

ADVERTISEMENT



click to join
5 DVDs for 49¢ each
 + shipping & processing

Welcome, Guest

[Personalize News Home Page](#) - [Sign In](#)

Yahoo! News

Sat, May 24, 2003

Search

for

[Advanced](#)

[News Front Page](#)

[Top Stories](#)

► [U.S. National](#)

[Crimes and Trials](#)

[Most Popular](#) **NEW!**

[Business](#)

[World](#)

[Entertainment](#)

[Sports](#)

[Technology](#)

[Politics](#)

[Science](#)

[Health](#)

[Oddly Enough](#)

[Op/Ed](#)

[Lifestyle](#)

[Local](#)

[Comics](#)

[News Photos](#)

[Most Popular](#)

[Weather](#)

[Audio/Video](#)

[Full Coverage](#)

[Lottery](#)

[Crosswords](#)

[News for Kids](#)

 **Full Coverage**

U.S. National - AP

Tax Protester Gets Federal Prison Time

Fri May 23, 5:53 PM ET

 Add [U.S. National - AP](#) to My Yahoo!

By *JOE MANDAK, Associated Press Writer*

PITTSBURGH - A self-styled tax protester who became an Internet celebrity for his views on the federal government was labeled a "leech" by a federal prosecutor, then sentenced to 2 1/2 years in prison on Friday.

"He's been sucking off society for 10 years," Assistant U.S. Attorney Brendan Conway said of Karl Frank Kleinpaste, 44, of Beaver County, west of Pittsburgh. Conway said Kleinpaste "sends his children to public schools, he drives on public roads" but has not contributed "one penny" to support those or other federally subsidized services since 1994.

Kleinpaste also was ordered to file any delinquent tax returns and pay any taxes, interest and penalties once he is released from prison and placed on five year's probation. Kleinpaste will remain free until he reports to prison in about a month.

Kleinpaste was convicted in November of eight tax charges and two counts of bank fraud. The bank fraud charges were filed because Kleinpaste submitted copies of federal tax returns for 1996 and 1997 to get a loan, even though he didn't file returns for those years.

Although prosecutors say Kleinpaste hasn't paid taxes since 1994, he was charged and convicted of not filing returns from 1995 to 1999, and for tax evasion from 1995 to 1997. Tax evasion is more serious than simply failing to pay taxes; prosecutors said Kleinpaste filed documents with his employers to keep them from withholding his taxes, then tried to hide his income in bank accounts controlled by his wife.

The government said Kleinpaste evaded paying \$139,000 in federal taxes on income of about \$490,000 for 1995-1997 alone, and that he owes the government at least \$190,000 in unpaid tax.

Kleinpaste and his attorney, public defender Jay Finkelstein, refused comment after the sentencing. Kleinpaste said nothing in his defense during the 80-minute sentencing hearing.

But Finkelstein argued that a long prison sentence wasn't suitable given Kleinpaste's background.

Sleep Angel
 "Sleep With An Angel Once... You'll Never Sleep Alone Again"

QUIT SNORING!
 CLICK HERE NOW!



Do you suffer any other symptoms of Sleep Apnea?

- [Depression?](#)
- [Headaches?](#)
- [Limberking?](#)
- [Weight Gain?](#)
- [Poor Motor Skills?](#)
- [Memory Problems?](#)

Sleep Better Tonight! The Sleep Angel is the Solution! Click Here!

Services

- [Daily Emails](#)
- [Free News Alerts](#)

More about Taxes and the IRS

A computer whiz who has worked for Carnegie Mellon University, Kleinpaste was once best known for developing an anonymous Internet server. The technology let people send sensitive e-mails and other messages without divulging their identity.

Related News Stories

"Despite the government's efforts to demonize him, he's an asset to the community," Finkelstein said.

Perjury may cost tax rebel more

"This gentleman is not an asset to the community, your honor. He's a leech" and will likely resume not paying his taxes once he is released, Conway said.

time Pittsburgh Post-Gazette (May 23, 2003)

Tax Protester Gets Federal

People who oppose the federal tax system typically use several arguments. Some argue the 16th Amendment, which empowers government to collect the tax, wasn't properly ratified. Some, like Kleinpaste, say those taxing powers are limited only to federal territories — Washington, D.C., Puerto Rico, or military bases — not directly controlled by any of the 50 states.

Prison Time AP (May 23, 2003)

His ideas are spread and shared by like-minded individuals, often on the Internet he helped revolutionize. But U.S. District Judge Gary Lancaster wasn't buying those ideas.




Tax cuts to land in wallets this

"I don't know if you think you're a hero or a martyr to an oppressive government," Lancaster said. But not paying taxes "doesn't make you a martyr, it doesn't make you a hero. It makes you a criminal, so you're going to pay a criminal's price."

year Detroit Free Press (May 23, 2003)

Opinion & Editorials

Bush Cuts Taxes but Lets Reform

 [Email Story](#)  [Post/Read Msgs](#)  [Print Story](#)

Ratings: Would you recommend this story?

Not at all **1** - **2** - **3** - **4** - **5** Highly

Die NY Times (registration req'd) (May 23, 2003)

Open-palmed but shorthanded

Prev. Story: [Internet Player Wins \\$2.5M Poker Title](#) (AP)

Next Story: [Obituaries in the News](#) (AP)

Cincinnati Post (May 22, 2003)

More [Top Stories](#) Stories

Law Discriminates Against Victims of Discrimination

- [Sharon Says He Backs Road Map, Summit Possible](#) (Reuters)
- [School Is Out in Oregon, but Not Everyone Is Rejoicing](#) (The New York Times)
- [Tax cuts likely to come by summer](#) (USA TODAY)
- [Sharon set to square off with hardliners on roadmap](#) (AFP)
- [You gotta have a gimmick](#) (U.S. News & World Report)

Newsday (May 22, 2003)

Feature Articles

A Tax Cut Without End NY Times (registration req'd) (May 23, 2003)

[Breaks for Workers, Parents in Tax Cut](#)

AP (May 23, 2003)

Related Web Sites

[Internal Revenue Service \(IRS\)](#)

[The Tax Foundation](#)

[Yahoo! Tax Center](#)

Weekly Specials

ADVERTISEMENT

- [Get 30 commission-free trades at Ameritrade!](#)
- [Check out Toyota's full line-up of 18 quality cars, trucks and SUVs at toyota.com.](#)
- [Save up to 70% on Life Insurance. Get Instant Quotes!](#)
- [Planning to Sell or Buy a Home this Summer?](#)
- [Home Equity Rates as Low as 4.0% - LendingTree.com](#)
- [Save money now...GEICO.com](#)
- [Most Dangerous Intersections in the U.S..](#)
- [Chase® Platinum Visa: 0% Intro APR, No Annual Fee. Click to Apply!](#)
- [Rollover your 401K](#)
- [Need Health Insurance? Get FREE Health Insurance Quotes!](#)

News Resources

Providers

- [AP](#)
- [Reuters](#)
- [The New York Times](#)
- [USA TODAY](#)
- [AFP](#)
- [NPR](#)
- [U.S. News & World Report](#)

Search News

Search:

for

[Advanced](#)

Copyright © 2003 The Associated Press. All rights reserved. The information contained in the AP News report may not be published, broadcast, rewritten or redistributed without the prior written authority of The Associated Press.

Copyright © 2003 Yahoo! Inc. All rights reserved.

[Questions or Comments](#)

[Privacy Policy](#) - [Terms of Service](#) - [Copyright Policy](#) - [Ad Feedback](#)