

FILED

IN THE DISTRICT COURT OF THE UNITED STATES  
FOR THE MIDDLE DISTRICT OF ALABAMA  
SOUTHERN DIVISION

SEP 12 2012

UNITED STATES OF AMERICA )

CR. NO. 1:12cr169-MHT

CLERK  
U.S. DISTRICT COURT  
MIDDLE DIST. OF ALA.

v. )

[18 U.S.C. § 152(2);

18 U.S.C. § 371;

18 U.S.C. § 514(a)(2);

26 U.S.C. § 7203;

JAMES TIMOTHY TURNER, )

26 U.S.C. § 7212(a);

a.k.a. "Tim Turner" )

18 U.S.C. § 2]

INDICTMENT

The Grand Jury charges that:

INTRODUCTION

At times relevant to this Indictment:

1. Defendant JAMES TIMOTHY TURNER resided in Dale County, Alabama, within the Middle District of Alabama.
2. Defendant JAMES TIMOTHY TURNER was the self-proclaimed "President" of the purported "Republic for the united States of America" ("RuSA"), a group of individuals who held themselves out as "sovereign" citizens.
3. "B.H.," an individual known to the Grand Jury, resided in Dale County, Alabama, within the Middle District of Alabama.
4. "T.F." and "K.F.," individuals known to the Grand Jury, were married and resided in Covington County, Alabama, within the Middle District of Alabama.
5. "M.E.," an individual known to the Grand Jury, resided in Houston County, Alabama, within the Middle District of Alabama.
6. The Internal Revenue Service ("IRS") was an agency of the United States

Department of the Treasury responsible for enforcing and administering the tax laws of the United States and collecting taxes owed to the United States.

**COUNT ONE**

(Conspiracy to Defraud the United States)

1. The factual allegations contained in Paragraphs 1 through 6 of the Introduction Section of this Indictment are realleged and incorporated herein as if copied verbatim.

2. From in or about January 2006, the exact date being unknown to the Grand Jury, and continuing to on or about the date of this Indictment, within the Middle District of Alabama and elsewhere, defendant JAMES TIMOTHY TURNER, “B.H.,” “T.F.,” “K.F.,” “M.E.,” and others, known and unknown to the Grand Jury, unlawfully, voluntarily, intentionally, and knowingly did conspire, combine, confederate, and agree together and with each other, to defraud the United States for the purpose of impeding, impairing, obstructing, and defeating the lawful government functions of the IRS in the ascertainment, computation, assessment, and collection of federal income taxes.

**MANNER AND MEANS**

3. To accomplish the objects of this scheme, Defendant JAMES TIMOTHY TURNER and his co-conspirators used the following manners and means, among others:

A. Defendant JAMES TIMOTHY TURNER and others would and did, for financial gain, promote and charge participants for attending “seminars” held throughout the country at which he taught attendees how to defraud the IRS and other federal entities.

B. Defendant JAMES TIMOTHY TURNER and others would and did create, prepare, file, and cause to be filed, with the United States Department of the Treasury, the IRS, and other federal entities, false, fictitious, and fraudulent financial instruments and other

documents, some of which contained his signature and/or thumbprint.

C. Defendant JAMES TIMOTHY TURNER and others would and did send correspondence to state governmental officials demanding that they order the IRS to stop investigations.

D. Defendant JAMES TIMOTHY TURNER and others would and did teach others how to retaliate against individual IRS employees.

#### OVERT ACTS

4. In furtherance of the conspiracy, and to effect the objects thereof, Defendant JAMES TIMOTHY TURNER, "B.H.," "T.F.," "K.F.," "M.E." and others, known and unknown to the Grand Jury, committed the overt acts listed below, among others, within the Middle District of Alabama and elsewhere:

#### Seminars

5. Between on or about January 1, 2008 and on or about November 19, 2008, the exact dates being unknown to the Grand Jury, Defendant JAMES TIMOTHY TURNER taught attendees at meetings at "B.H.'s" house how to prepare and submit fictitious bonds to the United States government.

6. Between on or about January 1, 2008 and on or about November 19, 2008, the exact dates being unknown to the Grand Jury, Defendant JAMES TIMOTHY TURNER and "T.F." prepared fictitious bonds during meetings at "B.H.'s" house.

7. On or about August 30, 2008, in Dothan, Alabama, Defendant JAMES TIMOTHY TURNER taught "T.F.," "K.F." and other seminar attendees how to prepare "bonded promissory notes" and how to use these fictitious monetary instruments as a form of payment for

taxes and other debts.

8. On or about August 30, 2008, in Dothan, Alabama, "T.F." paid Defendant JAMES TIMOTHY TURNER and "B.H." approximately \$150 to attend a seminar.

9. On or about August 30, 2008, in Dothan, Alabama, "K.F." paid Defendant JAMES TIMOTHY TURNER and "B.H." approximately \$150 to attend a seminar.

10. On or about the dates below, Defendant JAMES TIMOTHY TURNER promoted, and charged participants to attend, seminars at the locations listed below during which he taught attendees how to create fictitious bonds for use as a form of payment to the IRS:

<b>OVERT ACT</b>	<b>DATE</b>	<b>LOCATION</b>
<b>10-A</b>	February 6, 2009	Arlington, TX
<b>10-B</b>	September 12, 2009	Atlanta, GA
<b>10-C</b>	September 19, 2009	Bloomington, MN
<b>10-D</b>	September 26, 2009	New York, NY
<b>10-E</b>	October 3, 2009	Baltimore, MD
<b>10-F</b>	October 10, 2009	Danbury, CT
<b>10-G</b>	October 24, 2009	Garden Grove, CA
<b>10-H</b>	November 7, 2009	Portland, OR
<b>10-I</b>	November 14, 2009	Seattle, WA
<b>10-J</b>	December 5, 2009	Kissimmee, FL
<b>10-K</b>	December 12, 2009	Miami, FL

11. On or about July 18, 2009, "F.K.," an individual known to the Grand Jury, paid Defendant JAMES TIMOTHY TURNER and "B.H." a silver dollar to attend a seminar in Dothan, Alabama.

12. Between on or about November 12, 2009 and on or about December 12, 2009,

Defendant JAMES TIMOTHY TURNER requested payment in the form of a “Pre-1964 Silver Dollar” for attendance at seminars that he and “B.H.” taught in various locations throughout the United States.

*False and Fictitious Financial Instruments*

13. On or about May 2, 2008, Defendant JAMES TIMOTHY TURNER filed and caused to be filed with the IRS a false and fictitious bond in the amount of \$300,000,000 (Three Hundred Million Dollars) in purported payment of his taxes and other debts.

14. On or about November 19, 2008, Defendant JAMES TIMOTHY TURNER, “T.F.” and “B.H.” prepared and caused to be filed with the IRS a false and fictitious bond in the amount of \$100,000,000,000 (One Hundred Billion Dollars) in purported payment of “T.F.’s” outstanding tax debt.

15. On or about April 30, 2008, Defendant JAMES TIMOTHY TURNER and “M.E.” prepared and caused to be filed with the IRS a false and fictitious bond in the amount of \$100,000,000,000 (One Hundred Billion Dollars) in purported payment of “M.E.’s” outstanding tax debt.

16. On or about the dates listed below, Defendant JAMES TIMOTHY TURNER and each individual listed below as the “Filer of Bond,” prepared and caused to be filed with the IRS a false and fictitious bond in the amount listed below in purported payment of the Filer of Bond’s outstanding tax debt:

OVERT ACT	DATE	FILER OF BOND	AMOUNT
16-A	November 20, 2007	“C.H.”	\$300,000,000 (300 Million Dollars)
16-B	March 19, 2008	“P.L.”	“Unlimited”
16-C	May 10, 2008	“L.M.”	\$2,000,000,000,000 (2 Trillion Dollars)
16-D	May 29, 2008	“W.W.”	\$100,000,000,000 (100 Billion Dollars)
16-E	July 22, 2008	“J.G.”	\$10,000,000 (10 Million Dollars)
16-F	July 25, 2008	“J.D.”	\$100,000,000,000 (100 Billion Dollars)
16-G	July 29, 2008	“B.E.”	\$300,000,000 (300 Million Dollars)
16-H	July 29, 2008	“R.E.”	\$300,000,000 (300 Million Dollars)
16-I	August 7, 2008	“L.M.”	\$300,000,000 (300 Million Dollars)
16-J	August 14, 2008	“E.G.”	\$300,000,000 (300 Million Dollars)
16-K	August 19, 2008	“G.Z.”	\$100,000,000,000 (100 Billion Dollars)
16-L	August 20, 2008	“E.G.”	\$300,000,000 (300 Million Dollars)
16-M	October 21, 2008	“J.D.”	\$10,000,000,000 (10 Billion Dollars)

*Instruction on Methods to Obstruct the IRS and to Retaliate Against IRS Employees*

17. On or about July 18, 2009, Defendant JAMES TIMOTHY TURNER, for a fee of \$50, taught “F.K.” to send fraudulent correspondence to the IRS and not to comply with a pending IRS summons requiring “F.K.” to disclose financial information to the IRS.

18. Between in or about January 2008 and in or about December 2011, the exact date being unknown to the Grand Jury, in New York, Defendant JAMES TIMOTHY TURNER taught “V.R.,” an individual known to the Grand Jury, to file maritime liens against particular employees of the IRS in the event “V.R.’s” fictitious bonds were not honored by the IRS.

*“Warrant” Sent to the Governor of Alabama*

19. On or about March 30, 2010, Defendant JAMES TIMOTHY TURNER and

others, known and unknown to the Grand Jury, mailed a “Warrant” to the Governor of Alabama, ordering the Governor to “resign within three days of receipt of this warrant without recourse for such resignation” and to “direct” the IRS “to cease and desist forthwith all investigations, actions, prosecutions, liens, levies, garnishments, collections and distress against the sovereign People.”

All in violation of Title 18, United States Code, Section 371.

**COUNT TWO**  
(Fictitious Obligations)

1. The factual allegations contained in Paragraphs 1 through 6 of the Introduction Section of this Indictment are realleged and incorporated herein as if copied verbatim.

2. On or about May 2, 2008, within the Middle District of Alabama, Defendant JAMES TIMOTHY TURNER, with the intent to defraud, did knowingly pass, utter, present, offer, and attempt to pass, utter, present, and offer, a false and fictitious instrument, document, and other item, namely an instrument titled “Registered Private Offset Discharging and Indemnity Bond” in the amount of \$300,000,000 (Three Hundred Million Dollars), appearing, representing, purporting and contriving, through scheme and artifice, to be an actual security and other financial instrument issued under the authority of the United States and other political subdivisions of the United States.

All in violation of Title 18, United States Code, Section 514(a)(2).

**COUNTS THREE THROUGH SEVEN**  
(Aiding and Abetting Fictitious Obligations)

1. The factual allegations contained in Paragraphs 1 through 6 of the Introduction Section of this Indictment are realleged and incorporated herein as if copied verbatim.

2. On or about the dates listed below, within the Middle District of Alabama, Defendant JAMES TIMOTHY TURNER, with the intent to defraud, did knowingly aid and abet the individual known to the Grand Jury listed below identified as “Filer of Bond,” in passing, uttering, presenting, offering, and attempting to pass, utter, present, and offer, a false and fictitious instrument, document, and other item, as described below, appearing, representing, purporting and contriving, through scheme and artifice, to be an actual security and other financial instrument issued under the authority of the United States and other political subdivisions of the United States.

<b>COUNT</b>	<b>DATE</b>	<b>FILER OF BOND</b>	<b>INSTRUMENT</b>	<b>AMOUNT</b>
3	November 20, 2007	“C.H.”	“Private Offset Discharging and Indemnity Bond”	\$300,000,000 (300 Million Dollars)
4	April 30, 2008	“M.E.”	“Private Registered Bond for Set Off - Non-Negotiable”	\$100,000,000,000 (100 Billion Dollars)
5	May 29, 2008	“W.W.”	“Private Registered Bond for Set Off - Non-Negotiable”	\$100,000,000,000 (100 Billion Dollars)
6	July 22, 2008	“J.G.”	“Registered Private Offset Discharging and Indemnity Bond”	\$10,000,000 (10 Million Dollars)
7	November 22, 2008	“T.F.”	“Private Registered Bond for Set Off - Non-Negotiable”	\$100,000,000,000 (100 Billion Dollars)

All in violation of Title 18, United States Code, Sections 514(a)(2) and 2.

**COUNT EIGHT**

(Attempting to Interfere with Administration of Internal Revenue Laws)

1. The factual allegations contained in Paragraphs 1 through 6 of the Introduction Section of this Indictment are realleged and incorporated herein as if copied verbatim.

2. On or about December 31, 2008, within the Middle District of Alabama and elsewhere, Defendant JAMES TIMOTHY TURNER did corruptly endeavor to obstruct and impede the due administration of the Internal Revenue laws by sending a three-page packet of documents to the IRS, namely a 2005 IRS Form 1096 (“Annual Summary and Transmittal of U.S. Information Returns”), with attached 2005 IRS Form 1099-OID (“Form 1099-OID”) and 2007 IRS Form 1040-V (“Payment Voucher”). That packet of documents, which was filed with the IRS, falsely reported payment on the Form 1099-OID from Apalachicola State Bank to Defendant JAMES TIMOTHY TURNER in the amount of \$341,446.16 and payment on the Payment Voucher from Defendant JAMES TIMOTHY TURNER to the IRS in the amount of \$341,446.

All in violation of Title 26, United States Code, Section 7212(a).

**COUNT NINE**

(Failure to File a Tax Return - Tax Year 2009)

1. The factual allegations contained in Paragraphs 1 through 6 of the Introduction Section of this Indictment are realleged and incorporated herein as if copied verbatim.

2. During the calendar year 2009, Defendant JAMES TIMOTHY TURNER had and received gross income of at least \$9,350. By reason of such gross income, he was required by law, following the close of the calendar year 2009 and on or before April 15, 2010, to make an income tax return to the local office of the Internal Revenue Service at Dothan, Alabama, or to

any proper officer of the Internal Revenue Service, stating specifically the items of his gross income and any deductions and credits to which he was entitled. Well knowing and believing the foregoing, Defendant JAMES TIMOTHY TURNER did willfully fail to timely make an income tax return.

All in violation of Title 26, United States Code, Section 7203.

**COUNT TEN**

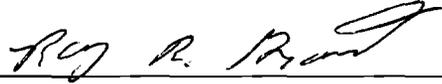
(False Testimony Under Oath in a Bankruptcy Proceeding)

1. The factual allegations contained in Paragraphs 1 through 6 of the Introduction Section of this Indictment are realleged and incorporated herein as if copied verbatim.

2. On or about November 5, 2008, within the Middle District of Alabama, Defendant JAMES TIMOTHY TURNER made a false material statement under oath in and in relation to a case under Title 11 of the United States Code, namely *In re: Stage Door Development Inc.*, Case No. 07-11638-DHW, in the United States Bankruptcy Court in the Middle District of Alabama. Specifically, Defendant JAMES TIMOTHY TURNER falsely testified under oath that he had paid \$5,000,000 (5 Million Dollars) to Citizens Bank on behalf of the debtor, "J.M.," when, in fact, Defendant JAMES TIMOTHY TURNER then and there knew he had not made said payment.

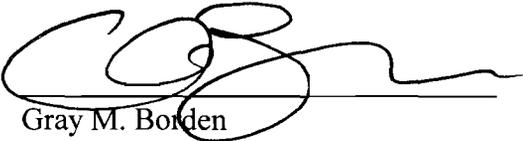
All in violation of Title 18, United States Code, Section 152(2).

A TRUE BILL:

  
\_\_\_\_\_  
Foreperson

SANDRA J. STEWART  
ACTING UNITED STATES ATTORNEY

  
\_\_\_\_\_  
Justin Gelfand  
Trial Attorney  
United States Department of Justice  
Tax Division

  
\_\_\_\_\_  
Gray M. Borden  
Assistant United States Attorney  
Middle District of Alabama