

IN THE UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION

UNITED STATES OF AMERICA,)	
)	Civil Action No. 6:24-cv-365
Plaintiff,)	
)	
v.)	
)	
JULIUS T. PRICE and,)	
PRICE'S ACCOUNTING FIRM, INC.,)	
)	
Defendants.)	
_____)	

COMPLAINT FOR PERMANENT INJUNCTION

The United States complains and alleges as follows:

1. The United States brings this action to permanently enjoin Julius T. Price and Price's Accounting Firm, Inc. (collectively, the "Defendants"), and all persons and entities in active concert or participation with Defendants, from directly or indirectly:

- (a) Preparing, assisting in the preparation of, or directing the preparation of federal tax returns, amended returns, or other tax-related documents or forms, including any electronically submitted tax returns or tax-related documents, for any entity or person other than themselves;

- (b) Filing, assisting in the filing of, or directing the filing of federal tax returns, amended returns, or other tax-related documents or forms, including any electronically submitted tax returns or tax-related documents, for any entity or person other than themselves;
- (c) Using, maintaining, renewing, obtaining, transferring, selling, or assigning any Preparer Tax Identification Number (“PTIN”) or Electronic Filing Identification Number (“EFIN”);
- (d) Owning, operating, managing, profiting from, working in, investing in, providing capital or loans to, receiving fees or remuneration from, controlling, licensing, consulting with, franchising, or volunteering at a business that prepares or assists in the preparation of tax returns, amended returns, or other tax-related documents or forms, including any electronically submitted tax returns or tax-related documents;
- (e) Transferring, selling, or assigning their customer lists and/or other customer information;

- (f) Training, instructing, teaching, creating, or providing guides, memoranda, directions, instructions, or manuals, pertaining to the preparation of federal tax returns;
- (g) Engaging in activity subject to penalty under 26 U.S.C. §§ 6694, 6695, and/or 6701; and
- (h) Engaging in conduct that substantially interferes with the proper administration and enforcement of the tax laws.

JURISDICTION AND VENUE

2. This action is authorized and requested by the Chief Counsel of the Internal Revenue Service, a delegate of the Secretary of the Treasury of the United States and is commenced at the direction of the Attorney General of the United States in accordance with 26 U.S.C. §§ 7402, 7407, and 7408.

3. This Court has jurisdiction pursuant to 26 U.S.C. § 7402(a) and 28 U.S.C. §§ 1340 and 1345.

4. Venue is proper in this Court pursuant to 26 U.S.C. §§ 7407(a) and 7408(a), as well as 28 U.S.C. § 1391, because Julius T. Price prepares tax returns within this judicial district, Price's Accounting Firm, Inc. has its principal place of business within this judicial district, and a substantial part of the events giving rise to these claims occurred within this judicial district.

DEFENDANTS

5. Julius T. Price ("Price") resides in Ocoee, Florida.

6. Price obtained a Bachelor of Science in accounting from Florida A&M University in 2000.

7. Price has worked as a paid tax return preparer since 2003.

8. Price owns and operates Price's Accounting Firm, Inc. at 1452 Bruton Blvd., Orlando, Florida. Price formed Price Accounting Firm, Inc. and filed Articles of Incorporation with the Florida Secretary of State in 2002.

9. According to its 2023 Florida Profit Corporation Annual Report filed with the Florida Secretary of State, Price is the CEO and sole officer/director of Price's Accounting Firm, Inc.

10. The business obtained an Electronic Filing Identification Number ("EFIN") from the Internal Revenue Service ("IRS") that it uses to electronically file tax returns for its customers. Price obtained a Preparer Tax Identification Number ("PTIN") from the IRS to identify himself on the returns he prepares for his customers.

11. Price was subject to IRS Due Diligence visits in 2011, 2012, and 2018 due to the high number of tax returns he prepared that claim Earned Income Tax Credits ("EITC"). During these visits, an IRS Revenue Agent inspected a small sample of returns to ensure Price complied with the due diligence requirements imposed by the Secretary in accordance with 26 U.S.C. § 6695(g) to determine the eligibility of his customers to claim the EITC.

12. As a result of the IRS Due Diligence visits, the IRS determined that Price claimed EITCs for taxpayers without conducting the required due diligence and assessed the following preparer penalties for that failure:

Preparer Penalty	Tax Year	Preparer	Penalty Assessed
IRC § 6695(g)	2006	Julius Price	\$ 10,000.00
IRC § 6695(g)	2012	Julius Price	\$ 200,500.00
IRC § 6694(b)	2012	Julius Price	\$ 185,000.00
IRC § 6694(b)	2013	Julius Price	\$ 65,000.00
IRC § 6694(b)	2014	Julius Price	\$ 35,000.00
IRC § 6695(g)	2015	Julius Price	\$ 25,250.00

13. Price was warned, educated, and advised of the need to perform due diligence to determine his customers eligibility to claim the EITC on returns he prepared.

14. Despite the assessment of preparer penalties against him, Price continues to claim EITCs for ineligible taxpayers.

DEFENDANTS' ACTIVITIES

15. Price prepared or supervised the preparation of individual federal income tax returns at Price's Accounting Firm, Inc. As indicated by his PTIN, Price prepared more than 600 tax returns tax years 2017 – 2022, the vast majority of which claimed refunds. The number of returns Price prepared each year, and the percentage that claimed refunds, are illustrated below:

Returns Prepared Using Price PTIN		
Year	No. of Returns	Refunds Claimed
2017	985	89%
2018	856	90%
2019	813	86%
2020	818	83%
2021	702	84%
2022	648	85%

16. Price charged a tax preparation fee for each return he prepared that ranged between \$150 to over \$2,000. Price based his fee on the amount of the refund he claimed – the larger the refund, the larger the fee.

17. As part of its investigation, IRS Revenue Agents interviewed 67 of Price’s customers concerning 107 returns he prepared for them between 2019 and 2022. Of that number, 93 returns understated that tax the customer owed by an average of almost \$2,700.

18. Price’s customers did not know that Price understated their taxes on the returns he prepared and helped the IRS to identify Defendants’ fraudulent schemes. The descriptions below of Defendants’ practices refer to certain customers, all of whom were interviewed by the IRS. All the returns discussed below were prepared by Price. For purposes of this complaint, the United States identifies Price’s customers by their initials. When two sets of initials are separated by a “/,” that represents a joint return filed on behalf of married customers. Some customers are referenced multiple times. Each

unique set of initials belongs to a single customer (or, for a joint return, a married couple).

19. Price prepared and filed returns that understated his customers' tax liability and/or overstated the refund to which they were entitled. Price did so through a variety of schemes, including: (1) falsifying and overstating Schedule C business deductions; (2) falsifying and overstating Schedule A itemized deductions; (3) falsifying and overstating education expenses to generate unqualified education expenses; and (4) falsifying and overstating other tax credits.

Fraudulent Schedule C Deductions

20. Individual taxpayers who operate a business as a sole proprietorship must report the business's income and expenses on a Schedule C (Profit or Loss from Business – Sole Proprietorship) that is filed as part of the taxpayer's Form 1040. The net figure reported on a Schedule C, whether a profit or a loss, is a component of the taxpayer's adjusted gross income ("AGI").

21. The Schedule C is a detailed schedule, requiring the tax preparer to inquire whether a taxpayer had a business, the gross receipts (i.e., income) the business generated, and the expenses the business incurred (such as rent, travel, utilities, wages, office expenses, and professional services). As a

matter of course, tax preparers routinely discuss this detailed schedule with appropriate taxpayers to ensure the information is accurate.

22. Price understates his customers' AGI by fabricating or inflating expenses to manufacture artificial business losses claimed on a Schedule C he includes with their returns without their knowledge. This fraudulently reduces the amount of taxable income the customers report and thus the amount of tax that they report they owe. The reduction in tax also leads to bogus refund claims in some cases.

23. Representative examples include:

- (a) Customer LF was a Form W-2 wage earner. She did not operate any unincorporated business which required the filing of a Schedule C. Price nevertheless included a Schedule C to her Form 1040 for 2019 and 2020 for a nonexistent company named "Child Care Service." Without any discussion with Customer LF about her purported business, Price claimed fake income and expenses to report bogus losses in the amounts of \$7,936 for 2019 and \$5,987 for 2020 for the fictional company.
- (b) Customer JD was a Form W-2 wage earner. She did not own any unincorporated business which required the filing of a Schedule C. Price nevertheless included a Schedule C

to her Form 1040 for 2019 and 2020 for a nonexistent company named “Cleaning Service.” Without any discussion with Customer JD about her purported business, Price claimed fake income and expenses to report bogus losses in the amounts of \$10,886 for 2019 and \$6,500 for 2020 for the fictional company.

- (c) Customer TG was a Form W-2 wage earner. She did not own any unincorporated business which required the filing of a Schedule C. Price nevertheless included a Schedule C to her Form 1040 for 2019 and 2020 for a nonexistent company. Without any discussion with Customer TG about her purported business, Price claimed fake income and expenses to report bogus losses in the amounts of \$8,059 for 2019 and \$12,041 for 2020 for the fictional company.
- (d) Customer DB was a Form W-2 wage earner with a small lawn business which consisted of only one client. Without DB’s knowledge, Price reported inflated income and fake expenses on DB’s Schedule C to report bogus losses in the amounts of \$8,947 for 2020 and \$5,599 for 2021.

Fraudulent Schedule A Deductions

24. Another scheme Price uses to understate his customers' tax liabilities is to overstate or fabricate deductions claimed on Schedule A, Itemized Deductions, filed with the income tax return. Taxpayers use Schedule A to itemize deductions if the deductions exceed the standard deduction. This form includes claims for deductions for medical expenses, home mortgage interest, state and local taxes paid, interest paid, gifts to charity, and theft losses. Price has several methods of abusing Schedule A to claim fraudulent itemized deductions. For some customers, Price fabricated or inflated charitable contributions, out-of-pocket medical expenses, real estate taxes paid to local state governments, and/or mortgage interest rates paid then included the fictitious expense on their Schedule A. Like the artificial losses he claimed on customers' Schedules C, Price manipulated the items claimed on Schedules A he prepared without his customers' knowledge to fraudulently reduce the amount of taxes he reported and increase the size of their refund.

25. Representative examples include:

- (a) Price prepared Customer DM's 2018 and 2019 Forms 1040. Price reported fabricated and inflated Schedule A deductions on DM's 2018 and 2019 Forms 1040 in the amounts of \$33,020, and \$12,883, respectively. The bogus or

inflated deductions included medical expenses, state and local taxes, mortgage interest deductions, and gifts to charity. Customer DM never told Price that she incurred these expenses and did not provide Price with any records supporting these deductions.

- (b) Price prepared Customer TR's 2020 and 2021 Forms 1040.

Price reported fabricated and inflated Schedule A deductions on TR's 2020 and 2021 Forms 1040 in the amounts of \$52,948 and \$25,731, respectively. Price claimed a deduction for mortgage interest paid that was nearly twice the amount shown on the Form 1098 (Mortgage Interest Statement) which Customer TR received from the bank and provided to Price. Price also claimed fabricated deductions for medical expenses and gifts to charity on Customer TR's returns.

- (c) Price prepared Customer CH's 2018, 2019, and 2020 Forms

1040. Price reported fabricated and inflated Schedule A deductions on CH's 2018, 2019, and 2020 Forms 1040 in the amounts of \$7,309, \$3,119, and \$3,035, respectively. Price reported inflated mortgage interest paid deductions that were twice the amount shown on the Forms 1098 that CH

received from the bank and provided to Price. Price also overstated the amounts of CH's gifts to charity and reported fabricated medical expenses.

American Opportunity Tax Credit

26. The American Opportunity Tax Credit ("AOTC")—formerly the Hope Scholarship Credit—is a credit for qualified education expenses of eligible students for the first four years of higher education. The AOTC reduces the amount of tax reported by the taxpayer on a dollar-for-dollar basis up to \$2,500. Up to \$1,000 of that is refundable to the taxpayer if the amount of the credit exceeds the tax shown due. The educational institution provides the taxpayer and the IRS with a Form 1098-T that reports the qualified expenses.

27. To claim the AOTC, a taxpayer must complete Form 8863 "Education Credits" listing the applicable qualified education expenses and attach the form to their tax return.

28. Price prepared Forms 8863 to fraudulently claim AOTC "Education Credits" for customers who did not incur qualified educational expenses or receive a Form 1098 from a qualified institution.

29. Representative examples include:

- (a) Price prepared Customer LF's 2019 Form 1040 and reported fabricated education expenses to claim a \$1,000

education credit. Customer LF never incurred or discussed education expenses with Price.

- (b) Price prepared Customer DT's 2020 and 2021 Forms 1040 and reported fabricated education expenses to claim a \$1,000 education credit on each return. Customer DT never incurred or discussed education expenses with Price.
- (c) Price prepared Customer TT's 2021 Form 1040 and reported fabricated education expenses to claim a \$1,000 education credit. Customer TT never incurred or discussed education expenses with Price.
- (d) Price prepared Customer JB's 2020 and 2021 Forms 1040 and reported fabricated education expenses to claim a \$1,000 education credit on each return. Customer JB never incurred or discussed education expenses with Price.
- (e) Price prepared Customer SB's 2020 and 2021 Forms 1040 and reported fabricated education expenses to claim a \$1,000 education credit on each return. Customer SB never incurred or discussed education expenses with Price.

Earned Income Tax Credit

30. As alleged in paragraphs 20 – 22, above, Price uses Schedule C to fabricate or inflate business losses to reduce the taxable income his customers report and the amount of tax they report they owe.

31. In addition to reducing his customers' taxable income, Price has used Schedule C to falsely manipulate customers' earned income to fabricate or inflate the EITC he claims on returns he prepares.

32. The EITC is a refundable tax credit available to taxpayers who earn income below certain levels. The amount of the credit is based on the taxpayer's income, number of dependents, and filing status. Because the EITC is a refundable credit, in some cases it can entitle a taxpayer to a refund greater than the amount of tax paid or a payment from the U.S. Treasury even if no tax is reported.

33. Given the size of the credit and its refundable nature, EITC claims and head of household filing status are subject to heightened due diligence requirements. *See* 26 U.S.C. § 6695(g). Price has failed to follow these due diligence requirements when preparing returns for customers. And, as alleged in paragraph 12, above, the IRS assessed penalties against Price for his failure to follow those due diligence requirements.

34. Because of the method used to calculate the EITC, for certain income ranges, individuals with higher earned income are entitled to a larger credit than those with lower earned income.

35. Because Schedule C income can be self-reported by the taxpayer, rather than reported by a neutral third party (such as an employer filing a W-2), it is a favorite for return preparers seeking to manipulate the income to target the “sweet spot” and claim the maximum EITC. For some customers, the preparer will need to fabricate a loss to reduce adjusted gross income to maximize the EITC. For other customers, the preparer will report bogus Schedule C income to maximize the EITC.

36. Price has regularly made fraudulent claims to boost customers’ EITC. Price has claimed false Schedule C gross receipts and losses on customers’ returns, which falsely increase or decrease customers’ income and maximize the amount of fraudulent EITC claimed.

37. Representative examples include:

- (a) Price prepared Customer LF’s 2019 Form 1040. Customer LF was a W-2 wage earner in 2019 who did not own a business in 2019. Nevertheless, Price prepared a Schedule C for a fictitious business for LF’s 2019 Form 1040. Price fabricated gross receipts and expenses on the Schedule C to report a loss from the fictitious business. Price reported

this loss on Customer LF's 2019 Form 1040 to reduce her adjusted gross income below the income cap for EITC eligibility and fraudulently qualify her for the EITC in the amount of \$1,122.

- (b) Price prepared Customer JD's 2019 Form 1040. Customer JD was a W-2 wage earner in 2019 who did not own a business in 2019. Nevertheless, Price prepared a Schedule C for a fictitious business for JD's 2019 Form 1040. Price fabricated gross receipts and expenses on the Schedule C to report a loss from the fictitious business. Price reported this loss on JD's Form 1040 to reduce her adjusted gross income to fraudulently claim an inflated EITC that was \$2,295 more than she qualified for without the bogus loss.
- (c) Price prepared Customers HJ/JS's 2019 and 2020 Form 1040. The only income from the couple for these years was Customer HJ's W-2 employment. Nevertheless, Price prepared a Schedule C for Customers HJ/JS's 2019 and 2020 Form 1040. Price fabricated gross receipts and expenses on the Schedule C each year to report losses from the business. Price reported these losses on Customers HJ/JS's 2019 and 2020 Form 1040 to reduce their adjusted

gross income each year and inflate their EITCs by \$1,537 for tax year 2019 and \$1,601 for tax year 2020.

HARM TO THE UNITED STATES

38. Price's pattern of preparing returns that understate his customers' taxes and overstate their refunds through the schemes described above has resulted in the loss of significant federal tax revenue, estimated to exceed \$1.5 million.

39. In many instances, Price's fraudulent practices have caused the United States to issue refunds that the customers were not entitled to receive.

40. In addition, the United States has had to bear the substantial cost of examining the returns Price prepared, determining the customers' correct tax liabilities, recovering the customers' understated liabilities and overstated refunds, and collecting additional taxes and penalties due.

41. Apart from the direct harm caused by preparing tax returns that fraudulently understate customers' tax liabilities and overstate their refunds, Price's activities encourage customers' noncompliance with the internal revenue laws. Price's fraudulent preparation practices create illegally inflated refunds under the pretenses of legitimate return preparation practices, and thereby encourage their customers to continue using their services. Price's practices also harm customers who pay substantial fees for

what they believe to be honest return preparation services, but eventually learn that they owe money to the IRS because of the inaccuracies reported on their returns.

42. Because of Price's fraudulent schemes, some customers' returns inaccurately claim the EITC or claim an inaccurate credit amount. These falsified claims undermine public confidence in a statutory credit meant to encourage low-income workers with young children to maintain employment. Similarly, Price's abuse of the AOTC undermines public confidence in statutory credits meant to encourage students' pursuit of higher education.

43. Price's illegal conduct also harms honest tax return preparers because, by preparing tax returns that unlawfully claim bogus business losses that falsely inflate customers' refunds, Price gains a competitive advantage over tax return preparers who prepare returns in accordance with the law. Customers who are satisfied with the tax refunds they receive but are unaware of Price's illegal return practices often return to him for subsequent tax seasons.

**COUNT I: INJUNCTION UNDER 26 U.S.C. § 7407 FOR CONDUCT
SUBJECT TO PENALTY UNDER 26 U.S.C. §§ 6694 AND 6695**

44. The United States incorporates by reference the allegations contained in paragraphs 1 through 43.

45. Section 7407 of the Internal Revenue Code authorizes a district court to enjoin a person who is a tax return preparer from engaging in certain conduct or from further acting as a tax return preparer. The prohibited conduct justifying an injunction includes, but is not limited to, the following:

- (a) Engaging in conduct subject to penalty under 26 U.S.C. § 6694(a), which penalizes a tax return preparer who prepares a return that contains an understatement of tax liability or an overstatement of a refund due to an unreasonable position that the preparer knew or should have known was unreasonable;
- (b) Engaging in conduct subject to penalty under 26 U.S.C. § 6694(b), which penalizes a tax return preparer who prepares a return that contains an understatement of tax liability or an overstatement of a refund due to willful or reckless conduct;
- (c) Engaging in conduct subject to penalty under 26 U.S.C. § 6695(g), which penalizes a tax return preparer who fails to comply with required due diligence requirements for customers' eligibility to file as head of household or claim certain tax credits including, but not limited to, the EITC and AOTC; and

- (d) Engaging in any other fraudulent or deceptive conduct that substantially interferes with the proper administration of the internal revenue laws.

46. For a court to issue such an injunction, the court must find that:

- (a) The tax return preparer engaged in the prohibited conduct;
and
- (b) Injunctive relief is appropriate to prevent recurrence of such conduct.

47. If a tax return preparer's conduct is continual or repeated and the court finds that a narrower injunction would be insufficient to prevent the preparer's interference with the proper administration of the internal revenue laws, the court may permanently enjoin the person from acting as a tax return preparer. *See* 26 U.S.C. § 7407(b).

48. Defendants have continually and repeatedly engaged in conduct subject to penalty under 26 U.S.C. § 6694(a) by preparing returns that understate their customers' tax liabilities and overstate their refunds. As described above, Defendants have prepared returns that claim deductions for expenses that were not incurred by the taxpayers and credits to which the taxpayers are not entitled. Defendants have done so with the knowledge that the positions taken on the returns were unreasonable and lacked substantial

authority. Defendants have thus engaged in conduct subject to penalty under 26 U.S.C. § 6694(a).

49. Defendants have continually and repeatedly engaged in conduct subject to penalty under 26 U.S.C. § 6694(b) by preparing returns that understate their customers' tax liabilities and overstate their refunds. As described above, Defendants have prepared returns that claim deductions for expenses that were not incurred by the taxpayers and credits to which the taxpayers are not entitled. Defendants conduct was a willful attempt to understate the liability for tax on the return or a reckless or intentional disregard of rules or regulations. Defendants have thus engaged in conduct subject to penalty under 26 U.S.C. § 6694(b).

50. Defendants have engaged in conduct subject to penalty under 26 U.S.C. § 6695(g) by failing to comply with due diligence requirements for customers' eligibility to claim the EITC. Customers confirmed in interviews with the IRS that Price falsely manipulated their income on this tax returns, which resulted in claims for EITC to which customers were not entitled.

51. A narrower injunction would be insufficient to prevent Defendants' interference with the administration of the internal revenue laws. Defendants prepare returns understating their customers' liabilities through multiple schemes that report false information on their customers' tax returns. In addition, the IRS may not yet have identified all the schemes

used by Defendants to understate liabilities and overstate refunds and credits. Denial of a permanent injunction against Defendants will require the IRS to spend additional resources to uncover all their future schemes. The harm resulting from these schemes includes both the expenditure of these resources and the revenue loss caused by the improper deductions and credits Defendants claim on returns they prepare. Accordingly, only a permanent injunction is sufficient to prevent future harm caused by Defendants acting as tax return preparers.

**COUNT II: INJUNCTION UNDER 26 U.S.C. § 7408 FOR CONDUCT
SUBJECT TO PENALTY UNDER 26 U.S.C. § 6701**

52. The United States incorporates by reference the allegations contained in paragraphs 1 through 43.

53. Section 7408 of the Internal Revenue Code authorizes a court to enjoin any person from engaging in conduct subject to penalty under 26 U.S.C. § 6701, which penalizes a person who aids or assists in the preparation of tax returns that the person knows will result in an understatement of tax liability.

54. Defendants repeatedly and continually have engaged in conduct subject to penalty under 26 U.S.C. § 6701 by preparing income tax returns with claims of withholdings that they knew to be improper, false, and/or inflated.

55. Defendants' repeated actions fall within 26 U.S.C. § 7408, and injunctive relief is appropriate to prevent a recurrence of this conduct.

56. If Defendants continue to act as tax return preparers, their conduct will result in irreparable harm to the United States and the United States has no adequate remedy at law.

57. Defendants' conduct has caused, and will continue to cause, substantial tax losses to the United States Treasury, much of which may be undiscovered and unrecoverable. The IRS will have to devote substantial and unrecoverable time and resources auditing their customers individually to detect understated liabilities and overstated refund claims unless the Court enjoins Defendants' activities.

58. The detection and audit of erroneous tax credits and deductions claimed on returns prepared by Defendants would be a significant burden on IRS resources.

**COUNT III: INJUNCTION UNDER 26 U.S.C. § 7402(a) FOR
UNLAWFUL INTERFERENCE WITH ENFORCEMENT OF THE
INTERNAL REVENUE LAWS**

59. The United States incorporates by reference the allegations contained in paragraphs 1 through 43.

60. Section 7402(a) of the Internal Revenue Code authorizes a court to issue orders of injunction as may be necessary or appropriate for the enforcement of the internal revenue laws.

61. Defendants repeatedly and continually engage in conduct that interferes substantially with the administration and enforcement of the internal revenue laws.

62. If Price continues to act as a tax return preparer, his conduct will result in irreparable harm to the United States and the United States has no adequate remedy at law.

63. Defendants' conduct has caused, and will continue to cause, substantial tax losses to the United States Treasury, much of which may be undiscovered and unrecoverable. The IRS will have to devote substantial and unrecoverable time and resources auditing their customers individually to detect understated liabilities and overstated refund claims unless the Court enjoins Defendants' activities.

64. The detection and audit of erroneous tax credits and deductions claimed on returns prepared by Defendants would be a significant burden on IRS resources.

65. The threatened injury to the United States far outweighs the harm to Defendants if this injunction is granted.

66. The public interest is served by granting this requested injunction, for the reasons set forth in paragraphs 38-43.

RELIEF REQUESTED

Plaintiff, the United States of America, respectfully requests that the Court:

A. Find that Defendants have repeatedly and continually engaged in conduct subject to penalty under 26 U.S.C. §§ 6694 and 6695 and that injunctive relief is appropriate under 26 U.S.C. § 7407 to prevent recurrence of that conduct;

B. Find that Defendants have repeatedly and continually engaged in conduct subject to penalty under 26 U.S.C. § 6701 and that injunctive relief is appropriate under 26 U.S.C. § 7408 to prevent recurrence of that conduct;

C. Find that Defendants have repeatedly and continually engaged in conduct that substantially interferes with the proper administration and enforcement of the internal revenue laws and that injunctive relief is appropriate under this Court's equitable powers and 26 U.S.C. § 7402(a) to prevent recurrence of that conduct;

D. Enter a permanent injunction prohibiting Defendants, any entity through which Defendants conduct business, and all persons and entities in active concert or participation with Defendants from directly or indirectly:

1. Preparing, assisting in the preparation of, or directing the preparation of federal tax returns, amended returns, or other tax-related documents or forms, including any

electronically submitted tax returns or tax-related documents, for any entity or person other than themselves;

2. Filing, assisting in the filing of, or directing the filing of federal tax returns, amended returns, or other tax-related documents or forms, including any electronically submitted tax returns or tax-related documents, for any entity or person other than themselves;
3. Using, maintaining, renewing, obtaining, transferring, selling, or assigning any PTIN or EFIN;
4. Owning, operating, managing, profiting from, working in, investing in, providing capital or loans to, receiving fees or remuneration from, controlling, licensing, consulting with, franchising, or volunteering at a business that prepares or assists in the preparation of tax returns, amended returns, or other tax-related documents or forms, including any electronically submitted tax returns or tax-related documents;
5. Transferring, selling, or assigning their customer lists and/or customer information;

6. Training, instructing, teaching, creating, or providing guides, memoranda, directions, instructions, or manuals, pertaining to the preparation of federal tax returns;
7. Engaging in activity subject to penalty under 26 U.S.C. §§ 6694, 6695, and/or 6701; and
8. Engaging in conduct that substantially interferes with the proper administration and enforcement of the tax laws.

E. Enter an order requiring Defendants at their own expense:

1. To send by email or certified mail, return receipt requested, a copy of the final injunction entered against them in this action—as well as a copy of the Complaint setting forth the allegations of how they negligently, recklessly, or fraudulently prepared federal income tax returns—to each person for whom they prepared federal tax returns, other tax forms, or claims for refund after January 1, 2021;
2. To turn over to the United States copies of all returns, other tax forms, and claims for refund that Defendants prepared after January 1, 2021, within 30 days of entry of a final injunction in this action;
3. To provide the United States a list of the names, Social Security numbers, addresses, phone numbers, and email

addresses of each person for whom Defendants prepared tax returns, other tax forms, or claims for refund after January 1, 2021, within 30 days of entry of the final injunction in this action;

4. To prominently post, within 10 days of entry of the final injunction in this action, a copy of the injunction in Defendants' places of business where tax returns were prepared by them or their employees, contractors, or franchisees;
5. To post, for one year and in a prominent location, on all social media accounts and websites used to advertise Defendants' tax preparation services, a statement that they have been enjoined from the preparation of tax returns and a hyperlink to any press release regarding the injunction that the Department of Justice may issue;
6. To deliver a copy of the injunction to Defendants' employees, contractors, franchisees, and vendors, if any, within 30 days of entry of the final injunction in this action;
7. To file a sworn statement with the Court evidencing Defendants' compliance with the foregoing directives

within forty-five (45) days of entry of the final injunction in this action; and

8. To keep records of Defendants' compliance with the foregoing directives, which may be produced to the Court, if requested, or the United States pursuant to paragraph F, below;

F. Order, without further proceedings:

1. The immediate revocation of any and all PTINs and EFIN held by, assigned to, or within control of Defendants pursuant to 26 U.S.C. § 6109;
2. That Price cease using any other PTINs or EFINS;
3. The immediate revocation of any EFIN held by assigned to, or within the control of Price Accounting Firm, Inc.

G. Allow, by order, United States to monitor Defendants' compliance with the injunction through formal and informal discovery, including but not limited to requests for the production of documents, interrogatories, and depositions in accordance with the Federal Rules of Civil Procedure;

H. Enter an order informing Defendants that their failure to comply with the injunction may result in sanctions of civil and/or criminal contempt, including but not limited to:

1. Disgorgement of fees for returns prepared in violation of the injunction;
2. Reimbursement to the United States of all costs associated with enforcing the injunction;
3. Seizure of items with returns are being prepared, including computers;
4. Daily fines during non-compliance;
5. Barring access to the location(s) at which returns are being prepared in violation of the injunction, including permitting the United States to change the locks at any location at which returns are prepared in violation of the injunction to prevent employees and customers from entering the location; and
6. Appointment of a receiver to take possession of any business at which Defendants prepare returns in violation of this injunction and the assets of said business and to sell the business and its assets to pay any civil compensatory sanctions imposed on Defendants.

I. Retain jurisdiction over Defendants and this action to enforce any permanent injunction entered; and

J. Award the United States its costs incurred in connection with this action, along with such other relief as justice requires.

Dated: February 21, 2024.

Respectfully Submitted,

David A. Hubbert
Deputy Assistant Attorney General

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