

FILED

APR 19 2011

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF TEXAS
SAN ANTONIO DIVISION

CLERK, U.S. DISTRICT COURT
WESTERN DISTRICT OF TEXAS
BY _____ DEPUTY CLERK

UNITED STATES OF AMERICA)	
)	
Plaintiff,)	
)	
v.)	Civil Action No. 5:11-cv-299-FB
)	
EDDIE MADRIGAL, and)	
MADRIGAL TAX EXPRESS, INC.,)	
)	
Defendants.)	

STIPULATED ORDER OF PERMANENT INJUNCTION

Plaintiff, the United States of America, and defendants, Eddie Madrigal and Madrigal Tax Express, Inc., stipulate as follows:

1. The United States filed a complaint alleging that defendants, Eddie Madrigal and Madrigal Tax Express, Inc. ("Defendants"), prepared tax returns which understated their customers' tax liabilities by including, *inter alia*, claiming personal deductions as business expenses, false and exaggerated business deductions, false earned income tax credits, and improper miscellaneous itemized deductions to which his customers are not entitled.
 2. Defendants admit that this Court has jurisdiction over them and over the subject matter of this action.
 3. Defendants waive the entry of findings of fact and conclusions of law under Federal Rule of Civil Procedure 52 and 26 U.S.C. §§ 7402, 7407 and 7408.
 4. Defendants enter into this Stipulated Order of Permanent Injunction voluntarily.
- However, Defendants are not admitting the allegations contained in the complaint filed by the

United States.

5. Defendants waive any right they may have to appeal from the Stipulated Order of Permanent Injunction.

6. Defendants acknowledge that entry of this Stipulated Order of Permanent Injunction neither precludes liability (e.g. the assessment of taxes, interest, or penalties) against them for asserted violations of the Internal Revenue Code, nor precludes defendants from contesting any such liability.

7. Defendants consent to the entry of this Stipulated Order of Permanent Injunction without further notice and agree that this Court shall retain jurisdiction over them for the purpose of implementing and enforcing this Stipulated Order of Permanent Injunction. Defendants further understand that if they violate this Stipulated Order of Permanent Injunction, they may be found to be in contempt of court and may be sanctioned for that.

WHEREFORE, the Court hereby FINDS, ORDERS, and DECREES:

- A. The Court has jurisdiction over this action under 28 U.S.C. §§ 1340 and 1345 and under 26 U.S.C. §§ 7402, 7407 and 7408.
- B. Defendants consent to the entry of this injunction and agree to be bound by its terms.
- C. Eddie Madrigal, in his own capacity and doing business under any other name, including defendant Madrigal Tax Express, Inc., or using any other entity, and all persons in active concert or participation with him, are permanently enjoined under 26 U.S.C. §§ 7402, 7407 and 7408 from, directly or indirectly:
 - i. Acting as federal tax return preparers by preparing or filing, or assisting in the preparation or filing of any federal tax returns for any other person or

entity, either individually or through an entity, inclusive of Madrigal Tax Express, Inc., Tax Cash Express, Eddie Madrigal, and Madrigal Tax Express Electronic Tax Services, LLC;

- ii. Assisting or advising anyone in connection with any tax matter;
- iii. Having an ownership interest in or working for (either as an employee or independent contractor) any entity that prepares tax returns or represents clients before the Internal Revenue Service;
- iv. Organizing or selling plans, or arrangements that advise or encourage taxpayers to attempt to evade the assessment or collection of their correct federal tax;
- v. Engaging in any other activity subject to penalty under I.R.C. §§ 6694, 6695, 6700, or 6701;
- vi. Engaging in conduct that substantially interferes with the proper administration and enforcement of the internal revenue laws and from promoting any false tax scheme; and
- vii. Representing anyone before the IRS.

D. IT IS FURTHER ORDERED that the Court shall retain jurisdiction to enforce this injunction and the United States is permitted to engage in post-judgment discovery in accordance with the Federal Rules of Civil Procedure to ensure compliance with this permanent injunction.

E. IT IS FURTHER ORDERED that this case is CLOSED.

It is so ORDERED.

SIGNED this 19th day of April, 2011.



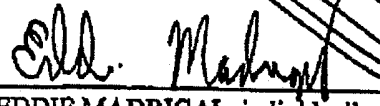
FRED BIERY
CHIEF UNITED STATES DISTRICT JUDGE


AGREED IN SUBSTANCE AND FORM BY:

JOHN E. MURPHY
United States Attorney

/s/ Moha P. Yepuri

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EDDIE MADRIGAL, individually,


EDDIE MADRIGAL,
as President of
Defendant Madrigal Tax Express, Inc.

ATTORNEYS FOR THE UNITED STATES