

**Philadelphia Yearly Meeting
Interim Meeting
18 September 2003**

Minute # 1. Worship and Opening Exercises

The meeting settled into worship at the appointed hour of 6:00 p.m. at Arch Street Meetinghouse, Philadelphia, PA.

The clerk noted that when Philadelphia Yearly Meeting became incorporated last year, Interim Meeting was designated to function as the Board of the corporation at certain times. Tonight is one of those times. This special called session of Interim Meeting is for the purpose of considering our response to a legal action brought against Philadelphia Yearly Meeting by the U.S. Department of Justice, on behalf of the Internal Revenue Service. This meeting is in addition to the regular September Interim Meeting to be held next week on September 25. The hurricane now bearing down on Philadelphia may serve to encourage focus and discipline in our actions tonight.

The clerk introduced herself, Chris Mahon (Woodstown), and asked others at the clerk's table to introduce themselves - Chris Nicholson (Germantown), alternate clerk, and Susan White (Princeton), recording clerk.

The clerk stated that it is important that everyone sign in at the registration table tonight, both representatives and visitors. She also noted that for all representatives who have email, it is very important that Connie Blood have their email address. It is especially helpful in an emergency situation, such as when we needed to decide on whether to have this meeting due to developing weather conditions. Connie is the Yearly Meeting staff member who supports our work in Interim Meeting. Friends can send their email address to Connie at connieb@pym.org. If we did not get two email notices about having this meeting tonight from Connie, it means that she does not have our email address, and we should send it to her.

The clerk then welcomed the following new members, alternates and visitors.

New representatives were David Barclay III (Haddonfield), Vivian Carlson (Valley), Fred Carrier (Haverford), and Suzanne Day (Westfield). New alternates were: John McKinstry (Swarthmore) and Ann Yasahara (Princeton).

Guests were:

Abington Quarter: Jane Bauer (Norristown), Christine Greenland (Horsham), Joan M. Johnston (Gwynedd), Allen Reeder (Abington), and Sam T. Swansen (Gwynedd).

Bucks Quarter: Michael Barrett (Lehigh Valley) Jackie Bowers (Falls), Will Bowers (Falls), Gretchen Castle (Doylestown), Walter S. Farley (Bristol), Robin Harper (Southampton), Sean Mather (Falls), and Marge Schier (Falls).

Burlington Quarter: Marge Larrabee (Mt. Holly), Liz Smith (Cropwell), and Mitsuru Yasuhara (Princeton).

Concord Quarter: Anne Boyd (West Chester), Penelope Boyd (West Chester), and Richard Thompson (West Chester).

Haverford Quarter: Jacqueline Meile Brown (Haverford), Anne Moore (Valley), and Tom Moore (Valley).

Haddonfield Quarter: Priscilla Adams (Haddonfield), John M. Caughey (Moorestown), John P. Caughey (Moorestown), Susan Genovese (Moorestown), Bob Gray (Moorestown), Sandy Heath (Moorestown), Karen Norton (Westfield), and Warren Sawyer (Moorestown).

Philadelphia Quarter: Phil Anthony (Chestnut Hill), TylaAnn Burger (Green Street), Arthur Larrabee (Central Philadelphia), Libby Marsh (Green Street), Jason Millard (Arch Street), Rita Varley (Central Philadelphia), George Willoughby (Central Philadelphia), and Gail Woodbury (Germantown) - Meeting on Worship and Ministry.

Salem Quarter: Mario Cavallini (Mickleton) - Meeting on Worship and Ministry, Dana Houghton (Woodstown), and George Houghton (Woodstown).

Southern Quarter: Cathy Robert (Third Haven) and Norval Thompson (Third Haven).

Conscience, Militarism and War Tax Concerns Working Group: Kathryn Mariani.

Minute # 2. Response to the IRS Suit.

The clerk noted that this session is different from other business meetings we have been in, since we have met to carry out our business not only under the leadings of the Spirit, as is our usual practice, but also with the legal guidance of our attorney in these matters. She further noted that the current case is not against Priscilla Adams (Haddonfield), but is rather against us - that is, Philadelphia Yearly Meeting. Therefore a letter from Priscilla stating her position was distributed, but we will not hear from her in any formal way tonight.

The clerk reminded Friends that we have a very narrow focus in this meeting. We are not here to talk about war tax resistance, or about the Yearly Meeting policy on supporting the witness of Friends and employees, or about Priscilla's witness. We may decide to discuss those concerns at future meetings, but tonight we must decide how to answer the suit that has been brought against us. The clerk also reminded us that we all need to have our minds open and be ready to accept the leadings of the Spirit, wherever that takes us tonight.

We have received a number of Minutes from Monthly and Quarterly Meetings, and communications from both Baltimore Yearly Meeting and New York Yearly Meeting. These support our work tonight, and state that many Friends in diverse locations are now holding us in the Light as we approach the issues we will address. A letter from Linda Chidsey, clerk of New York Yearly Meeting was read. It said in part, "May your meeting be deep, covered, and imbued with the Spirit", and concluded with advice from Romans 12:12: "Rejoice in your hope, be patient in tribulation, be constant in prayer".

Minute # 3. Background

Thom Jeavons, General Secretary of our Yearly Meeting, presented the view that this highly complex case is really about our relationship with the world and with our government. He quoted from Edward Burroughs, one of the leaders of early Quakerism, who observed that we need to obey legal and state authority in all matters, both actively and passively, but also to resist when anything is commanded of us "which is not according to equity, justice and a good conscience towards God." Thom noted that tonight we are seeking to find a way to acknowledge the legitimate authority and functions of our government, and to support those. But it is also important that we claim for our religious community and its members the right not to be forced by law to do things which we understand to be contrary to God's will and intentions for us.

Thom then introduced Peter Goldberger. A 1971 graduate of Haverford College, Peter has been our attorney in these matters for the last fifteen years. He also has represented other religious bodies, including certain Mennonites, in matters of conscience.

Peter reminded Friends of Interim Meeting that this is a civil case and not a criminal case. The government is not trying to send anyone to jail, or to punish anyone. The case is from the civil side of the law. The Department of Justice is acting as a debt collector. They view the suit as something ordinary and simple. We view it as something complex and difficult.

The suit is about a policy which has its roots in one adopted by Philadelphia Yearly Meeting in 1975, following many years of recording support for Friends "who in good conscience are called to refuse to pay taxes for war" (Yearly Meeting Minutes, 1968). The policy stated: "Philadelphia Yearly Meeting should refuse to honor a levy or to pay over the money voluntarily, setting forth our belief that it is wrong to force an employee to violate his/her conscience." In 1988, the current policy for employee war tax resistance was approved. This policy outlines detailed procedures which we follow to honor the conscience of our employees who have scruples against voluntarily paying taxes which may be used for war. The policy is complex because it creates a process we follow so that Philadelphia Yearly Meeting can comply with the law as closely as possible without violating our own religious precepts or those of our employees in matters of conscience. The policy states that Interim Meeting will be the body to respond to any suit brought against Philadelphia Yearly Meeting in these matters.

Acting in compliance with this policy, Philadelphia Yearly Meeting has refused, by formal decisions in 1995 and again in May of 2001 to honor an IRS request to garnish Priscilla Adams' wages to collect the taxes they say that she owes for the period 1986-1996. The suit they have brought now asks the court to force us to pay those funds and a 50% penalty for having refused previously.

Peter reminded us again that our policy is not a policy of war tax resistance. Instead, it is a policy of corporate support for individual Friends or employees who have been through a clearness process for a leading which arises from historic Friends testimonies. Philadelphia Yearly Meeting is not a tax resister. While we are exempt from income taxes, we pay other taxes such as the excise taxes on telephone bills.

The present situation arises from the Internal Revenue Service asking Philadelphia Yearly Meeting to withhold a certain amount from Priscilla's wages. We do this, but rather than paying the funds over to the IRS we deposit them into a bank account, in accordance with our policy. Several times a year the IRS goes into that account and takes those monies. The problem has arisen because they have not told us to withhold enough money. Priscilla has not asked us to withhold any more or less than the IRS demands.

Peter suggested that we may wish to choose among four possible actions in response to this suit:

1. Decide that this witness has been taken as far as it ought to go, and pay "under protest" the amount due under the tax law, or a negotiated amount.
2. Take no further action on the suit.
3. Inform the court in a formal Answer that we have no defense or other response to make to the suit.

4. File an Answer to the Complaint asserting a defense to levy compliance by invoking the Religious Freedom Restoration Act, a 1994 statute which says that federal agencies must allow any reasonable accommodation that they can of sincere religious exercise which prevents compliance with any obligation arising from federal law.

He stressed we might choose any one of these four courses, that he is not recommending one of these choices over another, and that with any response we made that we could also include strong statements about our views.

Minute # 4. Discussion

The clerk then asked Friends for questions and points needing clarification about the suit. Friends brought forward the following:

Why is the IRS doing this?

The IRS wants Philadelphia Yearly Meeting, like any other employer, to collect for them from an employee, who in this instance is a war tax resister.

Why are they suing us? Why don't they just take the money?

Government can only collect delinquent taxes directly from the delinquent taxpayer; they need a court order to take the tax from a third party like us.

Why will a judge hear this? Couldn't there be a jury trial?

No, in a lawsuit with the government, we do not have a right to a jury trial unless granted by Congress, which for cases such as this has not happened.

Would we be able to bring in other groups on our behalf? Oftentimes we are amazed at the energy that can be collected when we turn to both Friends and other religious groups.

Yes, other witness could support us in this suit.

Can we appeal a decision which is made against us?

Yes, either side can appeal.

Can we do anything about this being a matter of religious conscience?

Peter is emphasizing this aspect in all responses he makes on our behalf. Any one of the four options could include statements about religious conscience.

What defense do we have?

Both the First Amendment and the Religious Freedom Restoration Act can be argued to offer us protection under the law.

Is there a chance that a fine would be more punitive than the \$21,000 stated?

No. The IRS has already asked for the maximum penalty allowed under the tax laws.

Is one or another of the four options likely to include or not include the penalty?

No. Any could.

Are all four options legal?

Yes.

A Friend offered that we aren't fighting good government. We want to be a part of good government.

A Friend asked, How dare our government to try to force us to go against our religious conscience?

We are neither an accounting firm nor a law firm. We are instead a church. Some formal response should be undertaken in that regard.

Several Friends then stood in turn and spoke in favor of one or more of the four options. Some Friends spoke of the monetary costs of various options in a time of fiscal restraint in the Yearly Meeting.

A Friend offered that if this was about money, it would be a bad way to spend money, but it is not essentially about money.

A Friend suggested that we are weighing our peace testimony against fiscal costs. How can we count the cost of peace as too high?

A Friend asked, when we are making a decision such as this, do we worship money or worship God? If we are more concerned about losing money than supporting our conscience, then what are we worshipping?

Another Friend suggested that we should make our decision as we are led by God, and not based on our chances of winning.

A Friend offered that Option 3, coupled with a non-legal statement of the pertinent principles from our faith, is most consistent with early Friends' responses to court actions against them.

Another Friend suggested that we might respond to the IRS claim for enforcement of the levy alone with a non-legalistic statement of faith, while still vigorously resisting the penalty.

A Friend offered that two traditional bases for Quaker action could be considered in this matter. One is having a sense that a Way is Opening, and the other that a Way is Clear. Tonight we will seek together to find a Way that Opens to best serve our leadings in this matter. But we cannot know tonight that what we choose will be a Way that will be Clear to have our religious conscience protected under the law.

The question we are considering is whether we wish to stand in our witness so far as we have come, or to take that witness a step further.

The clerk asked Friends to settle into worship and consider whether we were ready to come to unity on a response.

During the silence, a Friend offered up that Moses walking along a path saw evidence of the close presence of the Divine in a bush burning nearby, and yet not being consumed. Friends can turn in our minds to such a strong sense of the divine, and know God's will for us, not diminished even by fire.

Another Friend stated that she is under the weight of what the world is now. We know truly that we as a people are called to be. She believes that we need to go to our Source - go and find our way in profound and faithful worship.

A Friend spoke of the concept of continuing revelation among us. Each day is a new day. In good faith we can again apply for redress to a new government. This is a time when civil liberties are of special interest in the world, and perhaps it can be a time of continuing revelation for the whole human race.

Another Friend offered that the Spirit asks us to speak our testimony to the whole world, to go to court, and show who we are, and this is what we are about.

A Friend who is not a member of Interim Meeting offered that he had been a member of his local government for some twenty years, and a good citizen of this country all of his life. He could only see following the course of Option 1.

A Friend who has several attorneys in her family offered that she does not see why we need to engage in legal action of any kind. Our society is too litigious. But she stood aside so as not to stand in the way of legal action since other Friends felt that was truly what we are being led to do.

Minute # 5. Actions

Friends who were members of Interim Meeting, in accord with the stated policy of our Yearly Meeting in such matters, then found unity and approved adopting Option Four as a course of action for Philadelphia Yearly Meeting in response to the suit brought against us in the matter of taxes which the IRS believes are owed by Priscilla Adams. This option as clarified during the meeting states that we will:

file an Answer to the Complaint asserting a defense to levy compliance by invoking the Religious Freedom Restoration Act, a 1994 statute which says that federal agencies must allow any reasonable accommodation that they can of sincere religious exercise which prevents compliance with any obligation arising from federal law, and all other defenses available to us under the law. In addition, we will clearly state, in non-legal terms, our religious objection to the government's action against us.

Friends further approved authorizing Gretchen Castle, clerk of the Philadelphia Yearly Meeting, Chris Mahon, clerk of Interim Meeting, and Thom Jeavons, General Secretary of Philadelphia Yearly Meeting to work with Peter on our behalf, to ensure that all our court papers clearly reflect not only our legal position, but also the religious bases of our witness in this matter.

Minute # 6. Announcements and Adjournment

A Friend rose to take notice of the lengthy and effective preparation made for the Meeting tonight by many, especially our attorney in these matters, Peter Goldberger, and our General Secretary Thom Jeavons. Other Friends concurred in recognizing this work.

Dates set for Interim Meeting in 2003 are September 25, October 23, and December 4; in 2004, January 22, February 26, April 22, May 27(if needed), and June 24. There will be a Called

Session of Yearly Meeting on October 11 to hear the report of the Structure Evaluation Working Group.

Friends settled into worship. In the silence of closing worship, a Friend offered that there can be a hard-eyed pragmatic reason for the course that we have adopted tonight. There is a great people waiting to be gathered, a great number of people in a troubled time. We can provide a light in a dark and violent world.

The meeting then rose at 9 p.m. to find that the storm which had raged around the Meetinghouse during the meeting had abated. We shall meet again, God willing, on 25 September 2003.

Chris Mahon, clerk

Susan White, recording clerk