ORIGINAL

U S DISTRICT COURT
NORTHERN DISTRICT OF TEXAS
FILED
NOV 1 2 2004
CLERK, U.S. DISTRICT COURT
BY _____
DEPUTY

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION

UNITED STATES OF AMERICA,	)	
	)	
Plaintiff,	)	
	)	Civil Case No. 4:04-cv-00312
v.	)	Judge Means
	)	
MARLENE MITCHELL;	)	
TIMOTHY MITCHELL; and	)	
PREMIER TRUST SOLUTIONS, a	)	
purported trust,	)	
Defendants.	)	

FINAL JUDGMENT OF PERMANENT INJUNCTION AGAINST
MARLENE MITCHELL AND PREMIER TRUST SOLUTIONS

Plaintiff, United States of America, has filed a Complaint for Permanent Injunction and Other Relief in this matter against the defendants Marlene Mitchell, Timothy Mitchell and Premier Trust Solutions.

Marlene Mitchell does not admit the allegations in the Complaint, except admits that the Court has jurisdiction over her and over the subject matter of this action.

Premier Trust Solutions does not admit the allegations in the Complaint, except admits that the Court has jurisdiction over it and over the subject matter of this action.

Marlene Mitchell waives the entry of findings of fact and conclusions of law under Rule 52 of the Federal Rules of Civil Procedure and 26 U.S.C. § 7408.

Premier Trust Solutions waives the entry of findings of fact and conclusions of law under Rule 52 of the Federal Rules of Civil Procedure and 26 U.S.C. § 7408.

Marlene Mitchell consents to entry of this Final Judgment of Permanent Injunction without admitting that grounds exist for imposition of an injunction.

Premier Trust Solutions consents to entry of this Final Judgment of Permanent Injunction

without admitting that grounds exist for imposition of an injunction.

Marlene Mitchell enters into this Final Judgment of Permanent Injunction voluntarily, and waives any right she may have to appeal from the Final Judgment of Permanent Injunction.

Premier Trust Solutions enters into this Final Judgment of Permanent Injunction voluntarily, and waives any right she may have to appeal from the Final Judgment of Permanent Injunction.

Marlene Mitchell consents to entry of this Final Judgment of Permanent Injunction without further notice, and agrees that this Court shall retain jurisdiction over her for the purpose of implementing and enforcing this Final Judgment of Permanent Injunction.

Premier Trust Solutions consents to entry of this Final Judgment of Permanent Injunction without further notice, and agrees that this Court shall retain jurisdiction over it for the purpose of implementing and enforcing this Final Judgment of Permanent Injunction.

NOW, THEREFORE, it is accordingly ORDERED, ADJUDGED AND DECREED that:

1. The Court has jurisdiction over this action pursuant to §§ 1340 and 1345 of Title 28 of the United States Code, and §§ 7402 and 7408 of the Internal Revenue Code of 1986, as amended (26 U.S.C.) (the "Code").

2. The Court finds that organizing, promoting, or selling an abusive trust tax program designed to help persons evade federal taxes is conduct subject to penalty under Code §§ 6700 and 6701.

3. The Court finds that Marlene Mitchell has not admitted the United States' allegations that she has engaged in conduct that is subject to penalty under §§ 6700 and 6701 of the Code and that interferes with the enforcement of the internal revenue laws.

4. The Court finds that Premier Trust Solutions has not admitted the United States' allegations that it has engaged in conduct that is subject to penalty under §§ 6700 and 6701 of the Code and that interferes with the enforcement of the internal revenue laws.

5. The Court finds that Marlene Mitchell has consented to the entry of judgment for injunctive relief pursuant to Code §§ 7402 and 7408 to prevent her from engaging in conduct subject to penalty under §§ 6700 and 6701 of the Code, including organizing, promoting or selling abusive trust tax programs.

6. The Court finds that Premier Trust Solutions has consented to the entry of judgment for injunctive relief pursuant to Code §§ 7402 and 7408 to prevent it from engaging in conduct subject to penalty under §§ 6700 and 6701 of the Code, including organizing, promoting or selling abusive trust tax programs.

7. It is further ORDERED, ADJUDGED AND DECREED that Marlene Mitchell and Premier Trust Solutions, individually and doing business as or through any other entity, and anyone acting in concert with either or both of them, is permanently enjoined and restrained from, directly or indirectly, by the use of any means or instrumentalities:

(a) Organizing, promoting, marketing, or selling any tax shelter, plan or arrangement that advises, encourages or assists taxpayers to attempt to violate the internal revenue laws or unlawfully evade the assessment or collection of their federal tax liabilities, including the abusive trust programs described in the Complaint;

(b) Making false statements about the allowability of any deduction or credit, the excludability of any income, or the securing of any tax benefit by the reason of participating in such tax shelters, plans or arrangements, including the following statements:

- The federal income tax system is a "voluntary system" which persons are not required to participate in;

- The only persons who need file federal income tax returns are Government employees and persons who have contracts with the Government;

- Persons can set up a system of complex trusts including a "business trust," a "family trust," a "charitable trust," and "unit trusts" that can be legally used to hide income and assets from the IRS.

(c) Encouraging, instructing, advising or assisting others to violate the tax laws, including to evade the payment of taxes;

(d) Engaging in conduct subject to penalty under I.R.C. § 6700, *i.e.*, by making or furnishing, in connection with the organization or sale of an abusive tax shelter, plan, or arrangement, a statement the defendant knows or has reason to know to be false or fraudulent as to any material matter under the federal tax laws;

(e) Engaging in conduct subject to penalty under I.R.C. § 6701, *i.e.*, preparing or assisting others in the preparation of any tax forms or other documents to be used in connection with any material matter arising under the internal revenue laws and which the defendant knows will (if so used) result in the understatement of tax liability;

(f) Engaging in any conduct that interferes with the administration and enforcement of the internal revenue laws by the Internal Revenue Service.

8. It is further ORDERED, ADJUDGED AND DECREED that Marlene Mitchell shall produce to the United States from information in her possession or control the names, addresses and social security or tax identification numbers of all persons to whom she or Premier Trust Solutions has sold, directly or indirectly, the trust programs described in the complaint, and shall file with the Court within 20 days of this date a certification that she has done so.

9. It is further ORDERED, ADJUDGED AND DECREED that Marlene Mitchell and Premier Trust Solutions shall notify of this injunction order, in a writing to be approved by the United States, all persons identified by Marlene Mitchell in response to paragraph 8 above, and shall file with the Court within 30 days of this date a certification that they have done so.

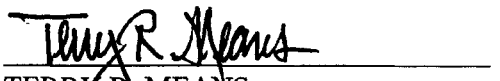
10. It is further ORDERED, ADJUDGED AND DECREED that the United States is

permitted to engage in post-judgment discovery to ensure compliance with this permanent injunction.

11. It is further ORDERED, ADJUDGED AND DECREED that this Court shall retain jurisdiction over this action for the purpose of implementing and enforcing this Final Judgment.

There being no just reason for delay, the Clerk is directed to enter this Final Judgment forthwith.

SO ORDERED this 12th day of November, 2004.



TERRY R. MEANS
United States District Judge

Consented to and Agreed:

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