



The Keystone Chronicle



Cheyenne Chapter GPAA
P.O. Box 234
Cheyenne, WY 82003
www.cheyenneGPAA.com

July 29, 2010

UPCOMING EVENTS

Club Meeting: 3 Aug.
Location: American Legion
Post 6

Club Meeting: 7 Sep.
Location: American Legion
Post 6

October 23 – Ghost of the
West at the Old West Museum

Websites of Interest

BLM online mining claims:
geocommunicator.gov

U.S. Forest Service, Medicine
Bow: **fs.fed.us/r2/mbr**

Denver Museum of Nature &
Science: **dmns.org**

Wyoming State Geological
Survey: **wsgs.uwyo.edu**

Legends of America:
legendsofamerica.com

Wyoming Tales & Trails:
wyomingtalesandtrails.com

Public Lands for the People:
www.plp2.org

Cheyenne GPAA website:
www.cheyennegpaa.com

GPAA website:
www.goldprospectors.org

July Minutes

Ken Siders called the meeting to order at 4:30pm. All club officers and Board Members: Mark Bolenbaugh, Peter Somontes, Eldie VanKirk, and George Stumpf were in attendance. Ken had Don Ashley give the treasurers report. The minutes of the June meeting were not read but approved. A letter from the Old West Museum was read, thanking everyone that had participated in the Cowboy Kids event on June 12, 2010. Ken asked the members if they could remember who had won the sports knife or the water ball at the last meeting, that the names were not readable. The water ball had been won by David Thompson but no one could remember or identify the signature of the person who won the sports knife.

There were a total of 57 in attendance. The 13 Visitors/Guests were introduced and welcomed. They were Brian and Sue Graves; Randy Cassito; Mr. Raver; John and Cheryl Behmlander; Kent Greenman; Jeff Faldowski; Bill Richardson; Dan Allison; Andy Wise; and John and Barb Bryant. Ken Siders read a commemoration and tribute to Dennis Rennison. Dennis was a good friend and mentor to many of us in the Cheyenne Chapter. As a long time member he was always willing and able to assist new and old members at any time. He demonstrated many of the procedures of prospecting to those of us in need. Dennis will always be remembered as a good friend. His milk can dinners at the annual outing will definitely be missed but, like Dennis, not forgotten. Ken gave a personal remembrance, followed by a remembrance from Bob Morrison. After a minute of silence, Merilee stood and told of her father and how the club was his second family, maybe really his first, but she and Thea were thankful for the clubs support before and now. Other members were given an opportunity to relate their personal memories of Dennis.

Ken started the "Ideas for Camping & Mining Booklet". *See last page*
Bob Morrison asked for a vote of members to support him in challenging the 21 day stay rule. He claims the letter of intent puts his stay under the mining rules. Two years ago he was told that the Forest Service wanted the miners off the forest land – even though the mining law stated the miner was to be able to stay at the claim site and to have access to claim.

(continued next page)

Raffle Winners

Member Annual attendance

1.3 gram Gold Nugget - Jessie Parker
Print – Merilee Renison
1 ounce Silver Bar – Peggy Stumpf
Print – Steve Frantz
1 ounce Silver Bar – Mark Bolenbaugh

Monthly Raffle

Santa – Dixie Bruce
Barbeque – Dixie Bruce
Gold Nugget – Cheryl Behmlander
Gold Grabber – Jessie Parker
Black N Decker Drill – Mike Shepherd
Gold Nugget – Don Ashley
Tie Tack – Jerry Bruce
Sports Knife – Andy Wise
Gold Grabber – Mary Bolenbaugh
Blue Pan – Jeff Faldowski
50/50 – total was \$215.00 and Dillon took home \$107.00

Name Tag

Metal Aerial Pan – Kenny Hubbard
Black Pan – Ken Siders
Black Pan – Jeb Parker

CLUB OFFICERS

President: Ken Siders

Phone: 307-514-0033

Vice President: Ken Wilcox

Phone: 307-322-3126

Treasurer: Don Ashley

Phone: 307-220-8751

Secretary: Denise Hubbard

Phone: 307-631-5453

Board Members: Peter Somontes

Phone: 307-529-0266

George Stumpf

Phone: 307-632-9945

Claims Director: Mark Bolenbaugh

Phone: 307-638-7152

Store: George & Peggy Stumpf

Phone: 307-632-9945

Newsletter: Peter Somontes

Email: psomontes@Yahoo.com

Prizes/Raffles: Eldeana Van Kirk

Phone: 307-421-7398

Activity Chairman: VACANT

(continued from first page)

The person he spoke to stated that first the miners then it would be four times as easy to get the other users of the forest out (snowmobilers, skiers, hikers, etc.). He sourced a case that the Forest Service lost which was the Retz case. The mining rules stated 365 days a year. 90% don't stay over 21 days. He wanted to know if the club would like to support this. Wants to fight it but this would be costly. Ken Siders said he had spoken to the PLP. The PLP says that the Forest Service can't do 21 day enforcement. The mining Law is a totally different group than campers. Referred to US vs. Lexy case. Ken said that the PLP suggested finding a lawyer that would work on gratis basis, that being the least expensive way. Once cited then miner would go through court system. The members had a good show for helping, but not using club money, an individual could donate to a fund. A suggestion was that the club match the fund. No further discussion was made on this. The members suggest that if possible see if the PLP had an attorney in this area that they could recommend. The present camping rule is that after 21 days in the forest in a non developed site that miner would leave for three consecutive days. Ken Siders suggested that after the meeting those interested, should get together and take this further on an individual basis.

Ken Siders then presented a "Presidential Honor" to Don Ashley, the treasurer, for all the work he does for the club. He was presented a one ounce eagle heart prospector. Pete Somontes, a board member, was also honored for making sure the tent was at the summer outings and for overseeing the set up. This has made a place for members to get out of the sun and be protected from the rains. He was presented a one ounce silver buffalo ingot.

A collection was taken for the PLP was taken.

With no further business, the meeting was adjourned. Tickets were drawn for the member annual attendance; 50/50; raffles; and name tags. End

CLUB STORE

Classifiers #20	\$23.00
Classifiers #4	\$23.00
Classifiers #1/2	\$10.00
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1 1/4" gem jars w/tray	\$10.00
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1 1/4" gem jars	\$ 0.75
1 oz plastic vials	\$ 0.50
1 oz glass vials	\$ 0.40
1/2 oz plastic vials	\$ 0.50
1/2 oz glass vials	\$ 0.40
Colorado Gold Concentrates	\$ 7.00
Gold & Quartz Concentrates	\$11.00
Mesh Baseball Caps	\$ 7.50
Clay Gone	\$10.00
Coffee Mug	\$ 5.00
Crevice Tool	\$10.00
Small Funnel	\$ 1.00
Gold Concentrates	\$10.00
Chuck's Gold Trapper	\$75.00
GPAA Donkey	\$10.00
Magnets	\$11.00
Tom & Perry Mini Sluice	\$20.00
14" Green Pans	\$10.00
Picks	\$ 1.00
Scoops	\$ 7.00
Single plastic loupe	\$ 2.00
Snuffer Bottle	\$ 3.00
Snuffer/vial/Tweezers	\$ 8.00
Suction Tweezers	\$ 0.25
T-Shirt (adult)	\$12.00
T-Shirt (kids)	\$10.50
Tweezers	\$ 5.00

Ideas for Camping & Mining Booklet

This series is for those new members just learning how to recover gold. These tips and tricks are used by most of the experienced members and are passed on to assist you. Some of the tips will help you recover more of the fine gold so prevalent in Wyoming, some are aimed at keeping you healthy while out in the backcountry (The National Outdoor Leadership School, NOLS, defines backcountry as being 1 or more hours away from major medical care).

1. From Ken Siders: Ken uses a chain fish stringer to keep bottles of water in the stream. The stream keeps the bottles cool and the chain keeps them from washing downstream.
2. From Don Ashley gave a couple of ideas; one was that you could use a vehicle windshield wiper arm to clear a dredge nozzle plug up. The other was to use a bilge pump and a clean water bucket to refill your trailers & campers with water. Pour your water into the clean bucket and pump it into your water tank.
3. From Pete Somontes: Keep all your black sands. Some members use old paint pails but I've found that using a container with a screw top works best. Ziplock puts out some screw top plastic containers of various sizes that work great and don't cost an arm and a leg.

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To have your ad placed here Email Peter Somontes

at psonomtes@Yahoo.com or see me at the meeting.

ad will also be on the Chapter website.

On 1099-Tax Reporting Requirements For Half Ounce Gold Transactions

By Tyler Durden Created 07/21/2010 - 12:05

A week ago we [published a guest post](#) [1] from David Galland of Casey's Daily Dispatch in which Galland presented his view on what the consequences of the upcoming introduction of a 1099-filing requirement for gold transactions over \$600 would be. "Can't a person just keep their gold purchases under \$600? With the price of gold heading higher, that will increasingly require buying smaller-denomination bullion coins – which typically carry a higher premium. More importantly, a large body of case law gives the government license to charge people for "structuring" – i.e., taking active measures to get around a particular law. Thus, two \$500 gold purchases could be construed as active evasion and carry additional penalties." The topic is suddenly red hot once again, this time with ABC finally [getting on the bandwagon](#) [2]. Starting Jan. 1, 2012, Form 1099s will become a means of reporting to the Internal Revenue Service the purchases of all goods and services by small businesses and self-employed people that exceed \$600 during a calendar year. Precious metals such as coins and bullion fall into this category and coin dealers have been among those most rankled by the change.

This provision, intended to mine what the IRS deems a vast reservoir of uncollected income tax, was included in the health care legislation ostensibly as a way to pay for it. The tax code tweak is expected to raise \$17 billion over the next 10 years, according to the Joint Committee on Taxation.

Pat Heller, who owns Liberty Coin Service in Lansing, Mich., deals with around 1,000 customers every week. Many are individuals looking to protect wealth in an uncertain economy, he said, while others are dealers like him.

With spot market prices for gold at nearly \$1,200 an ounce, Heller estimates that he'll be filling out between 10,000 and 20,000 tax forms per year after the new law takes effect.

"I'll have to hire two full-time people just to track all this stuff, which cuts into my profitability," he said.

An issue that combines gold coins, the Obama health care law and the IRS is bound to stir passions. Indeed, trading in gold coins and bars has surged since the financial crisis unfolded and Obama took office, metal dealers said.

The sudden interest into gold tax reporting requirement is occurring as gold selling companies are increasingly being put under a regulatory microscope:

The recently revealed investigation by California authorities into consumer complaints against Goldline International, which has used Beck as a pitchman, and Superior Gold Group (which has not) has put a spotlight on what one liberal leaning politician, Rep. Anthony Weiner, D-N.Y., calls the "unholy alliance" between gold coin sellers, such as Goldline, and conservative talk personalities, such as Beck.

Beck, who through his spokesman, Matt Hiltzik, declined to comment for this story, and Goldline marketers portray gold coins as a better alternative to owning bullion in the event that the U.S. government ever decides, as it did under FDR in 1933, to make it illegal for private citizens to own physical gold. At that time, the U.S. dollar was still pegged to the price of gold; the gold standard was abandoned during the Nixon administration.

Several legal responses have already been drafted in opposition to the proposed "healthcare" law:

Rep. Daniel Lungren, R-Calif., has introduced legislation to repeal the section of the health care bill that would trigger the new tax reporting requirement because he says it's a burden on small businesses.

"Large corporations have whole divisions to handle such transaction paperwork but for a small business, which doesn't have the manpower, this is yet another brick on their back," Lungren said in a statement e-mailed to ABCNews.com. "Everyone agrees that small businesses are job creators and the engine which drives the American economy. I am dumfounded that this Administration is doing all it can to make it more difficult for businesses to succeed rather than doing all it can to help them grow."

Yet while the escalating surveillance over the gold market can not infuse one with confidence that gold transactions will not be increasingly regulated in the future, as David Galland pointed out last week, the implications are more substantial than just in regulating the gold market:

The implications of this move transcend just the precious metals. Rather, this is a deliberate step in the direction of implementing a VAT – once the government has everyone reporting essentially every transaction, taking the next step is a snap..

And for those that may have missed it, here is David's previous conclusion:

I hold out little hope that any of these attempts at repeal will succeed. The Democrats know this is their Maginot Line. If Obamacare unwinds, then their already dismal chances of holding power after the November elections become dark, indeed. Further, the latest polls show that the health care legislation is gaining popularity and is now approaching a majority. As time passes and November approaches, I think the legislation's popularity will grow as more and more people decide they want something approaching "free" medical, a want that becomes ever more acute as the economy struggles and unemployment continues to rise. In other words, deep political trenches are being dug on the battlefield of nationalized health care – and the Democrats hold the political high ground, making a retreat unlikely.

Back on the specific issue of setting the stage for a VAT, even politicians on the Republican side of the aisle are talking about the need for a national sales tax. Get ready for it, it's coming.

Meanwhile, if you are a physical-gold investor in these United States and would like to prepare... a few thoughts:

1. Use dips in the gold price to top off your portfolio before the 2012 implementation date.
2. Document your purchases so that, should you ever be dragged in to explain the source of funds you used to buy your gold in a subsequent sale, once the regulation is in place, you have a ready answer.
3. Consider opening a safe deposit box at a reputable Canadian bank, then make occasional gold buying/storage trips up north. I suspect that the availability of Canadian safe deposit boxes will become scarce well before 2012 rolls around.