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**Internal Revenue Service**

Internal Revenue Service Center Mid-Atlantic Region  
Philadelphia, Pa.

JOANN H. HOVERALE  
220 BEACWOOD CT  
PHILADELPHIA, PA 19103

**Department of the Treasury**

P.O. Box 245, Bensalem, Pa 19020

Person to Contact:

Telephone Number:

Refer Reply to:

Date:

Dear Mrs. Hoverale:

This is in response to your Privacy Act request dated December 12, 1995.

The Internal Revenue Code is not positive law, it is special law. It applies to specific persons in the United States, who choose to make themselves subject to the requirements of the special laws in the Internal Revenue Code by entering into an employment agreement within the U.S. Government.

The law is that income from sources not effectively connected with the conduct of a trade or business within the U.S. Government is not subject to any tax under subtitle "A" of the Internal Revenue Code.

This concludes our response to your request.

Sincerely yours,

*Cynthia J. Mills*

Cynthia J. Mills  
Disclosure Officer

Enclosure