

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

UNITED STATES OF AMERICA,	:	CIVIL ACTION
	:	
Plaintiff,	:	
	:	
v.	:	
	:	
FRIDAY JAMES,	:	NO. 11-913
d/b/a FRIKA TAX SERVICES,	:	
	:	
Defendant.	:	

ORDER

Before the Court is the United States' Application for a Temporary Restraining Order (Docket No. 3) seeking preliminary injunctive relief against Friday O. James as an individual and doing business as Frika Tax Services. Following an evidentiary hearing on the Government's Motion, the Court finds that Mr. James is an income tax return preparer for purposes of Section 7407(b)(1) of the Internal Revenue Code ("IRC") and that Mr. James has negligently or willfully understated tax liability on many of the federal income tax returns he prepared for his clients, which is conduct subject to penalty under Sections 6694(a),(b) and 6701(a) of the IRC. The Court further determines that temporary injunctive relief under Sections 7407 and 7408 of the IRC is appropriate at this time to prevent Mr. James from further engaging in such conduct, and that the conditions of the preliminary injunction set forth in this Order are appropriate pursuant to the Court's equitable powers.

AND NOW, this 12th day of April 2011, based on the foregoing and the record in this case, it is hereby ORDERED the Government's Motion is GRANTED as set forth herein. Accordingly, it is ORDERED that Friday James, individually and doing business as Frika Tax

Services, and his agents, servants, employees, and those persons in active concert or participation with them who receive actual notice of this Order, are restrained and preliminarily enjoined from:

1. preparing federal tax returns, amended federal tax returns, or claims for refund claiming first-time homebuyer credits;
2. preparing federal tax returns, amended federal tax returns, or claims for refund claiming Schedule C expenses or attaching IRS Forms Schedule C.
3. preparing federal tax returns, amended federal tax returns, or claims for refund claiming Schedule A job expenses and certain miscellaneous deductions and other miscellaneous deductions, set forth on Schedule A lines 21 through 28.
4. preparing federal tax returns, amended federal tax returns, or claims for refund with IRS Forms 2106; and
5. misrepresenting any of the terms of this preliminary injunction.

It is FURTHER ORDERED that Mr. James shall at his own expense deliver by hand, or send by e-mail address, if known and operational, or otherwise by United States mail, a copy of this injunction Order within fourteen (14) days of the entry of this Order to all persons and entities for whom he has prepared any federal income tax returns, amended returns, refund claim, or other federal tax-related documents through Frika Tax Services or otherwise. Mr. James shall include in the delivery of the Order a cover letter using the exact language set forth in Exhibit 1 attached to this Order. Mr. James shall file a certificate of his compliance, signed under penalty of perjury, with the Court within twenty-one (21) days of the entry of this Order, including a listing of all recipients. If any such clients requests to receive a copy of the Court's Memorandum opinion, dated April 12, 2011, concerning this matter, Mr. James shall at his own

expense provide a copy to such client.

It is FURTHER ORDERED that Mr. James shall provide a copy of this injunction Order to all persons and entities for whom he prepares any federal tax returns, amended returns, refund claim, or other federal tax-related documents subsequent to the date of entry of this Order. Mr. James shall physically meet in person with and review and explain all items on the federal tax returns, amended returns, refund claim, or other federal tax-related documents with the client(s) before the documents are filed with the IRS.

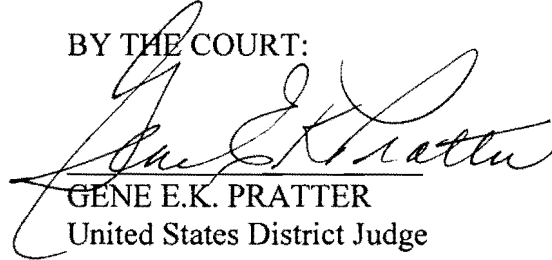
It is FURTHER ORDERED that subsequent to the date of entry of this Order Mr. James shall advise his clients and clients of Frika Tax Services that they may need to seek alternative advice and services concerning tax matters and/or tax preparation if such client(s) appear reasonably entitled to claim in their federal tax returns or amended federal tax returns a first-time homebuyer credit, Schedule C expenses, or Schedule A job expenses and certain miscellaneous deductions and other miscellaneous deductions, set forth on Schedule A lines 21 through 28.

It is FURTHER ORDERED that Mr. James shall provide a copy of this Order to all of Mr. James's agents, servants, and employees, including any person employed by or providing services on the behalf of Frika Tax Services, within seven (7) days of the entry of this Order. Mr. James shall file with the Court within twenty-one (21) days of the entry of this Order an acknowledgment of receipt of this Order signed and dated by Mr. James and by each person to whom Mr. James provided a copy of this Order in compliance with this paragraph.

If Mr. James violates any of the provisions of this preliminary injunction, he may be subject, following a hearing, to civil and criminal sanctions, including incarceration, for contempt of court.

Because Mr. James received notice of the Government's motion for a temporary restraining order and an opportunity to be heard, this temporary restraining order shall be treated as a preliminary injunction for purposes of Fed. R. Civ. P. 65 and shall remain in effect until further order of the Court.

BY THE COURT:



GENE E.K. PRATTER
United States District Judge

EXHIBIT 1

[Frika Tax Services Letterhead]

_____, 2011

[Customer Name]

[Address]

[City, State Zip Code]

RE: United States v. Friday James

Case No. 2:11-cv-00913-GP (USDC E.D. Pa.)

Dear Mr., Mrs., or Ms. _____:

The United States filed a complaint in federal court against me, doing business as Frika Tax Services, asserting that I have continually and repeatedly prepared returns with false items, including false first-time homebuyer credits, false Schedule C expenses, and false Schedule A unreimbursed employee expenses, among other items. I deny that I have prepared any returns with false items.

Attached is a copy of a preliminary injunction order recently entered by the federal court concerning the United States's claims against me in this case. You already may have heard from a representative of the United States about this. Please review any returns prepared by me, or with my signature as the preparer. If you have any questions regarding any items claimed on your federal income tax return or amended return, please contact me or another tax professional of your choice right away.

If you wish to receive a copy of the Court's Memorandum opinion, dated April 12, 2011, concerning this matter, I will provide a copy to you upon your request as my cost.

Very truly yours,

Friday O. James
Frika Tax Services