

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
BEAUMONT DIVISION**

UNITED STATES OF AMERICA,

Plaintiff,

v.

MICHELLE DENISE JOHNSTON,

Defendant.

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CIVIL ACTION NO. 1:21-CV-00478-MJT
JUDGE MICHAEL TRUNCALE

ORDER GRANTING PERMANENT INJUNCTION AND FINAL JUDGMENT

Pursuant to this Court's Order Granting Judgment by Default, [Dkt. 9], it is hereby **ORDERED** that Michelle Denise Johnston, individually and doing business as Allen and Johnston Tax Service, any entity through which Johnston conducts business, and all persons and entities in active concert or participation with Johnston are **PERMANENTLY ENJOINED** and **PROHIBITED** 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) Owning, managing, assisting, or working 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;
- (4) Maintaining, assigning, holding, using, or obtaining a Preparer Tax Identification Number or an Electronic Filing Identification Number;

- (5) Training, advising, counselling, instructing, or teaching anyone about the preparation of federal tax returns;
- (6) Engaging in any other activity subject to penalty under 26 U.S.C. §§ 6694, 6695, 6701, or any other penalty provision in the Internal Revenue Code; and
- (7) Engaging in any conduct that substantially interferes with the proper administration and enforcement of the internal revenue laws.

IT IS FURTHER ORDERED that Johnston, at her own expense, within 30 days of this Court's

Order **SHALL**

- (8) Send by email or certified mail, return receipt requested, and, if an email address is known also by email, a copy of the Final Judgment and this Permanent Injunction—as well as a copy of the Complaint setting forth the allegations as to how she negligently, recklessly, or fraudulently prepared federal income tax returns—to each person for whom Johnston individually or d/b/a Allen and Johnston Tax Services prepared federal tax returns, other tax forms, or claims for refund after January 1, 2018, with no other enclosures unless the enclosure is approved in writing by the Department of Justice;
- (9) Turn over to the United States copies of all returns, other tax forms, and claims for refund that Johnston prepared individually or d/b/a Allen and Johnston Tax Services after January 1, 2018;
- (10) Disclose and surrender to the Secretary of the Treasury or his delegate any and all PTINs held by, assigned to, or used by Johnston individually or d/b/a Allen and Johnston Tax Services pursuant to 26 U.S.C. § 6109, as well as any electronic filing identification numbers held by, assigned to, or used by her;
- (11) Provide the United States a list of the names, Social Security numbers, addresses, phone numbers, and email addresses of each person for whom Johnston individually or d/b/a Allen and Johnston Tax Services prepared tax returns, other tax forms, or claims for refund after January 1, 2018;
- (12) Prominently post a copy of the injunction in Johnston's places of business where tax returns were prepared by her or her employees, contractors, or franchisees, under any business name;
- (13) Prominently post for one year, on all social media accounts and websites used to advertise Johnston's or her d/b/a Allen and Johnston Tax Services' 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; and

- (14) Deliver a copy of the injunction to Johnston's employees, contractors, franchisees, and vendors;

IT IS FURTHER ORDERED that Johnston, at her own expense, **SHALL**

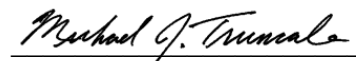
- (15) File a sworn statement with the Court evidencing Johnston's compliance with the foregoing directives within forty-five days of entry of the final injunction in this action; and
- (16) Keep records of Johnston's compliance with the foregoing directives, which may be produced to the Court, if requested, or the United States pursuant to paragraphs 17 and 18, *infra*;

IT IS FINALLY ORDERED that the United States is permitted to

- (17) Monitor Johnston's compliance with the injunction; and
- (18) Engage in post-judgment discovery in accordance with the Federal Rules of Civil Procedure.

Pursuant to Federal Rule of Civil Procedure 58, this is a **FINAL JUDGMENT**.

SIGNED this 12th day of May, 2022.



Michael J. Truncale
United States District Judge