

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF ARIZONA

UNITED STATES OF AMERICA,)	
)	
)	
Plaintiff,)	
)	
vs.)	NO. CR 10-400 PHX-MHM
)	
JANICE SUE TAYLOR,)	Phoenix, Arizona
)	January 12, 2011
)	11:08 a.m.
Defendant.)	
)	

REPORTER'S TRANSCRIPT OF PROCEEDINGS
(Status Hearing)
BEFORE THE HONORABLE MARY H. MURGUIA

Court Reporter: Merilyn A. Sanchez, CRR
Sandra Day O'Connor U.S. Courthouse
401 W. Washington Street SPC-37
Phoenix, Arizona 85003-2118
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Proceedings taken by stenographic court reporter
Transcript prepared by computer-aided transcription

A P P E A R A N C E S

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P R O C E E D I N G S

1
2
3 THE COURTROOM DEPUTY: Criminal case 10-400, United
4 States of America versus Janice Sue Taylor, on for status
5 hearing.

6 MR. GALATI: Your Honor, Frank Galati and James Knapp
7 appearing for the United States.

8 THE DEFENDANT: Janice Sue Taylor.

9 MS. ANDERSON: Susan Anderson as standby counsel.

10 THE COURT: We are here today pursuant to the order
11 issued on -- the minute order issued on 12-20, 2010. I set
12 this matter at that time for a status hearing as to Janice Sue
13 Taylor. That was to be held on Thursday, January 6th at 10:30,
14 at which time the Court will address all the pending motions.
15 And then there was a motion to continue the motion hearing and
16 there were other motions. I continued that hearing to today
17 and indicated on the 12-29, 2010 that the parties shall be
18 prepared to discuss all of the pending motions.

19 Now, I know that subsequent to that or continuous from
20 that, there have been additional motions and filings by the
21 defendant. But I would like to take up the pending motions,
22 certainly, and then we can discuss how we should proceed with
23 anything that's been filed subsequent -- really subsequent to
24 the date of the motions deadline. The motions deadline was
25 October the 22nd.

1 I know that since then there's been a motion for
2 enlargement of time or something -- motion to extend time to
3 file pretrial motions that was filed -- it may have been filed
4 before the deadline of October the 22nd. I know there was
5 another one, a motion for enlargement of time on all
6 proceedings and motion for oral hearing on motions. That was
7 filed as document 172. That motion is not fully briefed.

8 So I want to address the motions that we can and
9 should address today. I think we probably can address all of
10 the motions. And I'll give you a brief opportunity to speak
11 with respect to the motions. And then I'm going to rule on the
12 pending motions, those that I can. And I think it's
13 appropriate or the Court can do so at this time -- if the Court
14 can do so at this time.

15 So, Ms. Taylor, why don't we begin with you, since you
16 filed a number of these motions. If you want to make any
17 statements or arguments, you need to come up to the podium.

18 THE DEFENDANT: Do you want me to come up here?

19 THE COURT: Yes.

20 THE DEFENDANT: First of all, I would say good morning
21 and congratulations on your appointment to the Ninth Circuit
22 Court of Appeals. I hear that that should have been accepted;
23 is that correct?

24 THE COURT: That's correct, thank you.

25 THE DEFENDANT: I would like to know if that will have

1 any impact on today's proceedings, and if so, should you not
2 recuse yourself?

3 THE COURT: It doesn't have any impact on today's
4 proceedings in this case or any of the other cases, because
5 I've been -- remain designated as a District Court Judge to
6 preside over any and all matters that come before me and
7 certainly the matters that I had pending beforehand. So I can
8 address them since I'm most familiar with them. So I can
9 proceed.

10 THE DEFENDANT: Then I would like to make an oral
11 motion to dismiss this case with prejudice based upon the
12 alleged judicial misconduct by you that was presented to the
13 Office of the Circuit Executive, United States Court of Appeals
14 for the Ninth Circuit on September 30th, 2010. I realize that
15 you may not be aware of this misconduct filing as it was
16 alleged administratively deficient and is currently being
17 corrected.

18 And that's the reason for mentioning it now so that
19 you won't be blind sided.

20 THE COURT: I don't know which particular motion
21 you're talking about. And I take it that wasn't one of the
22 written motions that you submitted, Ms. Taylor?

23 THE DEFENDANT: No, it was a complaint that was filed
24 with the Ninth Circuit judiciary.

25 THE COURT: A number of complaints are filed against a

1 number of judges at any given time. A lot of people are
2 unhappy with some of the rulings that judges issue. It's not a
3 basis for recusal. So that's a -- that request is denied.

4 THE DEFENDANT: I just didn't want you to be blind
5 sided.

6 THE COURT: Thank you. I appreciate it.

7 THE DEFENDANT: If that be the case, I have quite a
8 few motions, as you know, in front of the Court. There is one
9 in particular that I want to address, and I think it makes all
10 of the other ones moot.

11 That is document number 77 -- 177, excuse me, which is
12 the motion to dismiss the Indictment for an improper array of
13 the grand jurors. Given the response and reply time to this
14 motion, I move this Court orally to move this hearing to
15 January 25th, 2011, or have the Court dismiss this instant
16 matter with prejudice.

17 THE COURT: Well, let me call upon the Assistant
18 United States Attorney for the response, because I know this
19 particular motion that is at document 177 did not -- there's
20 been no response. I don't know how recently it was filed. I
21 don't know the exact date in front of me.

22 MR. KNAPP: Your Honor, the filing date was December
23 28th, 2010. And I believe -- yes. We filed a response of
24 sorts on -- it's document 180 on January 5th where we noted a
25 number of untimely motions and instead said we would respond if

1 the Court wishes.

2 I can speak orally a little bit to document 177 if you
3 would like.

4 THE COURT: That's fine.

5 MR. GALATI: The request was for, as I took it, to
6 inspect the jury lists. And there is a right under the Jury
7 Service Selection Act to inspect jury lists to make sure that
8 jurors for both the grand jury and a petit jury are selected in
9 a nondiscriminatory fashion. That right does not extend to
10 details about the actual jurors that consider the case and it
11 also doesn't extend necessarily to personal information about
12 the people on the jury lists.

13 So I'm happy to respond to that in writing with more
14 detail. But I don't see how there's any basis for -- to do
15 anything in this case other than perhaps letting Ms. Taylor or
16 her attorney, her advisory counsel, review the actual jury list
17 that the Court uses to select random jurors.

18 THE COURT: Well, the basis for seeking information
19 about the grand jurors who brought this Indictment, what is the
20 basis that you're -- that you're asserting?

21 THE DEFENDANT: I am asserting that they have to be in
22 a federal territory for one year, which is the judicial
23 district according to Test, I have this Test versus U.S.A. I
24 have the right to challenge under the Sixth Amendment any of
25 the grand jurors and make sure that they are within their

1 qualified areas to be on the grand jury.

2 THE COURT: And when you say "within their qualified
3 areas," I just want to know what the crux of your motion is.
4 You challenge that they are not residents of the United States?

5 THE DEFENDANT: I don't know.

6 THE COURT: No, but I want to know, is that what
7 you're challenging to make sure that they meet the
8 qualifications?

9 THE DEFENDANT: Yes, I'm challenging to make sure that
10 they meet the qualifications under the Sixth Amendment.

11 THE COURT: All right. I guess, Mr. Knapp, I'll go
12 ahead and have you respond. I know that the jury administrator
13 here has a very detailed process of making sure all of the
14 jurors, both grand jurors and the jury -- potential trial
15 jurors meet the requirements, the basic requirements. And
16 maybe you can outline those in your response to this particular
17 motion.

18 MR. KNAPP: Certainly, Your Honor.

19 THE COURT: All right. What else, what other motion
20 did you want to --

21 THE DEFENDANT: Basically right at this time, that is
22 the main motion. And I think all of the other ones are moot
23 until this one is answered.

24 THE COURT: Well, when you say are moot, does that
25 mean you withdraw them or --

1 THE DEFENDANT: No, it's not that I withdraw them.

2 THE COURT: All right, then you need to argue them
3 today, so go ahead and make your arguments.

4 THE DEFENDANT: Well, I'm not prepared to argue any
5 other ones until this one is adjudicated, because if these
6 grand jurors are not sitting on the jury as they are
7 supposed -- as they are qualified to sit, then there is nothing
8 more to talk about.

9 THE COURT: Well, that may be. But I've been
10 presiding over a number of cases. I'm very familiar with the
11 jury administrative process. I'm confident that the jurors are
12 selected in a proper way and in accordance with the law and are
13 qualified.

14 So I don't want to waste the time that will need to
15 be -- for Mr. Knapp to respond to those to assure you and
16 everyone that the jury administrator has followed the proper
17 proceedings.

18 So you don't get to decide which ones we are going to
19 not consider until you are satisfied. I'll go ahead and
20 consider this motion. I'll have the Government respond.

21 In the meantime, you were given notice on two
22 occasions that we were going to be discussing the motions here
23 today and so that you should be prepared to do so.

24 So what other motions did you want to argue of those
25 that you have filed?

1 THE DEFENDANT: I didn't bring any of the other
2 motions with me because I believe that this one is the -- this
3 is the outstanding one.

4 THE COURT: Well, and we will deal with that.

5 THE DEFENDANT: Until this is answered and answered
6 correctly, the other ones would be moot to even start and take
7 the Court's time.

8 THE COURT: Well, that's -- that's incorrect. They
9 may be moot, but I think mostly they are without merit. And
10 I'm going to rule on them today. You were given an
11 opportunity, sufficient to know that we were going to do that.
12 If you choose not to argue them today, that's your choice. But
13 you don't get to decide what the Court is going to rule on and
14 when. I do.

15 And so I appreciate that you think there's a lot of
16 importance on this most recent motion that you've highlighted.
17 We will -- we will discuss it. I'll rule on it after Mr. --
18 the United States gets a chance to respond to it so that
19 there's a record here that you can see that the jurors are
20 selected in a manner that's consistent with the law. But these
21 other motions are going to be decided today.

22 So which of these other motions do you want to argue,
23 if any?

24 THE DEFENDANT: Like I said, I did not bring any of my
25 other paperwork to argue any of the other ones except this one.

1 It is the most important one. And I believe it's the
2 outstanding one.

3 If you could set aside another time for us to come in
4 and go over this, the prosecutor has to answer, I have to
5 respond. If you could perhaps make another time.

6 THE COURT: I can't because the trial date in this
7 case is January the 25th. And so we are proceeding along.

8 THE DEFENDANT: I've also asked for an extension on
9 that because --

10 THE COURT: You did and I wanted to find out what your
11 reasons were for that extension. Because -- one of them, I
12 think, was referenced that you are still looking for a lawyer.

13 THE DEFENDANT: I'm still looking for representation.
14 I have not found any.

15 THE COURT: And you've been looking for a lawyer since
16 September. This is now January.

17 THE DEFENDANT: I have found attorneys in other
18 states.

19 THE COURT: Right.

20 THE DEFENDANT: Not here.

21 THE COURT: Well --

22 THE DEFENDANT: Would the Court appoint another one
23 from another state?

24 THE COURT: Well, no, I won't appoint a lawyer from
25 another state. You said you had the ability to hire a lawyer.

1 THE DEFENDANT: No, I didn't say I had the ability to
2 hire one.

3 THE COURT: Well, I'm pretty sure that's what you
4 said, you were going to find a lawyer to represent you.

5 THE DEFENDANT: I was going to try.

6 THE COURT: Well, I understand. So I've given you an
7 opportunity to do that. And I think I've been very patient. I
8 gave you additional time. You've had since September to find a
9 lawyer to come and represent you. So far there's been no
10 notice of any lawyer that has been filed. You've known when
11 the trial date is, and we are moving forward.

12 We don't run this on your schedule, Ms. Taylor. There
13 is a schedule here. You've been -- you've had ample notice.
14 It looks like you've been filing a variety of documents on your
15 own here and motions related to your case. But the time now is
16 over in terms of that -- that the Court will allow for you to
17 get counsel. The deadline has passed on that. So I appreciate
18 your efforts. It looks like you haven't found anybody. And so
19 we are going forward.

20 Mr. Knapp, you're standing, is there something you
21 wanted to say?

22 MR. KNAPP: It's a minor point, Your Honor, but I just
23 wanted to mention that the entry docket number 173 that set
24 this case initially for a status hearing on the pending motions
25 was actually before Ms. Taylor filed the motion to inspect the

1 jury list. So I just wanted to point that out on the analysis
2 of whether, you know -- along the lines of Ms. Taylor, I think,
3 knew that we were going to discuss pending motions here today.
4 And these were pending motions that had been filed prior to the
5 Court setting the hearing. This jury list motion was filed
6 after the Court set the hearing.

7 THE COURT: I understand that.

8 MR. KNAPP: Sorry.

9 THE COURT: Okay.

10 THE DEFENDANT: Well, my other motion would be to
11 extend the trial date. I believe the defense attorney (sic)
12 does not have any objection to that.

13 THE COURT: You mean -- defense attorney, you mean the
14 United States Attorney?

15 THE DEFENDANT: Right.

16 THE COURT: Let me hear you out on that. Can you tell
17 me? You don't have an objection to the continuance?

18 MR. GALATI: Your Honor, Ms. Taylor asked for 90 days.
19 We told Ms. Anderson and I think Ms. Taylor that we don't
20 object to 60 days. Mr. Knapp and I are -- our schedule doesn't
21 allow for 90 days from now, but 60 days we have no objection.

22 It seems pretty evident that, you know, Ms. Taylor is
23 not prepared to defend herself other than argue legally. And
24 we don't have objection to up to a 60-day continuance.

25 THE COURT: 60 days from January the 25th?

1 MR. GALATI: Yes, Your Honor. And we do object to
2 extending the motions deadline, Your Honor. It seems to us
3 that the longer we delay, we extend the motions deadline, the
4 more frivolous motions get filed and that's not productive for
5 anyone. And that's our position.

6 THE COURT: And let me just say: Are you prepared to
7 go to trial on the 25th or around the 25th?

8 MR. GALATI: We can be, yes.

9 THE COURT: Okay.

10 MR. GALATI: Although I personally have two trials set
11 in Judge Bolton's court on February 1, which I think I'll find
12 out next week if they are going or not. I believe that
13 in-custody defendant on a 2006 case wants her trial on February
14 1. And that's my situation.

15 THE COURT: And I guess, what's your basis for your
16 statement that Ms. Taylor is not prepared to go to trial or
17 doesn't seem to be able to go to trial?

18 MR. GALATI: Well, for example, just today she asked
19 us if she can interview Cheryl Bradley, who is the revenue
20 agent. I'm not aware of any, any investigation that's been
21 done or interviews that have been done. We've been served with
22 no discovery.

23 My -- just from observation, Your Honor, it appears to
24 me that all that's been done is file legal motions. And
25 there's been nothing else. Ms. Anderson knows better than I, I

1 am sure, but that's certainly our observation.

2 THE COURT: Okay.

3 Anything else, Ms. Taylor?

4 THE DEFENDANT: Well, with that anticipation, I would
5 like to extend that. Also I had asked for a extension of the
6 motion deadline, which I -- you had given me on October 4th to
7 turn in anything by October 22nd, which was only like 18 days.
8 And me without counsel, trying to do the best to find what I
9 could put in --

10 THE COURT: Well, just a second, Ms. Taylor. Just a
11 second. I'm sorry to interrupt you, but you without counsel.

12 You have decided that you want to represent yourself.
13 Now, you can't use that as a sword and a shield here throughout
14 these proceedings. You made a conscious decision that you did
15 not want anybody else to represent you. You have competent
16 counsel in your side counsel. You've made a decision, which we
17 had a lengthy colloquy about that. You are exercising your
18 right to represent yourself. You've said that you were going
19 to try to get counsel. But in the meantime, you made it very
20 clear that you're representing yourself.

21 And so we are going forward under that premise,
22 Ms. Taylor. So you're not standing up there in the capacity
23 other than representing yourself here today and have been since
24 the date that I allowed that to happen.

25 So you knew the risk. You said you understood that.

1 You were willing to go forward, despite all of the warnings
2 that I gave you that you are at a significant disadvantage not
3 to have a lawyer to represent you. You decided to go ahead and
4 go forward. I went over at length and told you it would be to
5 your detriment, that there's -- that it was an unwise decision.
6 I can't remember at all the different ways that I told you that
7 that was not the best way to proceed and that you should really
8 get counsel.

9 And so despite that, you decided you wanted to
10 represent yourself and then you would maybe try to find who you
11 considered counsel that you thought was uniquely qualified to
12 represent you.

13 So you've been representing yourself. You were told
14 and warned that I would have to proceed just like if you were.

15 THE DEFENDANT: I understand that. But I have been
16 trying to find counsel, competent counsel, that is
17 knowledgeable in tax law, and that is very hard to do,
18 particularly in this state. And my Sixth Amendment does give
19 me a right to have competent counsel and I'm still searching.

20 THE COURT: Well, you had competent counsel. And
21 there's a number of other competent counsel.

22 THE DEFENDANT: Not advised in tax law.

23 THE COURT: Well, you could get assistance from --

24 THE DEFENDANT: No, my --

25 THE COURT: -- consulting with tax lawyers and

1 accountants. That was explained to you at the time.

2 THE DEFENDANT: Yes, but at the time my attorney told
3 me that she had never done any tax cases. And only one person
4 in her firm had ever done one. And she was -- both of them
5 indicated to me that I would not win. I mean, you know, even
6 the prosecutors told me that I am not going to win. So what am
7 I supposed to think?

8 THE COURT: Well, I think I would look at seriously
9 what --

10 THE DEFENDANT: I want a tax attorney that can -- that
11 can represent me that knows about tax laws, especially
12 Section 83.

13 THE COURT: And you've had a lot of opportunity to
14 find somebody, and you haven't. So we are going forward,
15 Ms. Taylor.

16 Is there anything else?

17 THE DEFENDANT: Okay, I would like to have the
18 extension.

19 THE COURT: Okay. I'm going to discuss the schedule
20 here in just a moment. It's not going to be 90 days. I, right
21 now, I will allow or require the Government to file responses
22 to the current motions that have been filed. There are no more
23 motions that will be considered. The pretrial motions deadline
24 has passed. These motions are without merit. They are
25 frivolous in nature. And I'll go over each and every one of

1 them before we conclude today. But no more pretrial motions.

2 The deadline has passed. And so --

3 THE DEFENDANT: After today you mean no more?

4 THE COURT: That's correct. No more. The Government
5 will respond to those and we will hear the ones that have not
6 been responded to at a later date that I'll set. And then I'll
7 set a trial date today. And then we are going to go to trial
8 on that date. And it will either be me or another judge. But
9 that will be the date for the trial.

10 So did you have anything else, Ms. Taylor?

11 THE DEFENDANT: So you're going to rule on all of the
12 motions --

13 THE COURT: I am.

14 THE DEFENDANT: -- today?

15 Okay, do you want to start with this one, that we are
16 apparently on?

17 THE COURT: Are you done?

18 MS. ANDERSON: Your Honor, may I have one moment with
19 Ms. Taylor?

20 THE COURT: Okay.

21 (A discussion was held between the defendant and
22 advisory counsel.)

23 MS. ANDERSON: Your Honor, I just advised
24 Ms. Taylor --

25 THE COURT: I don't think -- that microphone is not

1 working, so if you don't mind.

2 MS. ANDERSON: I just advised Ms. Taylor that I do
3 have a copy of all of the motions so if she desired to look at
4 them or comment on them or look at any of the documents as the
5 Court addresses them, I am here to provide her copies.

6 THE COURT: Thank you. And I guess I misunderstood
7 you, Ms. Taylor, because I thought you said you weren't going
8 to say anything else. But if you were going to say anything
9 else on any of your motions, you need to do so at this time.
10 So is there anything else?

11 THE DEFENDANT: Yes, I suppose I might say something
12 on them as we go through them.

13 THE COURT: Well, you go through whatever motion and
14 let's go through them. Whichever one you want to highlight any
15 particular argument, let's do it.

16 THE DEFENDANT: Well, document number 108, I believe
17 was the first one. And I had asked for request of discovery,
18 simply because I was given a lot of discovery but then I was
19 told to come down to the prosecutor's office and look at
20 anything else that they might have down there.

21 When I got down there, there was a table that was as
22 long as this one here with all kinds of boxes that they told me
23 that they may or may not use.

24 And so I requested -- and they said that I could bring
25 a copy machine up there and copy them if I wanted. But it

1 would have taken me all day long to go through them, and I
2 can't remember by just looking at them which ones. And I
3 didn't want to tag every single one of them, which they
4 indicated that I could not tag every single one of them.

5 And so I asked at that time for them to give me
6 discovery of all of those boxes. And so that's what this --
7 this request was.

8 THE COURT: All right. I think that's the wrong
9 document number.

10 THE DEFENDANT: Mine says 108.

11 THE COURT: I think it's 112, what I'm looking at
12 or --

13 MR. GALATI: 158, Your Honor.

14 THE COURT: 158, I'm sorry.

15 MR. GALATI: I believe, Your Honor, 108 was struck, I
16 believe, and sort of refiled in the form of 158, I believe.

17 THE COURT: Okay.

18 THE DEFENDANT: It was struck previously when she was
19 my attorney. But after she was my attorney, I re-entered it.

20 THE COURT: And now it's document 158.

21 THE DEFENDANT: No, it's 108.

22 MS. ANDERSON: I have to agree, it has not been
23 struck. But I think they are related. It's a reiteration.
24 It's the same substantive point that she makes.

25 THE DEFENDANT: Well, 158 was a motion to compel

1 discovery. This one was a request for discovery.

2 THE COURT: Okay.

3 THE DEFENDANT: This was the first one. Actually, it
4 was the second one.

5 THE COURT: Thank you. Who wants to argue this,
6 Mr. Knapp?

7 MR. KNAPP: Your Honor, we responded. Let me grab my
8 response.

9 We responded with document number 169, Your Honor.
10 That's basically saying that we've gone well beyond our
11 discovery obligations here. We've provided defendant
12 everything that we've identified that we think we are going to
13 need at trial. That's still coming in because we are getting
14 certified copies of things.

15 THE COURT: When you say "you provided," what does
16 that mean? Provided an opportunity to look at or actually
17 provided?

18 MR. KNAPP: Numbered and provided -- handed over
19 copies.

20 THE COURT: Okay.

21 MR. KNAPP: And that includes stuff like from the very
22 beginning, the summary investigation reports, draft witness
23 lists, witness interview reports, as well as, you know, plenty
24 of other records to let Ms. Taylor know what this case is all
25 about.

1 As we've identified things that we want to mark as
2 exhibits, we have numbered them and turned them over with the
3 exhibit number on the file. So she knows -- she should have a
4 pretty good idea what we are going to use at trial.

5 We also invited her to come in if she wanted to and
6 inspect things. Again, this is beyond our discovery
7 obligations. But just to make sure, if there were things she
8 wanted to look at, we invited her to come in and take a look at
9 other stuff that was in our possession.

10 She did that. She asked for copies of a lot. She
11 asked for copies of over 1300 pages of material. So as a
12 courtesy, we initially said that, you know, the -- under the
13 rules we are not obligated to make her copies of them. But as
14 a courtesy, we numbered and turned that over as well. So we
15 handed that over.

16 If she has something in particular that she's asking
17 for, we are more than happy to oblige her by giving it to her.
18 We can number it and turn it over to make sure the record is
19 clear as to what we provided. But she seems to be making just
20 a blanket demand that we make copies of everything in our
21 possession and turn it over, and the rules simply do not allow
22 that.

23 THE COURT: Thank you.

24 MR. KNAPP: Thank you, Your Honor.

25 THE COURT: It looks like the Government has gone

1 beyond its obligation at this point, Ms. Taylor, so your
2 request, I think it's docket 108 is notice of discovery or
3 notice, it's not a motion. Number 158 is the pending motion,
4 titled Motion to Compel Prosecutor to Deliver Evidence of
5 Discovery. Based on the Government's response, that's denied.

6 Go on to your next motion.

7 Your next motion, Ms. Taylor?

8 THE DEFENDANT: I'm getting it right now. Let's see,
9 that was motion 111, unlawful for -- Motion to Dismiss For
10 Unlawful Use of Misnomer. And I was requesting that United
11 States of America and the United States to be -- let's see.
12 Just hold on.

13 Well, I was requesting, I notice that in all of your
14 books and titles, that it says the United States has the
15 authority to punish and make crimes on people. And nowhere did
16 I find the United States of America. So that's what I was
17 asking, who is the real party in interest in here? Is it the
18 United States or is it the United States of America?

19 THE COURT: All right. Mr. Knapp or --

20 MR. GALATI: We have no argument, Your Honor. We
21 stand on our response.

22 THE COURT: All right. The Indictment alleges
23 violations of Title 26 of the United States Code, Section 7201
24 and 7203. And the U.S. Attorney's office does have the duty
25 under Title 28 of the United States Code, Section 547(1) to

1 prosecute offenses against the United States. So this is an
2 offense against the United States. Whether it's the
3 United States or the United States of America, and so the
4 Government does have standing to indict and to prosecute any
5 individual, including yourself, Ms. Taylor, who the Government
6 alleges is in violation of these laws, and the District Court
7 has jurisdiction over prosecution of all crimes against the
8 United States, including Title 26 violations. And the
9 Government cites case law in support of this, so your motion is
10 denied.

11 THE DEFENDANT: May I say one thing about that,
12 please?

13 THE COURT: For the record, sure.

14 THE DEFENDANT: In Rule 17, Civil Rules of Procedure,
15 which apply also to criminal, it says the real party in
16 interest, and it lists different people here as a designation
17 in general. An action must be prosecuted in the name of the
18 real party in interest. The following may sue in their own
19 names without joining the person for those benefit the action
20 is brought. Number A is an executor, B is administrator, C is
21 a guardian, D is a bailee, E is a trustee of an express trust,
22 F is a party with whom and in whose name a contract has been
23 made for another's benefit, and G is a party authorized by
24 statute.

25 Two says action in the name of the United States for

1 another's use of benefit when a federal statute so provides an
2 action for another's use or benefit must be brought in the name
3 of the United States.

4 So that was why I was wondering, because it says it
5 must specifically be brought in the name of the United States,
6 not the United States of America.

7 THE COURT: Okay. That rule does not apply in this
8 particular context. So your motion is denied.

9 Move on to your next motion, Ms. Taylor.

10 THE DEFENDANT: All right. This is document number
11 112, with a response of 129 from the Government. This was
12 filed in two-oh-five, I believe. Let's see. I filed a --
13 yeah. This was filed for the year 1997 through two-oh-five.
14 And it is a statement in lieu of return for tax years 1997
15 through two-oh-five, and it gives my reasoning in here of why I
16 filed and why I filed this document and it gives statutes. And
17 states different forms that you're supposed to use and you're
18 not supposed to use.

19 And so I presented this because it was a firm offer to
20 pay or to settle. And nobody has ever rebutted it. I did not
21 get a rebut from -- it told me to send it to the District
22 Attorney -- I mean the district -- Internal Revenue district.
23 And so I sent it to them. I got no response from them. I've
24 turned it in here. No response from anybody since two-oh-five.

25 So my -- I wanted a judicial -- a judicial hearing on

1 this to find out what the status of the Court says on this,
2 because I did file. This is showing that I did file and for
3 those years to the best of my knowledge. And so this was a
4 motion to dismiss based on that.

5 THE COURT: All right. Mr. --

6 MR. GALATI: We have no argument, Your Honor. We
7 stand on our written response.

8 THE COURT: Ms. Taylor, you state in your motion that
9 you filed your returns to the best of your ability. I believe
10 you attached a letter you sent to IRS in April of 2005 in which
11 you set forth your explanation why you don't think you need to
12 pay taxes. It appears that you are asserting that the IRS
13 didn't rebut or respond to your claims. And they had an
14 opportunity to do so. And so you claim this action is
15 fraudulent.

16 You appear to also assert that the United States lacks
17 capacity to sue at this time because it didn't initiate action
18 under the Sherman Act. I think you referenced the Sherman Act.
19 And you said the Government's standing is not dependent -- or
20 the Government's standing, though I need to inform you, is not
21 dependent on the Sherman Act.

22 I do want to note that your arguments that you make
23 here may be -- you may make those before the jury. They seem
24 to be -- to present what is called a Cheek defense that you did
25 the best that you could with the knowledge that you had. But

1 your arguments that a good faith defense merits dismissal of
2 the Indictment is based on a misapplication of the law and is
3 not -- is not justified.

4 And so you do have the ability during trial to argue
5 or present evidence that you didn't understand the law or
6 didn't think it was illegal what you did. And you can
7 certainly present that to the jury. But it's not grounds for
8 dismissing this case. So your motion is -- to dismiss is
9 denied.

10 Move on to your next motion.

11 THE DEFENDANT: This is document number 113. And I
12 will just stand on the fair trial, what's -- what I have
13 presented in here.

14 THE COURT: All right. Does the Government have
15 anything?

16 MR. GALATI: We stand on our response, Your Honor.

17 THE COURT: All right. It appears in this motion that
18 you're, Ms. Taylor, asking for a trial that upholds the
19 Constitution including the separation of the three branches.
20 You point out in your motion your assertion -- or you point out
21 that the IRS and the DOJ are both administrative branch, and
22 you move the Court to grant the order to provide you a fair
23 trial, that the Court take judicial notice of the certified
24 copy of the firm offer to settle, that the Court provide
25 documentations sworn true, correct, and complete of the

1 constitutional of all the issues, and that you make a
2 reference to findings of fact and conclusions of law.

3 In the alternative, it looks like you are demanding
4 that the Court dismiss this case with prejudice. The
5 Government has responded that many of the items that you are
6 asking for, requests that you have made, the Court -- that the
7 Court and the officers uphold their oaths and provide you with
8 the fair trial are things the Court will provide -- in any
9 instance the Court would provide that.

10 And the Government highlights, though, that you cite
11 no authority requiring the Court to submit oaths into the
12 record to establish the constitutionality of this case.

13 The Government also asserts that you are asking for
14 the Court to take judicial notice of your firm offer to settle
15 and that this is related -- that this firm offer to settle was
16 a document created by you so that it is not a document the
17 Court can take notice of under Rule 902. And that's argument
18 and that point is well taken.

19 The Government also notes that neither the contents of
20 the firm offer to settle or the filings of the Court are facts
21 which are generally known within the territorial jurisdiction
22 of the trial court or capable of accurately and ready
23 determination. And so it's inappropriate for the Court to take
24 judicial notice of what you are asking for if that's indeed
25 what you're asking for.

1 So you will get a fair trial. And there's no
2 authority that you have cited that would in any way require the
3 Court to produce or have the Government produce these items
4 that you are specifically requesting regarding the oath. And
5 these rules of evidence that you cite or refer to do not apply.

6 So your motion is granted in part and denied in part.
7 You will get a fair trial. Your specific requests here that
8 you asked for are denied.

9 Move on to your next motion.

10 THE DEFENDANT: Your Honor, will you on these motions
11 that you are denying, will you give me conclusions of fact
12 and --

13 THE COURT: You'll get a text order or a minute entry
14 of today's orders.

15 THE DEFENDANT: Will there be conclusions of facts and
16 evidence on each one?

17 THE COURT: No, I'm making them. You are hearing them
18 right now. So you can order a transcript.

19 THE DEFENDANT: But these aren't conclusions of facts,
20 what you're saying.

21 THE COURT: I'm ruling on your motions. So I don't
22 know what you're talking about when you say conclusions of
23 facts.

24 THE DEFENDANT: Well, when you rule on them, aren't
25 you supposed to have a conclusion of facts --

1 THE COURT: No. No.

2 THE DEFENDANT: -- that shows that you can rule the
3 way that you are ruling by law?

4 THE COURT: I think you're confusing the civil
5 process. You've been citing some civil rules. You may be
6 confusing the civil process with a -- when a trial in a civil
7 case is presented to the Court, at the conclusion, when it's to
8 the Court and to the Court only, just to the Judge, the Court
9 will issue findings of facts and conclusions of law. This is a
10 criminal case.

11 THE DEFENDANT: I understand.

12 THE COURT: Let me finish. This is a criminal case,
13 and so you've requested, or I'm sorry, you are entitled to a
14 jury. The jury will make all of the fact findings with respect
15 to the charges here. I'm ruling on the motions, and so I'm
16 issuing my orders as I speak right now. You'll get a minute
17 entry with these rulings.

18 THE DEFENDANT: Right, but isn't it true that Rule 2
19 of civil procedure says all rules are civil?

20 THE COURT: No.

21 THE DEFENDANT: All laws are civil?

22 THE COURT: No. I don't know what you are referring
23 to specifically in Rule 2. But that Rule 2 does not apply to
24 this, so proceed.

25 THE DEFENDANT: Number 14 -- 114, this is the first

1 motion in limine. I will just stand on my motion on this one.

2 THE COURT: All right. Mr. Galati?

3 MR. GALATI: And we will stand on our response, Your
4 Honor.

5 THE COURT: All right. In this first motion in
6 limine, Ms. Taylor, you move that all the parties be excluded
7 from using the terms "United States" and should instead say
8 "the District of Columbia." That motion is denied as
9 frivolous, without authority and without basis. And it's
10 denied.

11 What's your next motion?

12 THE DEFENDANT: 115, second motion in limine.

13 THE COURT: Yes. I'm going to go ahead and just rule
14 on this motion because it's very similar to another motion that
15 you filed and I think I've already ruled on. You make some of
16 the same arguments here that you do in your Motion to Dismiss
17 For Unlawful Use of Misnomer that's related in document number
18 111 and then also in the Motion for firm -- to Dismiss For Firm
19 Offer of Settlement, document -- I think we said 158 and 108 or
20 it might have been 112.

21 You are asking to limit the arguments and references
22 to law to say no parties will refer to anything outside of
23 U.S.C. Title 26. You're demanding that the IRS and the
24 plaintiffs submit sworn statements as to the constitutionality
25 of all the laws that they are applying and request exclusion of

1 any man or woman or person with an apparent possible conflict
2 of interest from the jury.

3 And you're asking me to recuse myself if I have a
4 potential conflict of interest. And I think we've talked about
5 a number of these already.

6 There's no basis for my recusal. There's no conflict
7 of interest. Any person who is brought in to serve on the
8 jury, you'll have an opportunity to hear their responses to a
9 number of questions that the Court will ask. You'll get
10 information with respect to them. And either you can move for
11 cause that they be stricken from the panel or you'll have your
12 peremptory challenges that you will be able to exercise at the
13 time of trial.

14 There's no basis in law for -- to limit the parties in
15 any way to refer to anything as you request to refer to
16 anything outside of U.S.C. Title 26. And there's also no basis
17 to submit any kind of sworn statement. So that motion is
18 denied.

19 And what's your next motion?

20 THE DEFENDANT: Next motion is 116. And it's the
21 third motion in limine. And it's talking about a jury scan and
22 being able to ask them certain questions.

23 Also it's talking about definition of justice, judge,
24 or magistrate judge in 28 U.S.C. 455. Where it says any
25 justice, judge, or magistrate judge of the United States shall

1 disqualify himself in the proceeding in which his impartiality
2 might reasonably be questioned.

3 B is, he shall also disqualify himself in the
4 following circumstances: Four, he knows that he individually
5 or as a fiduciary or his spouse or minor child residing in his
6 household has a financial interest in the subject matter in
7 controversy or any party to the proceeding or any other
8 interest that could be substantially affected by the outcome of
9 the proceeding.

10 D(4) is financial interest means ownership of a legal
11 or equitable interest, however small. So that's basically
12 asking for information about the jurors and, of course, the
13 judge or magistrate.

14 THE COURT: And these motions are starting to be
15 somewhat duplicative and repetitive.

16 Mr. Galati, do you have anything else on that?

17 MR. GALATI: Your Honor, we stand on our response.

18 THE COURT: We talked about the conflict. Certainly
19 if a juror has a conflict, that will come out and they can
20 either be requested to be excused for cause or you can exercise
21 your peremptory.

22 I've already spoken, at least once, if not twice, that
23 there's not a basis for this Court to recuse themselves. The
24 basis that you're seeking is rather broad, but there's nothing
25 to question my impartiality. There's nothing that's been

1 highlighted that the Court can consider that would justify
2 recusing based on appearance or impartiality or anything else
3 under the recusal statutes.

4 So there's just no -- no basis to grant your third
5 motion in limine.

6 What's your next motion?

7 THE DEFENDANT: Next motion is 117. It's a Motion to
8 Quash, that's a First Amendment petition for redress of
9 grievances and as a challenge to authority.

10 THE COURT: Okay. Mr. Galati, did you have anything
11 else on this one?

12 MR. GALATI: No, Your Honor, we stand on our response.

13 THE COURT: Ms. Taylor, again, this -- you are talking
14 about Title 26, I think here. You're talking about how you
15 haven't lived in D.C. so there's no personal jurisdiction.
16 That's irrelevant. It doesn't matter whether you've lived in
17 D.C. for the Government -- the United States to bring this
18 charge against you. And there is proper jurisdiction here.
19 And it appears that you are misinterpreting and misapplying the
20 law.

21 You don't have to be a citizen to have to pay taxes
22 under the revenue code. The Government has appropriately
23 responded to your motion that the United States includes all
24 the states and cite 26 U.S.C. Section 7701(c), and that the
25 Indictment states the crimes were committed in the District of

1 Arizona.

2 The United States also highlights that the district
3 courts have jurisdiction of prosecution of all crimes against
4 the United States, including Title 26 violations. The IRS does
5 have authority to assess taxes or require individuals to file
6 tax returns. And they cite case law explaining that the 1040's
7 lack of an OMB number does not preclude anyone, including you,
8 from filing taxes under the Paperwork Reduction Act.

9 The Government also states in its response and points
10 out that the courts have stressed the taxpayer liability does
11 not arise under a contractual agreement, but under sections of
12 the Internal Revenue Code, and they cite the appropriate
13 statute.

14 So your motion --

15 THE DEFENDANT: I might like to add something to that.

16 THE COURT: Well, you had an opportunity, I think, but
17 go ahead.

18 THE DEFENDANT: On page 1, I guess it is, Title 18,
19 part 3, it says in there that number A, no citizen shall be
20 imprisoned or otherwise detained by the United States except
21 pursuant to an act of Congress. Interestingly, the Federal
22 Rules of Procedure 54(c) prior to December 2002 define the term
23 "act of Congress" as follows: Rule 54(6) of the Federal Rules
24 of Criminal Procedure prior to December 2002, act of Congress
25 includes any act locally applicable to and enforced in the

1 District of Columbia, in Puerto Rico or any territory or any
2 ancillary position. Rule 54 has since been transferred to
3 Rule 1 and the above explicit definition removed, perhaps in
4 bad faith to conceal the nexus of the U.S. as the District of
5 Columbia.

6 The prosecutor did not hit on a lot of these things
7 that were put in my motions. They just did their frivolous --
8 normal frivolous, frivolous, frivolous. There are a lot of
9 things in these motions that have merit and are on the law and
10 on the book and by Congress has the law to make statutes. And
11 the prosecutor didn't hit on them. They just rolled over them.

12 THE COURT: Well, I've looked at it. But the law that
13 you cited is not relevant here. It doesn't apply and it
14 doesn't support --

15 THE DEFENDANT: Well --

16 THE COURT: It does not support your motion to quash
17 as a First Amendment petition for redress of grievances and as
18 a challenge to authority. Your motion is without merit,
19 Ms. Taylor.

20 THE DEFENDANT: If Congress only has authority in
21 Washington, D.C., why wouldn't that have merit?

22 THE COURT: Well, you're wrong. You're incorrect. So
23 go on to your next motion.

24 THE DEFENDANT: This one is 147. Motion to Dismiss
25 For Abeyance. This is my reply.

1 THE COURT: Well, do you have 119 next? It's a
2 motion --

3 THE DEFENDANT: This is 119, sorry, it was on the
4 bottom. This is a Section 83 claim which has a lot of merit,
5 and no one has been able to come and dispute it as it says. It
6 tells how your income is to be interpreted. And I do have
7 another brief that's on -- in here that explains a lot more
8 about it. But this tells and it gives four cases here that the
9 Government used, Monsanto, Alvarez, Gonzalez and Rucker, that
10 the word that they have in there is any or any property. And
11 when someone tries to use that as any property, the Government
12 tries to say that it's not income as in cash. They are talking
13 about property, real property.

14 That's not so because in Monsanto, Alvarez and those
15 four cases, the Government successfully won with the
16 opposite -- opposite argument. And this -- this particular
17 argument has been before Congress since two-oh-five, I believe.
18 Dave Myrland put it in. We have not had one response from
19 anybody from Congress. He's had it numerous -- numerous
20 different places.

21 THE COURT: When you say "we," who are you referring
22 to when you say --

23 THE DEFENDANT: Dave Myrland is the one who put in the
24 memorandum to Congress in two-oh-five. He also put one into
25 the president.

1 THE COURT: I don't know who he is, who is he?

2 THE DEFENDANT: He's someone who I will be calling for
3 an expert witness.

4 THE COURT: Well, who is he?

5 THE DEFENDANT: He is a -- I don't have his
6 credentials with me, but I can get them for you.

7 THE COURT: I'm just trying to figure out why you are
8 citing him. Is he part of an organization that you belong to?

9 THE DEFENDANT: No, he has just been a -- a law
10 professor student. He has worked -- I don't have all of this
11 credentials with me, I'm sorry.

12 THE COURT: Do you have anything else?

13 THE DEFENDANT: This one will be argued extensively,
14 and I would like time to argue it, but I did not prepare to
15 come and bring my notes on it today.

16 THE COURT: We've already talked about that,
17 Ms. Taylor. This was the time to argue the motions. And
18 you -- you got notice of that twice.

19 THE DEFENDANT: Well, I notice that the prosecutor has
20 not mentioned -- he's not sent anything back about this. So we
21 need --

22 THE COURT: Government responded at document 133 to
23 this particular motion. This is document 119.

24 THE DEFENDANT: Let's see what he said here. Oh, all
25 he has said in here is that miscalculator compensation is gross

1 income. 83 addresses how you -- how you determine gross
2 income. And it says property, any property.

3 THE COURT: All right. Thank you. Do you have
4 anything else?

5 MR. GALATI: No, Your Honor. We stand on our
6 response.

7 THE COURT: Ms. Taylor, it looks like something that
8 you may try, I think, to present to the trial. It's certainly
9 not a basis to dismiss the Indictment. It does appear that it
10 is a misapplication of this provision in this case.

11 It looks like you're taking issue with the -- with the
12 count in this case pertaining to gross income. And I think it
13 appears that you're asserting because you were paid for
14 services, somehow this is not gross income subject to taxation.

15 And so you're looking at Title 26, section -- of the
16 United States Code, Section 83. And that particular section
17 addresses instances where property is used to compensate
18 another for performing service and provides a method of -- for
19 calculating the property recipient's tax liabilities. It
20 appears that the Indictment alleges that you earned income and
21 abated assessment upon income obtained from commissions earned
22 for real estate sales and profits earned from sale of real
23 estate, and that section doesn't apply since the Indictment
24 does not allege that you received property in exchange for
25 services.

1 THE DEFENDANT: But it says any -- any compensation.

2 THE COURT: You will be able to argue that to the
3 jury. It's not a basis for dismissal.

4 Go on to your next motion.

5 THE DEFENDANT: This is document 135.

6 THE COURT: 125 or --

7 THE DEFENDANT: 135. Oh, this one I will just pass
8 on.

9 THE COURT: I don't know what that is. What's the
10 motion?

11 THE DEFENDANT: It's number 135, it's Exception of
12 Previous Order For Fundamental Violation of Procedural Rights.
13 And I'll just stand on that.

14 THE COURT: Do you know what that is, Mr. Galati?

15 THE COURTROOM DEPUTY CLERK: That's a notice, Judge.

16 MR. GALATI: Yes, Your Honor, document 135 we
17 responded with document 142, which is our response to
18 Defendant's Exception of Previous Order.

19 THE COURT: Well, it's a notice. I don't know that it
20 was filed as a motion.

21 MR. GALATI: Right.

22 THE COURT: To the extent that it's a motion, it's
23 denied.

24 Your next motion?

25 Well, the next motion I had was document 125. It was

1 a Motion to Extend Time to File Pretrial Motions. That's been
2 denied -- or granted in part and denied in part.

3 I'll go ahead and let all of the motions as of today
4 stand, but no further motions, especially considering the
5 nature of these motions that have been presented. They do
6 appear, with all due respect, Ms. Taylor, to be frivolous. And
7 I know we will respectfully disagree with each other on that.
8 But they are not relevant. They don't apply to this case and
9 to this incident -- to this particular charge -- charges
10 against you.

11 So nothing so far has been a basis to dismiss or
12 require the relief that you are requesting in a number of these
13 motions.

14 So the motion which is document 125 is granted in part
15 and denied in part. I'll let the ones that came in after
16 October 22nd and up to today stand, and the Government will
17 file their responses. And we will deal with those when they
18 are fully briefed. But then there will be no other motions.

19 So the next one I have is document 137, Motion to
20 Dismiss Improper Plaintiff.

21 THE DEFENDANT: I have 136.

22 THE COURT: Okay, what is that?

23 THE DEFENDANT: That is admissions, I've asked for
24 admissions from the Government, and they wrote back saying
25 that --

1 THE COURT: It's a notice.

2 THE DEFENDANT: And I also made a Motion to Compel
3 because they didn't answer, I guess. Did they answer on this
4 one?

5 MS. ANDERSON: I think it's related to number 166,
6 Your Honor.

7 THE DEFENDANT: Yeah, 143 they did make a motion back.

8 THE COURT: Well, all of these motions to compel --
9 well, I'm going to deal with 166 in just a moment. Or we can
10 deal with it now if it relates to this admissions notice that
11 you filed. A motion to compel prosecutor to answer these
12 admissions for failure to comply with document 136 or response
13 of document 143, it appears that these are a series of requests
14 for admissions with questions like Taylor is not subject to the
15 State of Arizona Constitution, the State of Arizona's a fiction
16 or a legal fiction.

17 It appears this was filed after the October 27th, but
18 regardless, the Government is not required to respond to any of
19 what you've identified here in terms of just -- I'm not even
20 quite sure what you're asking for. You're asking for them to
21 admit that Taylor is not subject to the State of Arizona
22 Constitution, the State of Arizona is a fiction or legal
23 fiction?

24 Do you have anything else, Mr. Galati? Is that
25 correct? Is what that what is being requested here?

1 MR. GALATI: Correct, Your Honor. We filed a response
2 of document 143 saying that unless you order us to respond to
3 these requests for admissions, we are not going to do it
4 because we don't think it's appropriate.

5 THE COURT: Again, Ms. Taylor, I think you are
6 confusing and trying to impose the civil law or Civil Rules of
7 Procedure onto the Criminal Rules of Procedure. They don't
8 apply. This is inappropriate. There's no basis for me to
9 require the Government, the United States to file these
10 admissions that you're requesting. So that's denied.

11 THE DEFENDANT: Well, can I ask you a question?

12 THE COURT: Sure.

13 THE DEFENDANT: If they served admissions on me, and
14 wanted me to answer them, would I be required?

15 THE COURT: I don't think so. I don't think they've
16 served any admission.

17 THE DEFENDANT: I said if they served admissions.

18 THE COURT: There's no provision for admissions within
19 the criminal context, Ms. Taylor.

20 THE DEFENDANT: There's no admission for -- there's
21 no --

22 THE COURT: No, they filed an Indictment against you.
23 They don't need for you to admit to anything. They have the
24 burden of proof. They've submitted that they can prove this.

25 THE DEFENDANT: Yes, but I'm not allowed to ask them

1 questions?

2 THE COURT: Well, you can --

3 THE DEFENDANT: I'm not allowed to ask them through
4 these admissions?

5 THE COURT: No, it doesn't work --

6 THE DEFENDANT: All they have to do is deny it if they
7 don't want to answer it, deny it.

8 THE COURT: It doesn't work that way. I suppose you
9 can ask them questions, because you're a lawyer representing
10 yourself and to the extent that they can answer, certainly they
11 can. But it doesn't work that way. That's how it works -- I
12 think you are confusing the civil procedure.

13 MR. GALATI: Let me just say for the record, Your
14 Honor, we are certainly open to stipulating to any facts that
15 she might want to stipulate to if there's a request to
16 stipulate to facts to shorten the trial or narrow the dispute,
17 we are open to that. I would ask that -- and certainly even on
18 legal issues or jury instructions or anything like that. I
19 would certainly ask that Ms. Taylor filter it through
20 Ms. Anderson to make sure that Ms. Anderson thinks it's worthy
21 of submission to us, but we are certainly open to narrowing the
22 issues of fact in dispute.

23 THE COURT: All right, now go on to your next one. I
24 think that dealt with your whatever, 136, but also document
25 166. That is denied. Can we move on to 137.

1 THE DEFENDANT: Yes. Demand 137 is Demand to Dismiss
2 Improper Plaintiff. And that is upon proof of claim, I have
3 asked for them to answer these questions that are in here and
4 which they didn't. So you can deny that, too, if you want.

5 THE COURT: Well, I think it's appropriate to do that,
6 Ms. Taylor. I'll tell you why. This seems to be another
7 motion about the United States of America not being a proper
8 party. And I think you refer as just being an abstraction
9 which refers to the 50 states. It is not a Federal Government,
10 and there's no government entity by that name. There's no
11 government entity by the name of the -- of the United States of
12 America.

13 So I understand, it appears, Ms. Taylor, you have a
14 certain ideology about how you view the United States. You
15 want to make a certain argument with respect to that. You will
16 have your opportunity to do that before the jury.

17 It is in no way a basis to dismiss, like you are
18 requesting. I'm not sure I understand what you're talking
19 about when you say there's no -- there's not a United States of
20 America. You've set forth in your papers what you're trying to
21 assert. It doesn't -- it's not relevant. It's not a basis for
22 dismissal. Your motion is denied.

23 You can move on to your next motion.

24 THE DEFENDANT: The next one is 138. It's a motion
25 for Bill of Particulars. I don't know if you allow those or

1 not either. The book says you do.

2 THE COURT: Well, there is in the criminal context the
3 ability to ask for a Bill of Particulars. But it does have to
4 be justified. There are very certain circumstances that must
5 exist for a Bill of Particulars to be justified.

6 And here it appears that you allege that the
7 Indictment didn't cite the particular statute that was
8 violated. And I think you also make a reference that it
9 doesn't state what statute requires individuals to make income
10 tax returns.

11 And the Government has responded that Rule 7(f), which
12 permits the Government to file a Bill of Particulars, is to
13 minimize of the danger of surprise at trial, to provide
14 sufficient information regarding charges to allow the defense
15 to prepare.

16 The Government has stated in its response that the
17 nature of the charges is clear. The statutes have been
18 referred to, the relevant statutes. Defendant didn't -- the
19 allegation is that you didn't pay taxes or file returns for the
20 years 2003 to 2006. They have asserted and avowed that they
21 have provided you with more discovery than what is required
22 under the statute.

23 After hearing today what they have given you and
24 allowed you to view, that appears to be correct. And the
25 defendant -- it doesn't appear that you really have -- don't

1 know what the charge is, because it's been set out.

2 So it looks like you're just making your argument that
3 you disagree with the United States income tax laws. And
4 that's not the purpose for a Bill of Particulars. You have
5 access to all of the discovery. And so your Motion for a Bill
6 of Particulars in this instance is denied.

7 THE DEFENDANT: May I say something?

8 THE COURT: Certainly.

9 THE DEFENDANT: In this Bill of Particulars it asks
10 what statute or section imposes a duty or a requirement to make
11 an income tax return. They have never told me what statute
12 that imposes a duty.

13 Also --

14 THE COURT: Well, they have met the requirements of
15 filing the Indictment and referring to the appropriate statute.
16 If you find that there's a defense that because of that, you
17 can argue that to the jury.

18 Go on to your next motion.

19 THE DEFENDANT: Now how would the jury know that?

20 THE COURT: Well, you would produce it.

21 THE DEFENDANT: Well, I could produce it, yes, but
22 how?

23 THE COURT: Or you could argue that they haven't
24 produced it and the jury can consider that.

25 THE DEFENDANT: And you don't stop them from listening

1 to the law?

2 THE COURT: I instruct them on the law. We will have
3 a charge conference. We will decide what the appropriate law
4 is that applies here, what the law that the jury should be
5 informed of in deciding this case to apply the facts that have
6 been presented. You'll have an opportunity to argue at that
7 point what the law should be that the jury should be given.

8 If I find it's relevant and appropriate, I'll instruct
9 the jury on it. If I find that it's not relevant and
10 appropriate, that it may cause confusion or just not be
11 relevant, then they won't be instructed on it. But we will
12 have that -- you'll have that opportunity at the charge
13 conference to discuss the law.

14 Otherwise the Indictment here is in conformance, so --

15 THE DEFENDANT: But if it's not in conformance with
16 the law --

17 THE COURT: It is in conformance with the law. It is
18 in conformance with the law.

19 Move on to your next motion, Ms. Taylor.

20 THE DEFENDANT: Document 139 I'll just stand on.

21 THE COURT: I don't know what document 139 is, can you
22 tell me.

23 THE DEFENDANT: It is Notification For Cause.

24 THE COURT: I'm not sure what requested relief you are
25 seeking in that. It wasn't styled as a motion. To the extent

1 it's a motion, it's denied.

2 Your next motion. And I think we've already dealt
3 with document 158. So it looks like the only other -- and I
4 think we've dealt with 166. So the only other outstanding
5 motions are motions that were filed that the Government has not
6 responded to.

7 THE DEFENDANT: This is 172, Motion For Enlargement of
8 Time, Motion For Oral Hearing.

9 THE COURT: Right.

10 THE DEFENDANT: That was done back on December 14th.

11 So --

12 THE COURT: Well, the Government didn't respond to
13 that, because that was filed afterwards. And I've just dealt
14 with part of that. I'm going to now deal with the other part
15 of that and that's setting a trial date in this case. I think
16 otherwise the remaining motions will have to be dealt with once
17 they are fully briefed.

18 THE DEFENDANT: Okay.

19 THE COURT: So I have addressed most, if not all of
20 the motions that have been filed, I think, up to this point
21 that were filed before the pretrial motions deadline.

22 Let me just double-check that.

23 So document number 172 is a Motion For Enlargement of
24 Time on All Proceedings and Motion For Oral Hearing on Motions.
25 Well, that's granted in part and denied in part. I have had --

1 we've had an oral hearing on the motions that were filed up to
2 this -- up until the time that the pretrial deadlines allowed.

3 And then a Motion For Enlargement of Time of All of
4 the Proceedings, that's also going to be granted in part and
5 denied in part. There's not -- I'm denying your request to
6 enlarge a motions deadline. But it looks like the Government
7 is not objecting to a trial continuance.

8 I'm going to give just a brief trial continuance, but
9 certainly not the 60 or 90 days.

10 I'm going to set this for trial now for March the
11 15th. That's approximately 45 days from the current trial
12 setting.

13 THE DEFENDANT: March 15th?

14 THE COURT: Yes.

15 THE DEFENDANT: Your Honor, would you also disclose a
16 time line to -- to discuss witness lists?

17 THE COURT: Well, yes. There will be a final pretrial
18 conference. I'm going to set that as well. And then I'll set
19 a deadline for you to submit your proposed voir dire questions,
20 your proposed jury instructions, and then if you want to, I'll
21 set a deadline for your proposed witnesses as well.

22 So --

23 THE DEFENDANT: Does -- do you have any problem with
24 paying for expert witnesses to come in?

25 THE COURT: Well, you need to consult with

1 Ms. Anderson, and she can talk to you maybe about how that
2 might be done.

3 THE DEFENDANT: All right.

4 THE COURT: Okay?

5 THE DEFENDANT: Is there a time frame or anything when
6 that has to be in?

7 THE COURT: There is, especially if it's an expert.
8 And you'll need to consult with Ms. Anderson about that as
9 well.

10 So, let me just make sure the Government's going to
11 respond then specifically document 177, that's the Motion to
12 Dismiss Grand Jury Indictment and the request for the jury list
13 or something like that. And then I guess number -- document
14 number 179, Motion to Dismiss For Lack of Personam
15 Jurisdiction.

16 That's -- and so how soon can you do that, Mr. Knapp?

17 MR. KNAPP: Can I have a week, Your Honor?

18 THE COURT: Yes.

19 MR. KNAPP: One week is fine. And I will just note
20 that our response to 139 may not be very long because it looks
21 like it may be similar to 119, so we will take a look at it and
22 give our response to it.

23 THE COURT: All right. There is a United States
24 motion to quash a subpoena, document 183.

25 MR. GALATI: Yes, Your Honor, I think I just filed

1 that yesterday. The subpoena was served on me the day before
2 yesterday.

3 THE COURT: All right. So, Ms. Taylor, if you want to
4 respond to that motion, you'll have a week to do that as well.

5 MR. GALATI: Your Honor, could I say one thing about
6 that?

7 THE COURT: Sure.

8 MR. GALATI: I believe what that -- what that really
9 asks is that we have Cheryl Bradley, who is the revenue agent
10 that performed the tax due and owing calculations, present on
11 the day of trial. She is going to be a government witness.
12 She will be here.

13 And then just prior to the proceedings this morning,
14 Ms. Anderson asked me on behalf of Ms. Taylor if Ms. Taylor
15 could interview Ms. Bradley. We are going to ask her if she
16 wants to submit to an interview. If she will, we will arrange
17 it. And that's what that is.

18 THE COURT: So that may resolve it. If it does, then
19 you may choose not to file a response.

20 MR. GALATI: I really don't think Ms. Taylor needs to,
21 unless there's something I'm not aware of.

22 THE COURT: Ms. Taylor, I want to make sure, I'm sure
23 Ms. Anderson, if you ask her, will advise you. You spent a lot
24 of effort, it looks like, in filing a number of motions.

25 Again, respectfully, many of them really just don't apply and

1 are without merit.

2 The trial date, I'm just really reluctant to continue
3 it at all. But based on the Government's response, and I just
4 want to highlight and urge, because I don't want there to be an
5 issue, so I want it to be very clear. You need to -- you might
6 consider spending your time in looking at the documents and
7 doing, you know, what you think you need to do with respect to
8 the evidence that's been highlighted as potential exhibits
9 prior to the trial. It looks like you may not have spent a lot
10 of time on that.

11 These motions, it looks like you spent a lot of time
12 on those, but that time is done with respect to them. A lot of
13 them are repetitive at this point. So I'm not sure how
14 fruitful that is for you.

15 So I will continue this for a limited period, to March
16 the 15th. Responses will be due in a week from today. So that
17 is -- I don't have a calendar.

18 THE DEFENDANT: The 19th.

19 THE COURT: The 19th. And then I will set a deadline
20 of February, the first week of -- or the second week of
21 February, the end of that Friday, or the second week of
22 February.

23 THE DEFENDANT: The 11th.

24 THE COURT: February the 11th to submit your proposed
25 voir dire, your proposed jury instructions. And then if you

1 all want to exchange what -- who your witness lists will be,
2 you can do that. And then you can just file those before the
3 trial.

4 Certainly if you have any experts, that should be
5 disclosed sooner rather than later.

6 THE DEFENDANT: On February 11th?

7 THE COURT: I'm advising that that be the date that
8 you submit that by. I'm not sure what the rules are with
9 respect to the expert in light of the current posture of this
10 case. So you'll want to look at that.

11 And then we will have a final pretrial conference
12 where we will rule on the outstanding motion -- where I'll rule
13 on the outstanding motions that will be briefed and then
14 consider everything else on -- let me give you a date. It
15 probably will be --

16 THE COURTROOM DEPUTY CLERK: The 22nd at two.

17 THE COURT: The 22nd of February.

18 THE DEFENDANT: Can I ask a question?

19 THE COURT: Certainly.

20 THE DEFENDANT: On this motion, 182, the one that I
21 first brought in here about the jury inspection, are we waiting
22 for an answer from the prosecutor?

23 THE COURT: I think that's 177.

24 THE DEFENDANT: I have it down as 182, but it could
25 be.

1 THE COURT: What's --

2 THE DEFENDANT: What it is, it's a Motion to Provide
3 For Inspection of Jury List in Support of a Future Motion to
4 Dismiss Grand Jury Indictment.

5 THE COURT: Well, it's very much related to 177, it
6 looks like. So --

7 THE DEFENDANT: Well, this is particularly this
8 particular document here.

9 THE COURT: Well, I know, but --

10 THE DEFENDANT: Did you rule on that as a denial?

11 THE COURT: No, I told the Government they would have
12 to respond, if that was filed after the date. So they will
13 respond in a week to that.

14 THE DEFENDANT: Okay.

15 THE COURT: It looks like it might be very similar to
16 177. But the Government will respond to that.

17 THE DEFENDANT: All right.

18 MS. ANDERSON: Your Honor, if I may, you said you were
19 going to set a pretrial on the 22nd of February. I have a
20 final pretrial in another case at four o'clock that day. So if
21 we could work around that.

22 THE COURT: What time did we set this for?

23 THE COURTROOM DEPUTY CLERK: Two o'clock.

24 MS. ANDERSON: Two o'clock, sorry.

25 And, Your Honor, there is one outstanding Government

1 motion which they may address now.

2 THE COURT: What's that?

3 MR. KNAPP: Yeah, if you don't mind, Your Honor, there
4 is a pending motion. It was a sealed motion only because it
5 includes taxpayer information, but it's a motion for limited
6 disclosure of tax information relating to third parties.

7 THE COURT: Relating to what?

8 MR. KNAPP: Relating to third parties. It's for
9 people and entities associated with the defendant, Ms. Taylor.
10 And Ms. Taylor responded this week saying she didn't oppose the
11 disclosure, which didn't surprise me, but she wants disclosure
12 broader than what I've proposed in my -- in our motion and in
13 our proposed order.

14 I don't know if you want to take that up now or if the
15 Court wants to take it up at another time.

16 THE COURT: I'm not sure I understand. I'm not sure
17 I'm appreciating it. I didn't look at that one before I came
18 out here, so tell me what it is.

19 MR. KNAPP: Sure, Your Honor. What it is, is what
20 we've alleged in this case is tax evasion.

21 THE COURT: Okay.

22 MR. KNAPP: And some of the evasive activity that was
23 alleged is that Ms. Taylor used sham entities to hide assets
24 and income. And we think that at trial we will need to
25 present -- there's evidence that we will want to turn over in

1 discovery and also some stuff that we want to mark as exhibits
2 in trial about the individuals who are listed as trustees of
3 those entities and about the trusts or other entities
4 themselves. And that would qualify as third-party tax
5 information.

6 But we think it's important to this case to show that,
7 for example, that the money wasn't distributed elsewhere or it
8 wasn't otherwise claimed by someone, to, again, just so that
9 this is money that Ms. Taylor was diverting to hide her income
10 from the IRS.

11 THE COURT: Well, what's your motion? What's your
12 request?

13 MR. KNAPP: Our request is to disclose that
14 information to the defendant. But we propose doing it under a
15 protective order because it is taxpayer information.

16 Now, the wrinkle in this case is that the -- the
17 individuals identified are her boyfriend and daughter and
18 entities again we believe are closely --

19 THE COURT: You are saying the entities, is that what
20 you're saying?

21 MR. KNAPP: Entities, yes. We believe those are
22 closely associated with Ms. Taylor, so I don't think there's
23 really, you know, much issue about whether they are -- whether
24 that's relevant. I don't think there is much that will
25 surprise Ms. Taylor, but because it is taxpayer information, we

1 did think the appropriate thing would be to present it to the
2 Court with a motion asking us for authority to disclose it.

3 THE COURT: Okay, you may.

4 MR. KNAPP: Okay. Pursuant to a protective order or
5 should we just turn it over?

6 THE COURT: Do we need a protective order here? Why
7 don't you consult -- Ms. Taylor, do you need a protective
8 order, or do you understand the sensitive nature of this
9 information? It looks like you know both of these individuals
10 that you are going to get the sensitive information about.

11 THE DEFENDANT: Yes, I did write back in document 181.
12 And I -- what I'm understanding, if I'm understanding it
13 correctly, is that they want to give this information to my
14 attorney and for me to only be able to go up there and read it.

15 THE COURT: There's no -- they are going to give it to
16 you through Ms. Anderson, who is acting as your side counsel
17 here.

18 THE DEFENDANT: Yeah, but I was under the impression
19 that -- that she kept it. And then I wouldn't have it in my
20 possession to go home and read. I would have to come up to her
21 and get it each time I wanted to go over it.

22 THE COURT: Is that acceptable to you or not?

23 THE DEFENDANT: No, I want to be able to have it.

24 THE COURT: Then you understand -- then I'm going to
25 impose a protective order if it's going to go to you.

1 THE DEFENDANT: Um-hmmm.

2 THE COURT: Because the Government is concerned. They
3 don't want -- that's personal information, private information,
4 sensitive information regarding, I believe it's your daughter
5 and your boyfriend. And so you are going to be directed not to
6 further disseminate that information.

7 THE DEFENDANT: All right. Now, I do work with -- if
8 there's anything in there, I do work with various tax people
9 that are helping me. If -- is there anything in there that I
10 wouldn't be able to show them?

11 THE COURT: Well, that's just it. You need to read
12 their motion and understand that they want to put a limitation
13 to protect themselves from somebody getting these social
14 security numbers and somehow using them. Do you understand
15 that?

16 THE DEFENDANT: Well, can't they black out the social
17 security numbers?

18 THE COURT: Well, they can, I guess.

19 MR. KNAPP: We could redact portions of those tax
20 records, but they would still remain in -- still remain
21 taxpayer information. Again, we are just trying to make sure
22 that we are respecting the rights of the individual taxpayers
23 involved. If the Court thinks --

24 THE COURT: She sounds like Ms. Taylor is okay with a
25 redaction so redact it.

1 MR. KNAPP: Okay, we will just redact the socials,
2 okay. Yes, Your Honor.

3 THE COURT: All right. I think that's everything.

4 I need to look at the schedule to see if I'll be the
5 one presiding over the remainder of this case or if there will
6 be somebody else. I'll let you -- you'll find out.

7 We will be in recess. Thank you.

8 (The court stood in recess.)

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C E R T I F I C A T E

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5
6 I, MERILYN A. SANCHEZ, do hereby certify that I am
7 duly appointed and qualified to act as Official Court Reporter
8 for the United States District Court for the District of
9 Arizona.

10 I FURTHER CERTIFY that the foregoing pages constitute
11 a full, true, and accurate transcript of all of that portion of
12 the proceedings contained herein, had in the above-entitled
13 cause on the date specified therein, and that said transcript
14 was prepared under my direction and control.

15
16
17 DATED at Phoenix, Arizona, this 13th day of January,
18 2011.

19
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21 _____
22 MERILYN A. SANCHEZ, CRR
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24
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