS

The resolution sending the amendment to the states. Senate: 77 to 0 on July 5, 1909. House: 318 to 14 on July 12.

WHY IT MATTERS

Progressives were trying to add an income tax to a tariff bill. On June 16, 1909, President Taft asked Congress instead for a 2% tax on corporate income and a constitutional amendment. Congress did both.

~~EYES ONLY~~ DECLASSIFIED

WHAT THEY DIDN'T TELL YOU [redacted]

The National Archives says the conservatives who proposed it believed three-fourths of the states would never ratify it. They were wrong.

SOURCES: National Archives, 16th Amendment milestone document; Taft message of June 16, 1909 (American Presidency Project); roll calls via Voteview.

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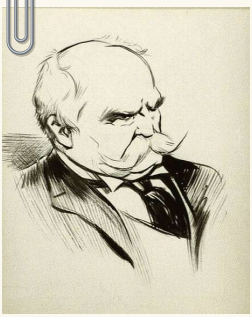
PUBLIC RECORD

FILE 03

NOV 20 TO 30, 1910 · JEKYLL ISLAND

The meeting on Jekyll Island

EXHIBIT 03 · ORIGINAL DRAWING



Senator Nelson W. Aldrich, drawn by Arthur G. Dove, 1903. Library of Congress.

WHAT IT IS

Senator Aldrich, chairman of the Senate Finance Committee, and five men (a Treasury official, partners from J.P. Morgan and Kuhn, Loeb, the president of National City Bank, and his secretary) met in secret at the Jekyll Island Club to write a plan for the banking system.

HOW IT STAYED SECRET

A duck hunt for a cover story. They boarded Aldrich's private rail car one at a time and used first names only.

~~EYES ONLY~~ DECLASSIFIED

WHAT THEY DIDN'T TELL YOU

The participants did not admit the meeting happened until the 1930s. The Fed's own history says the plan "laid a foundation" for the Federal Reserve.

SOURCE: Federal Reserve History, "The Meeting at Jekyll Island" (federalreservehistory.org).

▶ Watch the reels: **clayton.financial/reels** (if this file's reel is out, it's there)

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DECLASSIFIED

FILE 04

FEB 3 AND 25, 1913 · DEPT. OF STATE

Ratified, then certified

EXHIBIT 04 · ORIGINAL PHOTO



Philander C. Knox, Secretary of State, 1909 to 1913. Harris & Ewing, Library of Congress.

WHAT IT IS

36 of 48 states had to say yes. Delaware, Wyoming and New Mexico all ratified on February 3, 1913, and that completed it. Secretary of State Knox proclaimed it ratified on February 25.

WHY IT MATTERS

42 states ratified in the end. Rhode Island, Utah, Connecticut and Florida voted no. Pennsylvania and Virginia never finished acting.

~~EYES ONLY~~ DECLASSIFIED

WHAT THEY DIDN'T TELL YOU [redacted]

Some people claim it was never properly ratified. Every court that has heard that argument has rejected it, and the IRS lists it as frivolous, with penalties. More in File 08.

SOURCES: House Manual, §235 (govinfo.gov); IRS, "The Truth About Frivolous Tax Arguments," Section I.D.6; Miller v. United States, 868 F.2d 236 (7th Cir. 1989).

▶ Watch the reels: **clayton.financial/reels** (if this file's reel is out, it's there)

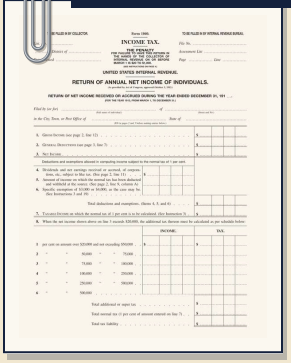
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FILE 05

OCTOBER 3, 1913 · TREASURY DEPARTMENT

The first Form 1040

EXHIBIT 05 · ORIGINAL FORM



INCOME TAX.

THE PENALTY

UNITED STATES INTERNAL REVENUE.

RETURN OF ANNUAL NET INCOME OF INDIVIDUALS.

Form 1040, page 1, from the IRS's reproduction of the original four-page return.

WHAT IT IS

The return for the new income tax law, approved October 3, 1913. A 1% tax on income over $3,000 ($102,000 in 2026 dollars; $4,000, or $136,000, for a married couple). Surtaxes from 1% to 6% above $20,000 ($681,000 in 2026). Top rate: 7%.

WHY IT MATTERS

357,598 returns were filed for 1913, in a country of more than 92 million people.

~~EYES ONLY~~ DECLASSIFIED

WHAT THEY DIDN'T TELL YOU

Withholding was in the 1913 law. Line 5 asks for income "deducted and withheld at the source." Congress dropped it in 1916 and brought back wage withholding in 1943.

SOURCES: IRS, 1913 Form 1040 (irs.gov/pub/irs-prior); IRS Statistics of Income, "70th Year of Individual Income and Tax Statistics"; U.S. Census Bureau, 1910 census.

▶ Watch the reels: **clayton.financial/reels** (if this file's reel is out, it's there)

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PUBLIC RECORD

FILE 06

DECEMBER 23, 1913 · THE WHITE HOUSE

The Federal Reserve Act

EXHIBIT 06 · ORIGINAL PHOTO



Banking and Currency committee members, 1913, including Rep. Carter Glass and Sen. Robert Owen (caption data as received by the Library of Congress). Harris & Ewing, LOC.

WHAT IT IS

President Wilson signed it on December 23, 1913. It created regional Reserve Banks under a Federal Reserve Board. The 12 banks opened on November 16, 1914.

WHY IT MATTERS

Rep. Carter Glass and Sen. Robert Owen wrote the bill that passed. The Fed's own history says its technical details "closely resembled those of the Aldrich Plan," the plan from File 03.

~~EYES ONLY~~ DECLASSIFIED

WHAT THEY DIDN'T TELL YOU [redacted]

The income tax and the central bank arrived in the same year. And Paul Warburg, one of the six at Jekyll Island, was sworn in to the first Federal Reserve Board on August 10, 1914.

SOURCES: Federal Reserve History: "Federal Reserve Act Signed," "Reserve Banks Open," "The Meeting at Jekyll Island," and Paul M. Warburg biography.

▶ Watch the reels: **clayton.financial/reels** (if this file's reel is out, it's there)

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FILE 07

JANUARY 24, 1916 · U.S. SUPREME COURT

Brushaber v. Union Pacific Railroad

EXHIBIT 07 · ORIGINAL PHOTO



Chief Justice Edward D. White swears in President Wilson, March 4, 1913. Library of Congress.

WHAT IT IS

The ruling that upheld the 1913 income tax. Chief Justice White wrote it. No justice dissented.

WHY IT MATTERS

The Court said Congress already had the power to tax incomes, “an authority already possessed and never questioned.” The amendment removed the population rule that Pollock had applied. A ruling four weeks later said it “conferred no new power of taxation.”

~~EYES ONLY~~ DECLASSIFIED

WHAT THEY DIDN’T TELL YOU [redacted]

Edward White was one of the four dissenters in Pollock in 1895. Twenty-one years later, as Chief Justice, he wrote the ruling that upheld the income tax.

SOURCES: Brushaber v. Union Pacific R.R., 240 U.S. 1 (1916); Stanton v. Baltic Mining Co., 240 U.S. 103 (1916); Pollock, 158 U.S. 601 (1895).

▶ Watch the reels: **clayton.financial/reels** (if this file’s reel is out, it’s there)

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FILE 08

1982 TO 1991 · FEDERAL COURTS

“I won’t pay”: what the courts said

In 1982 an Amish farmer and carpenter who employed other Amish workers asked the Supreme Court to excuse him from Social Security taxes. His faith opposed them. He lost. The Court said:

> *“The tax system could not function if denominations were allowed to challenge the tax system because tax payments were spent in a manner that violates their religious belief.”*

Courts will not let you refuse to pay over how taxes are spent, or over a theory that the tax is illegal. **That is exactly why we change the law instead.**

1991 Cheek v. United States, Supreme Court

Called claims that the tax laws are unconstitutional frivolous, “which they surely are.” Believing them is no defense.

1989 Miller v. United States, 7th Circuit

Miller typed on his return that the 16th “was never legally passed. This means the whole Form, The IRS and income tax Structure is Fraudulent and Illegal, doesn’t it? Please Advise!” Result: a $500 IRS penalty, then $1,500 sanctions ($4,100 to $4,400 in 2026 dollars) in two courts, plus double costs.

1985 Stelly v. Commissioner, 5th Circuit

Left wages off amended returns, calling the tax on wages unconstitutional. Appeal dismissed as frivolous, with double costs and attorney’s fees.

Today’s price: up to $25,000 in Tax Court penalties for frivolous positions; $5,000 for a frivolous return.

SOURCES: U.S. v. Lee, 455 U.S. 252, 260 (1982); Cheek, 498 U.S. 192 (1991); Miller, 868 F.2d 236 (7th Cir. 1989); Stelly, 761 F.2d 1113 (5th Cir. 1985); 26 U.S.C. 6673, 6702.

▶ Watch the reels: **clayton.financial/reels** (if this file’s reel is out, it’s there)

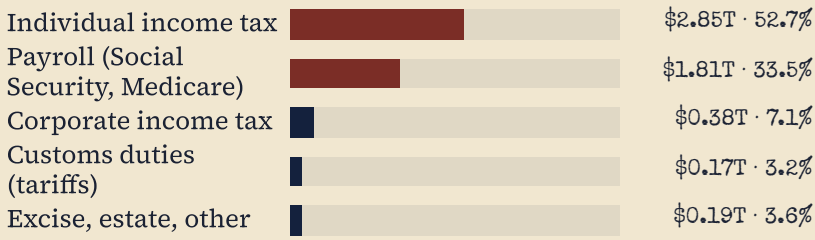
PUBLIC RECORD

FILE 09

FISCAL YEAR 2026 · U.S. TREASURY, IRS

How the income tax works today

WHERE WASHINGTON'S MONEY CAME FROM (FY 2026: $5.40 TRILLION)



About 86 cents of every federal tax dollar comes from what people earn: income tax plus payroll tax.

MARGINAL VS. EFFECTIVE, IN PLAIN WORDS

The IRS: "When your income jumps to a higher tax bracket, you don't pay the higher rate on your entire income." Only the slice above the line pays the higher rate. Example, single, 2026, standard deduction only:

Wages	$76,100
Minus standard deduction	-$16,100
Taxable income	$60,000
10% on the first $12,400	$1,240
12% on $12,400 to $50,400	$4,560
22% on $50,400 to $60,000	$2,112
Income tax · top (marginal) rate 22%	**$7,912**

That is an **effective rate of 10.4%** of wages. Payroll tax adds 7.65% for the worker (6.2% Social Security, 1.45% Medicare), and the employer pays the same again.

SOURCES: Treasury, Monthly Treasury Statement, Table 4, Sept. 2026 (fiscaldata.treasury.gov); IRS 2026 inflation adjustments; IRS, Federal income tax rates and brackets; IRS Topic 751. Example ignores credits and other deductions.

▶ Watch the reels: **clayton.financial/reels** (if this file's reel is out, it's there)

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FILE 10

JUNE 20, 2024 · U.S. SUPREME COURT

"Tax the billionaires": income vs. wealth

The income tax taxes **income**, not **wealth** (what you own). Four rules explain the gap:

01 Gains are taxed when you sell

The IRS: "When you sell a capital asset, the difference" between what you paid and what you got is a capital gain. A stock that triples is not taxed while you hold it. That gain is "unrealized."

02 A loan is not income

The Supreme Court, 1990: "it is settled that receipt of a loan is not income to the borrower." So someone with large holdings can borrow against them instead of selling.

03 At death, the gain can vanish for income tax

Heirs take the asset at its value on the date of death (26 U.S.C. 1014), so the lifetime gain is never taxed as income. Estates over $15 million (2026) can owe estate tax.

04 Can Congress tax unrealized gains? Undecided

In Moore v. United States (2024), the Court upheld a one-time tax 7 to 2 but did not "resolve" "whether realization is a constitutional requirement for an income tax." Four justices wrote that it is.

~~EYES ONLY~~ DECLASSIFIED

WHY IT MATTERS FOR THE 16TH [redacted]

The fight over taxing billionaires is a fight over one word in the 30: "incomes." Whether it is fair is your call. This file only shows the rules.

SOURCES: IRS Topic 409; Commissioner v. Indianapolis Power & Light, 493 U.S. 203 (1990); 26 U.S.C. 1014; IRS 2026 inflation adjustments; Moore v. United States, No. 22-800 (2024).

▶ Watch the reels: **clayton.financial/reels** (if this file's reel is out, it's there)



CASE SUMMARY · CLOSING THE FILE

What the files add up to

- 1894 Congress passes a 2% income tax on income over $4,000 ($161,000 in 2026 dollars).
- 1895 Pollock strikes it down, 5 to 4.
- 1909 Senate 77 to 0, House 318 to 14: amendment sent to the states.
- 1910 Jekyll Island: the bank plan is drafted in secret.
- FEB 1913 36th state ratifies (Feb 3). Knox certifies (Feb 25).
- OCT 1913 Income tax law and the first Form 1040.
- DEC 1913 Federal Reserve Act signed.
- 1916 Brushaber upholds the income tax.
- 1943 Wage withholding comes back for good.
- 1991 Supreme Court: “it’s unconstitutional” claims are frivolous.
- 2026 Income and payroll taxes: about 86% of federal revenue.

What repeal would and would not do

Repealing the 16th alone would bring back the Pollock limit on taxing income from property. It would not, by itself, end every income tax. That is why the main repeal resolution in Congress, H.J.Res. 14 (2025), also says Congress “shall have no power to lay and collect taxes on incomes ... except in time of war declared by the Congress.”

The house rule: change the Constitution, keep paying your taxes. The law stands until it is changed.

PUBLIC RECORD

PART TWO · THE LAWFUL WAY

How an amendment gets repealed

Article V of the Constitution gives two ways to propose an amendment, and one way to finish it.

Route 1: Congress

Two-thirds of the House and two-thirds of the Senate vote to propose it. Every amendment so far came this way.

Route 2: The states

Two-thirds of state legislatures (34) apply, and Congress must call a convention. It has never been used.

38 of 50

STATES MUST RATIFY, EITHER WAY

That is three-fourths of the states, by their legislatures or by state conventions. Thirteen states can block it.

It has happened once

Of 27 amendments, one repealed another. The 21st ended Prohibition (the 18th). Congress passed it February 20, 1933. The states finished ratifying on December 5, 1933. Under ten months.

Every big change starts with one person deciding to move one piece. That is what a quest is.

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WHAT'S NEXT · YOUR MOVE

Two paths from here

WHAT IS A QUEST?

A side quest. You keep your own life: your job, your family, your bills. On the side, you take on one mission to change something, with an outcome anyone can check. On america.co, each quest is shown as a flag.

A

Start your own quest

Any cause you care about: taxes, your town, your school. Three steps, page 16.

B

Help finish this one

Clayton's quest is to repeal the 16th Amendment. Take a sub-quest, page 17.

Why do it in public?

When you post your quest and commit to it in public, everyone else on a quest can see it, and they help hold you accountable to keep going. You do the same for them. America.co puts it plainly: a claimed flag "is a commitment to show up."

Why understanding comes first

You cannot change what you do not understand. And the more you understand how money and taxes work, the better your own decisions get, whether or not the law ever changes. A guide on that is coming.

C **Also: learn more about your own money.** A separate guide for your own decisions: **[GUIDE LINK TBD]**. Education only, not financial or tax advice.

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PATH A · START YOUR OWN QUEST

Start a quest in three steps

1. **Go to america.co/quests** and tap `Raise your flag`.
2. **Enter your name and your mission.** Pick `My own mission` and write it as an outcome someone else could check. Add a first small step and your social links, now or later.
3. **Tap `Create my flag`.** Save your private edit link; anyone who has it can edit or withdraw your quest. No email needed.

The site says: “Public pages and changes are reviewed before they go live; approval is not instant.” Once yours is approved, share it.

The good-quest test

Could a stranger check whether it happened? Is there a number or a date in it? Can you take the first step this week? Three yeses and it is ready.

QUESTS YOU COULD START

01 Teach 10 people the 1913 story
FIRST STEP: send this pack to three friends.

02 Get one civics class to read Files 01 to 10
FIRST STEP: email a teacher this pack.

03 Get the 1895 to 1916 story into my local paper
FIRST STEP: write 200 words and send them.

04 Anything else you can move: your street, your school board
FIRST STEP: name the outcome and one thing you will do this week.

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PATH B · HELP FINISH THIS QUEST

Take a sub-quest

CLAYTON'S QUEST

Repeal the 16th Amendment

america.co/flags/repeal-the-16th-32944179

(public once the site's review approves it)

Each one below can be your own quest, lined up with this one. Post it, tag @clayton.financial and @americahousedc, and report each step.

01 Call Congress until repeal gets a vote

Call your two U.S. senators and your House representative regularly until a repeal resolution, like H.J.Res. 14, gets a vote. Capitol switchboard: (202) 224-3121.

02 Ask your state for a resolution

Call your state legislator and ask them to file a state resolution calling for repeal. OUTCOME: a bill number.

03 Get your representative on record

Ask one question: will you cosponsor H.J.Res. 14? OUTCOME: a public yes or no.

04 Share the series

Send this pack and one reel to three people each week.

05 Host a watch or reading night

Read the 30 words and these files with friends. OUTCOME: a headcount.

Keep it lawful and polite: call, write, show up. Keep filing and paying while you work to change the law.

FIELD MANUAL · NEVER POSTED BEFORE?

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How simple it is to film and post your quest

1. **Your phone is enough.** Hold it upright. Face a window for light.
2. **One take.** No editing, no script to memorize. Stumbles are fine.
3. **30 to 60 seconds.** Say who you are, your quest, and today's step.
4. **Post it** to Instagram, TikTok or YouTube Shorts, with the link to your quest page.
5. **Tag** @americahousedc and @clayton.financial. Post again each time you take a step.

WHAT TO SAY

> "I'm Sam. My quest is to repeal the 16th Amendment. Day 1: today I called my senator's office. Follow along."

Want the full step-by-step guide?
clayton.financial/film

Free PDF: How to Film and Post Your Quest. [Link goes live once the site is up.]

PUBLIC RECORD

SOURCES · PUBLIC RECORDS

Sources and credits

1. National Archives: 16th Amendment milestone document; Constitution, Article V; Amendments 11 to 27 (archives.gov)
2. House Manual (117th Cong.), §235 (govinfo.gov)
3. Supreme Court opinions via law.cornell.edu: Pollock, 158 U.S. 601 (1895); Brushaber, 240 U.S. 1 (1916); Stanton, 240 U.S. 103 (1916); U.S. v. Lee, 455 U.S. 252 (1982); Commissioner v. Indianapolis Power & Light, 493 U.S. 203 (1990); Cheek, 498 U.S. 192 (1991)
4. Moore v. United States, No. 22-800 (June 20, 2024): supremecourt.gov
5. Miller v. U.S., 868 F.2d 236 (7th Cir. 1989); Stelly v. Commissioner, 761 F.2d 1113 (5th Cir. 1985): full text via Caselaw Access Project (static.case.law)
6. 26 U.S.C. 1014, 6673, 6702 (law.cornell.edu); IRS, The Truth About Frivolous Tax Arguments (irs.gov)
7. U.S. Treasury, Monthly Treasury Statement, Table 4, Sept. 2026 (fiscaldata.treasury.gov)
8. IRS: 2026 inflation adjustments (newsroom); Federal income tax rates and brackets; Topic 409, Capital gains; Topic 751, Social Security and Medicare withholding
9. Taft message, June 16, 1909 (presidency.ucsb.edu); roll calls RS0610108, RH0610028 (voteview.com)
10. Federal Reserve History: Jekyll Island; Federal Reserve Act Signed; Reserve Banks Open; Paul M. Warburg
11. IRS, 1913 Form 1040; IRS SOI, “70th Year of Individual Income and Tax Statistics”; Census Bureau, 1910
12. H.J.Res. 14, 119th Congress (govinfo.gov); CRS R42592; DocsTeach, 21st Amendment
13. Capitol switchboard: house.gov, senate.gov. Quest wording: america.co/quests (read Nov. 9, 2026)

IMAGES (public domain or no known restrictions): S.J. Res. 40, National Archives ID 1408918. Supreme Court 1894, LOC 2018696814. Aldrich by A. G. Dove, LOC 2016681372. Knox, LOC 2016856385. Form 1040, IRS. Banking and Currency committee, LOC 2016865127. White and Wilson, LOC 00650961.

FOLLOW THE QUEST

INSTAGRAM	INSTAGRAM · FACEBOOK
@americahousedc	@clayton.financial

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LEGAL · PLEASE READ

The fine print

Education only. Not financial, tax, investment or legal advice. This is what I've found from public sources; always check with a licensed financial professional or CPA before acting.

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Accuracy. Checked against the sources listed as of November 9, 2026. Laws, tax numbers, court rulings and websites change; a source may be updated after this date.

Not government. Not affiliated with or endorsed by any government agency, including the CIA, the IRS, the Treasury or the National Archives. The "declassified" look is a design style. These documents were never classified; all are public record.

America House (america.co, @americahousedc) is a separate organization. Quests and flags are run by its site and its rules.

Your decisions are yours. You are responsible for what you choose to do. The income tax is law and courts uphold it: keep filing and paying while you work to change it.

Clayton Financial · @clayton.financial · Day [DAY TBD] of posting until the 16th Amendment is repealed.