

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION

UNITED STATES OF AMERICA,)
)
 Plaintiff,) Case No. 4:24-cv-540
)
 v.)
)
 RUBEN GONZALEZ,)
)
 Defendant.)
 _____)

COMPLAINT

The United States brings this civil action under 26 U.S.C. § 7402(a), § 7407, and § 7408 of the Internal Revenue Code to permanently enjoin Defendant Ruben Gonzalez (“Gonzalez”), and anyone else in active concert or participation with Gonzalez, from acting as a federal tax return preparer and from engaging in related activities.

In support of this action, the United States alleges as follows:

Jurisdiction and Venue

1. 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, pursuant to 26 U.S.C. §§ 7402, 7407, and 7408, and is commenced at the direction of a delegate of the Attorney General of the United States.

2. Jurisdiction exists under 28 U.S.C. §§ 1340 and 1345, and 26 U.S.C. (“Internal Revenue Code” or “I.R.C.”) §§ 7402, 7407, and 7408.

3. Venue is proper in this Court pursuant to 26 U.S.C. §§ 7407(a) and 7408(a), and 28 U.S.C. § 1391(b), because Gonzalez resides in Tarrant County, Texas, within the jurisdiction

of this Court, and a substantial part of the events or omissions giving rise to the United States' claims occurred in this district.

Parties

4. Plaintiff is the United States of America.

5. Gonzalez prepares income tax returns for customers. Gonzalez may be served at his residence at Burleson, Texas.

Overview of Defendant's Tax Preparation Practice

6. Gonzalez prepares federal income tax returns for others as a paid income tax preparer. He has been filing tax returns for others since at least 2010.

7. In 2010, Gonzalez applied for, and obtained, a Preparer Tax Identification Number (PTIN) from the IRS. The PTIN ends in 9201.

8. Gonzalez applied for, and obtained, an Electronic Filing Identification Number ("EFIN") from the IRS. This EFIN ends in 4291 ("the '4291 EFIN").

9. Since at least 2020, Gonzalez has operated a tax preparation business at 536 W. Seminary Drive, Suite A, Fort Worth, TX 76115. During 2022 and 2023, the business operated as a sole proprietorship under the name Sin Barreras Income Tax ("SBIT").

10. Gonzalez is the sole owner of SBIT. He administers SBIT's payroll, hires and fires SBIT's staff and prepares returns at SBIT.

11. SBIT has an internet presence, including at [instagram.com/sinbarrerasincome_tax/](https://www.instagram.com/sinbarrerasincome_tax/) and at [facebook.com/sinbarrerastax](https://www.facebook.com/sinbarrerastax).

12. Between 2021 and 2024, Defendant and other people employed by Defendant at SBIT prepared thousands of federal income tax returns for customers as follows:

Filing Season	SBIT filed	Gonzalez Prepared
2021	4,011	917
2022	5,168	1,169
2023	5,103	1,512
2024 ¹	4,469	1,362
Total	18,751	4,960

13. In 2022, Defendant charged customers between \$35 and \$785 for preparation of their income tax returns, with \$335 being a typical fee.

14. I.R.C. § 7701(a)(36) defines a “tax return preparer” as a person who prepares tax returns for compensation, or “who employs one or more persons” to prepare tax returns for compensation.

15. Defendant is a “tax return preparer” under 26 U.S.C. § 7701(a)(36), but he is not an enrolled agent, an attorney, or a certified public accountant.

Defendant’s Unlawful Return Preparation Practices

16. The IRS has repeatedly imposed penalties on Gonzalez.

17. In 2013, the IRS imposed penalties on Gonzalez under 26 U.S.C. § 6694(a) for understating taxpayer liabilities due to unreasonable positions reported on client returns for tax years 2009, 2010, and 2011 and imposed 48 additional penalties under 26 U.S.C. § 6695(g) for failure to exercise due diligence.

18. In 2019, the IRS again imposed 104 penalties on Gonzalez under 26 U.S.C. § 6695(g) for his failure to be diligent in determining the eligibility of his tax preparation customers for various credits, including the Earned Income Tax Credit (EITC) and the Residential Energy Credit.

¹ Includes returns filed between January 1, 2024, and April 22, 2024.

19. Defendant, and individuals working for him at SBIT, prepare false U.S. Individual Income Tax Returns (Forms 1040) for customers to obtain tax refunds to which the customers are not entitled.

20. The IRS audited 238 customers whose returns were prepared with Defendant's PTIN for tax years 2010-2021. Of those audits, 196 resulted in additional tax due totaling \$979,302. Considering the 238 returns audited across 2010-2020, which included some returns for which no additional tax was found due and three for which the reported tax was reduced, the average audit resulted in additional tax due exceeding \$4,100 as follows.

Tax Year	Returns Audited	Audited resulting in tax due	Increase in tax due	Average increase in tax due for all audited returns
2010	16	13	\$55,227	\$3451.69
2011	16	13	\$59,940	\$3746.25
2012	21	15	\$67,812	\$3,229.14
2013	42	25	\$93,225	\$2219.64
2014	40	36	\$155,144	\$3,854.67
2015	22	20	\$112,495	\$5,989.22
2016	41	41	\$217,486	\$4,937.22
2017	12	9	\$46,256	\$5,842.42
2018	12	10	\$70,109	\$5,842.42
2019	2	2	\$11,287	\$5,643.50
2020	11	9	\$71,048	\$2,954.73
2021	3	3	19,273	\$6,424.33
Total	238	196	\$979,302	\$4,114.71

21. For years, Defendant has prepared federal income tax returns for customers that he knew, or should have known, contained one or more of the following:

- a. Fabricated or inflated businesses losses on Schedule C (Profit or Loss from a Business); and
- b. Claims to residential energy credits to which the customers were not entitled;

- c. Claims to coronavirus sick leave credits to which the customers were not entitled;
and
- d. Fabricated or inflated deductions, like charitable contributions and medical and dental expenses on Schedule A (Itemized Deductions).

Schedule C Losses Scheme

22. 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), which 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").

23. Defendant understates customers' AGI by fabricating businesses with losses, or alternatively by inflating losses on a real business, both of which are claimed on the Schedule C. Often, Defendant will include a Schedule C reporting a loss on returns for customers he knows did not own or operate a business during the tax year in question. This falsely reduces both the amount of taxable income the customers report and the amount of tax that they report as owed.

24. Tax returns reporting a money-losing Schedule C ("Sch C") business were prepared at SBIT, as follows:

Filing Season	Returns Filed at SBIT	With Sch C Loss	Total Sch C Losses	Average Schedule C loss per return
2021	4,011	629	\$5,755,904	\$9,151
2022	5,168	327	\$3,109,890	\$9,510
2023	5,103	276	\$2,470,179	\$8,950
2024 ²	4,469	112	\$844,053	\$7,536
Totals	18,751	1,344	\$12,180,026	\$9,063

² Returns filed from January 1, 2024, to April 22, 2024.

25. The IRS is unable to verify income and expenses reported on a given Schedule C without doing an examination of the individual taxpayer.

26. The IRS interviewed dozens of customers covering 43 returns that (1) were prepared at SBIT in 2021, 2022 or 2023; and (2) contained a Schedule C reporting a business loss.

27. For 38 returns, the interviewed customers reported that (1) they did not operate a business during the year in question; (2) they had not told Gonzalez or their return preparer at SBIT that they had operated a business; and (3) and defendant or the return preparer at SBIT added the business to their tax returns without their knowledge or consent.

28. Specifically, tax returns for Customers 1, 2, 7, 8, and 11-14 described below contained a fabricated Schedule C business with a loss.

Residential Energy Credit Scheme

29. The residential energy credit allows a tax break for certain energy-efficient expenditures. The amount of the credit depends on the type of expenditure. The most favorable rates are available for solar electric property, solar water heaters, small wind turbines, geothermal heat pumps, and fuel cell property, as reflected on IRS Form 5695. For property placed in service between December 31, 2016, and January 1, 2020, a taxpayer was entitled to a credit of up to 30 percent of the cost of expenditures that fit into these categories, under certain conditions. Other types of energy-efficient expenditures are also eligible for the credit, but at reduced amounts.

30. Defendant and his employees at SBIT routinely falsify home improvements to claim wrongful residential energy credits. The IRS interviewed SBIT customers to determine if

80 of their returns correctly claimed a residential energy credit and determined that credits were improperly claimed on 68 tax returns that claimed an energy credit.

31. Defendant and his employees at SBIT prepared tax returns claiming residential energy credits (“REC”), as follows:

Filing Season	Returns Filed at SBIT	With REC	Total REC	Average REC
2021	4,011	1,772	\$1,665,609	\$940
2022	5,168	2,982	\$3,991,939	\$1,339
2023	5,103	839	\$1,300,140	\$1,550
2024 ³	4,469	74	\$223,716	\$3,023
Totals	18,751	5,667	\$4,988,103	\$1,267

32. Specifically, tax returns for Customers 1, 2, 4-6, and 7-14 described below contained a fabricated REC.

Coronavirus Sick Leave Credits

33. The Families First Coronavirus Response Act (FFCRA) was intended to help the United States combat COVID-19 by providing small and midsize employers refundable tax credits that reimburse them, dollar-for-dollar, for the cost of providing paid sick and family leave wages to their employees for leave related to COVID-19. The FFCRA extended to self-employed individuals equivalent refundable tax credits (“Coronavirus Leave Credits”). Because this is a refundable credit, it can be used to generate a refund larger than the amount of tax paid, in other words, if the credit exceeds the tax, a taxpayer may get a refund of the difference.

34. Eligible self-employed individuals were first able to claim this tax credit on their federal income tax returns filed for tax year 2020 subject to certain conditions. To claim the Coronavirus Leave Credits, taxpayers or their tax return preparers completed a Form 7202,

³ Returns filed from January 1, 2024, to April 22, 2024

Credits for Sick Leave and Family Leave for Certain Self-Employed Individuals. The Coronavirus Leave Credits are based upon net earnings from self-employment, which can readily be determined by gathering net earnings from self-employment reported on a taxpayer’s Schedule SE, Self-Employment Tax, from the tax return from which the credit is claimed or the prior year’s tax return. The Form 7202 credit amount is equivalent to the amount of paid sick or family leave a taxpayer would have received if the taxpayer had been an employee of an employer other than himself.

35. Eligible self-employed individuals are also able to claim Coronavirus Leave Credits on their federal income tax returns filed for tax year 2021.

36. For the two years in which the Coronavirus Leave Credits could be claimed by taxpayers, Defendant and his employees at SBIT prepared tax returns claiming Coronavirus Leave Credits (“CLC”), as follows:

Filing Season	Returns Filed at SBIT	With CLC	Total CLC	Average CLC
2021	4,011	653	\$1,012,978	\$1,551
2022	5,168	2,299	\$3,420,483	\$1,488
Totals	9,179	2,952	\$4,433,461	\$1,502

37. Specifically, tax returns for Customers 1, 2, 6, 7, 10, and 11 described below contained a falsely claimed CLC.

Schedule A Deduction Scheme

38. A taxpayer may use Form Schedule A, Itemized Deductions, of a tax return to itemize deductions for certain items such as medical care expenses, charitable contributions, and sales tax from their income before income tax is applied. Medical care means the amount paid for any diagnosis, cure, mitigation, treatment, or prevention disease, or for the purpose of

affecting any structure or function of the body. Medical care also includes certain medical-related transportation expenses, long-term care, and certain insurance. Charitable contribution refers to gifts or contributions made by a taxpayer to certain recipients. Sales tax refers to certain state and local general sales tax, including on motor vehicles.

39. Alternatively, the Internal Revenue Code provides, separate from Schedule A, a “standard deduction,” which is a set dollar amount determined by filing status that non-itemizing taxpayers may subtract from their income before income tax is applied. Taxpayers generally use Schedule A if the total dollar amount of the itemized applicable deductions exceed the amount of the standard deduction.

40. Defendant prepares tax returns reporting false itemized deductions on Schedule A to improperly reduce his customers’ taxable income. Specifically, he itemizes deductions with never-incurred medical/dental-care expenses or with various fabricated charitable contributions. By creating these false Schedule A deductions, Defendant improperly offsets his customers’ earned income to obtain for them a refund of taxes to which they are not entitled.

41. Defendant and his employees at SBIT prepared tax returns claiming Schedule A charitable contribution deductions, as follows:

Filing Season	Returns Filed at SBIT	With Sch A Charitable Contribution	Average Charitable Contribution
2021	4,011	310	\$10,317
2022	5,168	584	\$13,126
2023	5,103	319	\$9,367
2024 ⁴	4,469	178	\$8,992
Totals	18,751	1126	\$11,109

⁴ Returns filed from January 1, 2024, to April 22, 2024

42. Specifically, tax returns for Customers 3, 5, 6, 8, 10, and 12 described below contained either a fabricated Schedule A charitable contribution or a fabricated Schedule A medical/dental expense.

Tax Harm to the IRS

43. The false returns that Defendant prepared and filed have caused – and continue to cause – substantial harm to the Government by falsely reducing his customers’ reported tax liabilities, helping customers avoid paying their fair share of tax, and producing refunds to which customers are not entitled.

44. The IRS estimates the tax harm caused by Defendant’s activities approaches \$20 million for filing seasons 2021, 2022, and 2023, in the form of tax that was not collected and/or refunds that were improperly issued.

45. The United States estimates 967 returns prepared by Defendant and employees at his business improperly claim Schedule C business losses. That is based on the total number of returns claiming a Schedule C business loss in each of the following years multiplied by the rate of misstatement determined by the IRS from each of those years. The IRS determined the rate of misstatement by interviewing a sample of customers about the correctness of the Schedule C business losses claimed on their tax returns. That rate represents the percentage of those customers’ returns that contained an incorrect Schedule C business loss. Based on those, the IRS estimates the harm from improperly claimed Schedule C business losses on returns prepared by Defendant and employees at SBIT to be \$3,246,033 as follows:

Filing Season	Returns Filed at SBIT w/ Sch C Loss	Rate of Misstatement	Estimated Incorrect Returns	Average Deficiency by year	Estimated Annual Tax Harm
2021	629	67%	421	\$3,413	\$1,436,873
2022	327	86%	281	\$4,820	\$1,354,420
2023	276	96%	265	\$1,716	\$454,740
Total	1,232	78%	967	\$3,357	\$3,246,033

46. The United States estimates 4,739 returns prepared by Defendant and employees at his business improperly claim a residential energy credit. That is based on the total number of returns claiming a residential energy credit in each of the following years multiplied by the rate of misstatement determined by the IRS from each of those years. The IRS determined the rate of misstatement by interviewing a sample of customers about the correctness of the residential energy credit claimed on their tax returns. That rate represents the percentage of those customers' returns that contained an incorrect residential energy credit. Based on those, the IRS estimates the harm from improperly claimed residential energy credit on returns prepared by Defendant and employees at SBIT to be \$12,092,899 as follows:

Filing Season	Returns Filed at SBIT With REC	Rate of Misstatement	Estimated Incorrect Returns	Average Deficiency	Estimated Tax Harm
2021	1,772	80%	1,418	\$1,358	\$1,924,286
2022	2,982	92%	2,743	\$3,065	\$8,407,295
2023	839	69%	579	\$3,042	\$1,761,318
Total	5,593	90%	4,739	\$2,552	\$12,092,899

47. The IRS estimates the harm to the United States from the 2,048 returns estimated to improperly claim a Coronavirus Leave Credit to be \$2,550,907. For this estimate, the IRS treated as false any return which claimed a Coronavirus Leave Credit, but which failed to report an accompanying schedule C business with sufficient profit to justify the credit, as follows:

Filing Season	Returns filed at SBIT w/ CLC	Estimated Incorrect Returns	Average CLC Claimed	Estimated Tax Harm
2021	653	307	\$1,158	\$355,566
2022	2,299	1,741	\$1,261	\$2,195,401
Total	2,952	2,048	\$1,246	\$2,550,907

48. The United States estimates 814 returns prepared by Defendant and employees at his business improperly claim Schedule A charitable deductions. That is based on the total number of returns claiming a Schedule A charitable deduction in each of the following years multiplied by the rate of misstatement determined by the IRS from each of those years. The IRS determined the rate of misstatement by interviewing a sample of customers about the correctness of the Schedule A charitable deductions claimed on their tax returns. That rate represents the percentage of those customers' returns that contained an incorrect Schedule A charitable deduction. Based on those, the IRS estimates the harm from improperly claimed Schedule A charitable deductions on returns prepared by Defendant and employees at SBIT to be \$2,056,097 as follows:

Filing Season	Returns filed at SBIT w/ Schedule A Charitable contributions	Rate of Misstatement	Estimated Incorrect Returns	Average additional tax due	Estimated Tax Harm
2022	584	93%	543	\$3,001	\$1,629,543
2023	319	85%	271	\$1,574	\$426,554
Total	903		814	\$2,526	\$2,056,097

Indirect harm

49. In addition to the direct harm Defendant, individually and through his tax preparation business, causes by preparing tax returns that understate customers' tax liabilities, Defendant's conduct undermines the public's compliance with the internal revenue laws.

50. The United States is also harmed because the IRS must devote some of its limited resources to investigating Defendant's misconduct. The IRS must devote resources to detecting, and examining inaccurate and fraudulent returns prepared by Defendant, and trying to assess against, and collect from, his customers' unpaid taxes and penalties, some of which may not be collectible.

51. Defendant's unlawful conduct also harms honest tax return preparers because, by preparing tax returns that inflate their customers' refunds (albeit, unlawfully), Defendant gains an unfair competitive advantage over tax return preparers who prepare tax returns in accordance with the law. Customers who are satisfied with the tax refunds that they receive—but who are often unaware of Defendant's illegal tax return preparation practices—return to Defendant's store for subsequent tax seasons.

52. Examples of Defendant's unlawful tax preparation activities are as follows:

CUSTOMER 1

53. CUSTOMER 1 of Fort Worth, Texas, had Defendant prepare his 2020 and 2021 income tax returns at SBIT in 2022.

2020 Return

54. In the 2020 tax return, Defendant falsely reported that CUSTOMER 1 had \$10,745 in qualified solar electric property costs and was entitled to a \$2,710 residential energy credit.

55. CUSTOMER 1 did not have any qualified solar electric property costs in 2020 and did not tell Gonzalez that he had. CUSTOMER 1 was not entitled to a residential energy credit in 2020.

2021 Return

56. In the 2021 tax return, Gonzalez falsely reported that CUSTOMER 1 both had \$10,524 in qualified solar electric property costs and was entitled to a \$2,736 residential energy credit.

57. CUSTOMER 1 did not have any qualified solar electric property costs in 2021 and did not tell Gonzalez that he had. CUSTOMER 1 was not entitled to a residential energy credit in 2021.

58. In the 2021 tax return, Gonzalez falsely reported that CUSTOMER 1 had incurred \$5,686 in business expenses, consisting of \$3,546 in contract labor costs and \$2,140 in travel expenses.

59. CUSTOMER 1 did not have these business expenses and did not tell Gonzalez that he had a business or business expenses.

60. In the 2021 tax return, Gonzalez falsely reported in IRS Form 7202 (Credits for Sick Leave and Family Leave for Certain Self-Employed Individuals) that CUSTOMER 1 both had missed 20 days of work because of a coronavirus-related care and was entitled to a resulting tax credit of \$2,310. CUSTOMER 1 did not tell Gonzalez that he had missed 20 days of work.

CUSTOMER 2

61. CUSTOMER 2, a W-2 wage earner from Fort Worth, Texas, had his and his spouse's joint 2020 and 2021 income tax returns prepared at SBIT in 2021, and 2022, respectively. His 2020 return was prepared by Emma Romero and the 2021 return by Gonzalez.

2020 Return

62. In the 2020 tax return, Emma Romero falsely reported that CUSTOMER 2 both had operated a business and that the business had incurred \$19,817 in losses.

63. CUSTOMER 2 did not have these business expenses and did not tell Emma Romero that he had a business or business expenses.

2021 Return

64. In the 2021 tax return, Gonzalez falsely reported that CUSTOMER 2 had \$18,954 in qualified solar electric property costs and was entitled to a \$4,928 residential energy credit.

65. CUSTOMER 2 did not have any qualified solar electric property costs in 2021 and did not tell Gonzalez that he had. CUSTOMER 2 was not entitled to a residential energy credit in 2021.

66. In the 2021 tax return, Gonzalez also falsely reported in IRS Form 7202 (Credits for Sick Leave and Family Leave for Certain Self-Employed Individuals) that CUSTOMER 2 both had missed **15** days of work because of a coronavirus-related care and was entitled to a resulting tax credit of **\$1,350**. CUSTOMER 2 did not tell Gonzalez that he had missed **15** days of work.

CUSTOMER 3

67. CUSTOMER 3 of Arlington, Texas, had Michell Fuentes and Gonzalez prepare his 2021 and 2022 income tax returns at SBIT in 2022, and 2023, respectively.

2021 Return

68. In the 2021 tax return, Michell Fuentes, a preparer working at SBIT, falsely reported that CUSTOMER 3 had a \$12,044 deduction from charitable contributions.

69. CUSTOMER 3 did not have \$12,044 in charitable contributions in 2021 and did not tell Michell Fuentes that he had.

70. In the 2021 tax return, Fuentes also falsely reported that CUSTOMER 3 had incurred \$12,581 in medical and dental expenses and was entitled to a deduction of \$5628 for having incurred those expenses.

71. CUSTOMER 3 did not have \$12,581 in medical and dental expenses in 2021 and did not tell Fuentes that he had. CUSTOMER 3 was not entitled to a medical and dental expense deduction of \$5,628 in that year.

2022 Return

72. In the 2022 tax return, Gonzalez falsely reported that CUSTOMER 3 had \$7,500 in qualified solar electric property costs and was entitled to a \$2,250 residential energy credit.

73. CUSTOMER 3 did not have any qualified solar electric property costs in 2022 and did not tell Gonzalez that he had. CUSTOMER 3 was not entitled to a residential energy credit in 2022.

CUSTOMER 4

74. CUSTOMER 4 of Fort Worth, Texas, had Gonzalez prepare joint 2020 and 2022 income tax returns with his wife at SBIT's Seminary Road location in 2021, and 2023, respectively.

2020 Return

75. In the 2020 tax return, Gonzalez falsely reported that CUSTOMER 4 had \$6,000 in qualified solar electric property costs and was entitled to a \$1,560 residential energy credit.

76. CUSTOMER 4 did not have any qualified solar electric property costs in 2020 and did not tell Gonzalez that he had. CUSTOMER 4 was not entitled to a residential energy credit in 2020.

2022 Return

77. In the 2022 tax return, Gonzalez falsely reported that CUSTOMER 4 both had \$29,766 in qualified solar electric property costs and was entitled to a \$11,930 residential energy credit.

78. CUSTOMER 4 did not have any qualified solar electric property costs in 2022 and did not tell Gonzalez that he had. CUSTOMER 4 was not entitled to a residential energy credit in 2022.

CUSTOMER 5

79. CUSTOMER 5 of Azle, Texas, had Gonzalez prepare his 2021 and 2022 income tax returns at SBIT in 2022, and 2023, respectively.

2021 Return

80. In the 2021 tax return, Gonzalez falsely reported that CUSTOMER 5 both had \$4,000 in qualified solar electric property costs and was entitled to a \$1,040 residential energy credit.

81. CUSTOMER 5 did not have any qualified solar electric property costs in 2021 and did not tell Gonzalez that he had. CUSTOMER 5 was not entitled to a residential energy credit in 2021.

82. In the 2021 tax return, Gonzalez falsely reported that CUSTOMER 5 had an \$8,193 deduction for charitable contributions.

83. CUSTOMER 5 did not have \$8,193 in charitable contributions in 2021 and did not tell Gonzalez that he had.

2022 Return

84. In the 2022 tax return, Gonzalez also falsely reported that CUSTOMER 5 both had incurred \$22,259 in medical and dental expenses and was entitled to a deduction of \$16,505 for having incurred those expenses.

85. CUSTOMER 5 did not have \$22,259 in medical and dental expenses in 2022 and did not tell Gonzalez that he had. CUSTOMER 5 was not entitled to a medical and dental expense deduction of \$16,505.

86. In the 2022 tax return, Gonzalez falsely reported that CUSTOMER 5 had a \$4,485 deduction from charitable contributions.

87. CUSTOMER 5 did not have \$4,485 in charitable contributions in 2022 and did not tell Gonzalez that he had.

CUSTOMER 6

88. CUSTOMER 6 of Fort Worth, Texas, had Gonzalez prepare his 2021 and 2022 income tax returns at SBIT in 2022, and 2023, respectively.

2021 Return

89. In the 2021 tax return, Gonzalez falsely reported that CUSTOMER 6 had an \$11,960 deduction for charitable contributions.

90. CUSTOMER 6 did not have \$11,960 in charitable contributions in 2021 and did not tell Gonzalez that he had.

91. In the 2021 tax return, Gonzalez falsely reported that CUSTOMER 6 both had \$5,986 in qualified solar electric property costs and was entitled to a \$1,556 residential energy credit.

92. CUSTOMER 6 did not have any qualified solar electric property costs in 2021 and did not tell Gonzalez that he had. CUSTOMER 6 was not entitled to a residential energy credit in 2021.

93. In the 2021 tax return, Gonzalez falsely reported in IRS Form 7202 (Credits for Sick Leave and Family Leave for Certain Self-Employed Individuals) that CUSTOMER 6 both had missed 15 days of work because of a coronavirus-related care and was entitled to a resulting tax credit of \$1,485. CUSTOMER 6 did not tell Gonzalez that he had missed 15 days of work.

2022 Return

94. In the 2022 tax return, Gonzalez also falsely reported that CUSTOMER 6 both had incurred \$16,256 in medical and dental expenses and was entitled to a deduction of \$11,410 for having incurred those expenses.

95. CUSTOMER 6 did not have \$16,256 in medical and dental expenses in 2022 and did not tell Gonzalez that he had.

CUSTOMER 7

96. CUSTOMER 7 of Fort Worth, Texas, had Gonzalez prepare her and her spouse's joint 2021 and 2022 income tax returns at SBIT in 2022, and 2023, respectively.

2021 Return

97. In the 2021 tax return, Gonzalez falsely reported that CUSTOMER 7 both had \$6,548 in qualified solar electric property costs and was entitled to a \$1,702 residential energy credit.

98. CUSTOMER 7 did not have any qualified solar electric property costs in 2021 and did not tell Gonzalez that he had. CUSTOMER 7 was not entitled to a residential energy credit in 2021.

99. In the 2021 tax return, Gonzalez falsely reported that CUSTOMER 7's spouse had incurred \$17,034 in business expenses, including \$4,398 in contract labor costs and \$6,589 in business property expenses.

100. CUSTOMER 7's spouse did not have these business expenses and CUSTOMER 7 did not tell Gonzalez that she or her spouse had a business or business expenses. CUSTOMER 7's tax due was improperly reduced by \$3,747 on account of this fabricated business.

101. In the 2021 tax return, Gonzalez falsely reported in IRS Form 7202 (Credits for Sick Leave and Family Leave for Certain Self-Employed Individuals) that CUSTOMER 7's spouse had missed 15 days of work because of a coronavirus-related care and was entitled to a resulting tax credit of \$1,920. CUSTOMER 7 did not tell Gonzalez that her spouse had missed 15 days of work.

2022 Return

102. In the 2022 tax return, Gonzalez falsely reported that CUSTOMER 7's spouse had incurred \$8,161 in business expenses, including \$6,907 in contract labor costs and \$1,254 in other expenses.

103. CUSTOMER 7's spouse did not have these business expenses and CUSTOMER 7 did not tell Gonzalez that she or her spouse had a business or business expenses.

CUSTOMER 8

104. CUSTOMER 8 of Burleson, Texas, had Gonzalez prepare his 2021 and 2022 income tax returns at SBIT in 2022, and 2023, respectively.

2021 Return

105. In the 2021 tax return, Gonzalez falsely reported that CUSTOMER 8 both had \$5,250 in qualified solar electric property costs and was entitled to a \$1,365 residential energy credit.

106. CUSTOMER 8 did not have any qualified solar electric property costs in 2021 and did not tell Gonzalez that he had. CUSTOMER 8 was not entitled to a residential energy credit in 2021.

107. In the 2021 tax return, Gonzalez falsely reported that CUSTOMER 8 had an \$8500 deduction for charitable contributions.

108. CUSTOMER 8 did not have \$8500 in charitable contributions in 2021 and did not tell Gonzalez that he had.

2022 Return

109. In the 2022 tax return, Gonzalez falsely reported that CUSTOMER 8 had operated a business and that the business had incurred \$6,787 in losses.

110. CUSTOMER 8 did not have these business expenses and did not tell Gonzalez that he had operated a business in 2022 or that the business had incurred losses.

111. In the 2022 tax return, Gonzalez falsely reported that CUSTOMER 8 both had \$4,152 in qualified solar electric property costs and was entitled to a \$1,246 residential energy credit.

112. CUSTOMER 8 did not have any qualified solar electric property costs in 2022 and did not tell Gonzalez that he had. CUSTOMER 8 was not entitled to a residential energy credit in 2022.

CUSTOMER 9

113. CUSTOMER 9, a W-2 wage earner from Fort Worth, Texas, had Gonzalez prepare his and his spouse's joint 2021 and 2022 joint income tax returns at SBIT in 2022, and 2023, respectively.

2021 Return

114. In the 2021 tax return, Gonzalez falsely reported that CUSTOMER 9 both had \$6,000 in qualified solar electric property costs and was entitled to a \$1,560 residential energy credit.

115. CUSTOMER 9 did not have any qualified solar electric property costs in 2021 and did not tell Gonzalez that he had. CUSTOMER 9 was not entitled to a residential energy credit in 2021.

2022 Return

116. In the 2022 tax return, Gonzalez falsely reported that CUSTOMER 9 both had \$10,000 in qualified solar electric property costs and was entitled to a \$3,000 residential energy credit.

117. CUSTOMER 9 did not have any qualified solar electric property costs in 2022 and did not tell Gonzalez that he had. CUSTOMER 9 was not entitled to a residential energy credit in 2022.

CUSTOMER 10

118. CUSTOMER 10, a W-2 wage earner from Fort Worth, Texas, had Gonzalez prepare his and his spouse's joint 2021 and 2022 joint income tax returns at SBIT in 2022, and 2023, respectively.

2021 Return

119. In the 2021 tax return, Gonzalez falsely reported that CUSTOMER 10 both had \$5,778 in qualified solar electric property costs and was entitled to a \$1,502 residential energy credit.

120. CUSTOMER 10 did not have any qualified solar electric property costs in 2021 and did not tell Gonzalez that he had. CUSTOMER 10 was not entitled to a residential energy credit in 2021.

121. In the 2021 tax return, Gonzalez falsely reported in IRS Form 7202 (Credits for Sick Leave and Family Leave for Certain Self-Employed Individuals) that CUSTOMER 10 both had missed 18 days of work because of a coronavirus-related care and was entitled to a resulting tax credit of \$1,476. CUSTOMER 10 did not tell Gonzalez that he had missed 18 days of work.

2022 Return

122. In the 2022 tax return, Gonzalez also falsely reported that CUSTOMER 10 had incurred \$15,896 in medical and dental expenses and was entitled to a deduction of \$11,676 for having incurred those expenses.

123. CUSTOMER 10 did not have \$15,896 in medical and dental expenses in 2022 and did not tell Gonzalez that he had. CUSTOMER 10 was not entitled to medical and dental expense deduction of \$11,676.

124. In the 2022 tax return, Gonzalez falsely reported that CUSTOMER 10 had a \$3,000 deduction for charitable contributions.

125. CUSTOMER 10 did not have \$3,000 in charitable contributions in 2022 and did not tell Gonzalez that he had.

CUSTOMER 11

126. CUSTOMER 11, a W-2 wage earner from Waco, Texas, had Gonzalez prepare his and his spouse's 2020, 2021 and 2022 joint income tax returns at SBIT in 2021, 2022, and 2023, respectively.

2020 Return

127. In the 2020 tax return, Gonzalez falsely reported that CUSTOMER 11 both had \$3,600 in qualified solar electric property costs and was entitled to a \$936 residential energy credit.

128. CUSTOMER 11 did not have any qualified solar electric property costs in 2020 and did not tell Gonzalez that he had. CUSTOMER 11 was not entitled to a residential energy credit in 2020.

129. In the 2020 tax return, Gonzalez falsely reported that CUSTOMER 11 had incurred \$23,158 in business expenses, including \$12,776 in car and truck expenses, and \$2,457 in insurance.

130. CUSTOMER 11 did not have these business expenses and did not tell Gonzalez that he had a business or business expenses.

2021 Return

131. In the 2021 tax return, Gonzalez falsely reported that CUSTOMER 11 both had \$8,596 in qualified solar electric property costs and was entitled to a \$2,235 residential energy credit.

132. CUSTOMER 11 did not have any qualified solar electric property costs in 2021 and did not tell Gonzalez that he had. CUSTOMER 11 was not entitled to a residential energy credit in 2021.

133. In the 2021 tax return, Gonzalez falsely reported in IRS Form 7202 (Credits for Sick Leave and Family Leave for Certain Self-Employed Individuals) that CUSTOMER 11 both had missed 15 days of work because of a coronavirus-related care and was entitled to a resulting tax credit of \$1,935. CUSTOMER 11 did not tell Gonzalez that he had missed 15 days of work.

134. In the 2021 tax return, Gonzalez falsely reported that CUSTOMER 11 had incurred \$15,941 in business expenses, including \$11,786 in car and truck expenses, and \$2,670 in meals.

135. CUSTOMER 11 did not have these business expenses and did not tell Gonzalez that he had a business or business expenses.

2022 Return

136. In the 2022 tax return, Gonzalez falsely reported that CUSTOMER 11 had incurred \$17,073 in business expenses, including \$12,628 in contract labor costs and \$3,173 in insurance.

137. CUSTOMER 11 did not have these business expenses and did not tell Gonzalez that he had a business or business expenses.

CUSTOMER 12

138. CUSTOMER 12, a W-2 wage earner from Arlington, Texas, had Emma Romero and Gonzalez prepare his and his spouse's joint 2021 and 2022 joint income tax returns at SBIT in 2022, and 2023, respectively.

2021 Return

139. In the 2021 tax return, Romero falsely reported that CUSTOMER 12 both had \$5,896 in qualified solar electric property costs and was entitled to a \$1,533 residential energy credit.

140. CUSTOMER 12 did not have any qualified solar electric property costs in 2021 and did not tell Romero that he had. CUSTOMER 12 was not entitled to a residential energy credit in 2021.

141. In the 2021 tax return, Romero falsely reported that CUSTOMER 12 had a \$12,044 deduction for charitable contributions.

142. CUSTOMER 12 did not have \$5,487 in charitable contributions in 2021 and did not tell Romero that he had.

2022 Return

143. In the 2022 tax return, Gonzalez also falsely reported that CUSTOMER 12 both had incurred \$21,589 in medical and dental expense and was entitled to a deduction of \$11,427 for having incurred those expenses.

144. CUSTOMER 12 did not have \$21,589 in medical and dental expenses in 2022 and did not tell Gonzalez that he had. CUSTOMER 12 was not entitled to a medical and dental expense deduction of \$11,427.

145. In the 2022 tax return, Gonzalez falsely reported that CUSTOMER 12 had a \$5,989 deduction for charitable contributions.

146. CUSTOMER 12 did not have \$5,989 in charitable contributions in 2022 and did not tell Gonzalez that he had.

147. In the 2022 tax return, Gonzalez falsely reported that CUSTOMER 12 had incurred \$10,154 in business expenses, consisting of \$6,643 in car and truck expenses and \$1,985 in travel expenses.

148. CUSTOMER 12 did not have these business expenses and did not tell Gonzalez that he had a business or business expenses.

CUSTOMER 13

149. CUSTOMER 13, a resident of Fort Worth, Texas, had Gonzalez prepare her and her spouse's 2021 and 2022 joint income tax returns at SBIT in 2022, and 2023, respectively.

2021 Return

150. In the 2021 tax return, Gonzalez falsely reported that CUSTOMER 13 both had \$10,000 in qualified solar electric property costs and was entitled to a \$2,600 residential energy credit.

151. CUSTOMER 13 did not have any qualified solar electric property costs in 2021 and did not tell Gonzalez that she had. CUSTOMER 13 was not entitled to a residential energy credit in 2021.

152. In the 2021 tax return, Gonzalez falsely reported that CUSTOMER 13's spouse had incurred \$37,090 in business expenses, including \$8,669 in car and truck expenses and \$2,500 in insurance.

153. CUSTOMER 13's spouse did not have these business expenses, and she did not tell Gonzalez that her spouse had a business or business expenses.

2022 Return

154. In the 2022 tax return, Gonzalez falsely reported that CUSTOMER 13's spouse had incurred \$6,967 in business expenses, including \$6,044 in car and truck expenses and \$923 in meal expenses.

155. CUSTOMER 13 did not have these business expenses and did not tell Gonzalez that her spouse had a business or business expenses.

CUSTOMER 14

156. CUSTOMER 14, a W-2 wage earner from Corsicana, Texas, had Ignacio Loyo and Gonzalez prepare his and his spouse's joint 2021 and 2022 joint income tax returns at SBIT in 2022, and 2023, respectively.

2021 Return

157. In the 2021 tax return, Ignacio Loyo falsely reported that CUSTOMER 14 both had \$5,188 in qualified solar electric property costs and was entitled to a \$1,349 residential energy credit.

158. CUSTOMER 14 did not have any qualified solar electric property costs in 2021 and did not tell Ignacio Loyo that he had. CUSTOMER 14 was not entitled to a residential energy credit in 2021.

2022 Return

159. In the 2022 tax return, Gonzalez falsely reported that CUSTOMER 14 had incurred \$6,962 in business expenses, including \$6,103 in car and truck expenses and \$774 in meal expenses.

160. CUSTOMER 14 did not have these business expenses and did not tell Gonzalez that he had a business or business expenses.

COUNT I: Injunction under I.R.C. § 7407 for Conduct Subject to Penalty under I.R.C. §§ 6694 and 6695 or for Deceptive or Fraudulent Conduct that Interferes with Internal Revenue Code Administration

161. The United States incorporates by reference the allegations in all preceding paragraphs as though fully set forth herein.

162. Under I.R.C. § 7407, a court is authorized to enjoin a tax return preparer who, among other things, engages in conduct subject to penalty under I.R.C. §§ 6694 or 6695, or who

engages in any other fraudulent or deceptive conduct that substantially interferes with the proper administration of the internal revenue laws.

Violations of I.R.C. § 6694(a)

163. I.R.C. § 6694(a) penalizes a tax return preparer if: (1) the preparer prepared a return or claim for refund that included an understatement of liability due to a position for which there was not a realistic possibility of being sustained on the merits; (2) the preparer knew (or reasonably should have known) of such position; and (3) the position was not properly disclosed or was frivolous.

164. I.R.C. § 6694(e) defines understatement of liability to include any understatement of tax due or “overstatement of the net amount creditable or refundable.”

165. In violation of I.R.C. § 6694(a), Defendant prepared returns for customers that understated the customers’ tax liabilities and/or overstated the net amount of tax creditable or refundable, and that he knew or should have known contained positions for which there was no substantial authority or for which there was no reasonable basis, as set forth above.

166. In violation of I.R.C. § 6694(a), Defendant prepared tax returns for customers that he knew or reasonably should have known contained (1) fictitious Schedule C losses that the taxpayers did not incur; (2) fictitious energy credits to which the customers were not entitled; (3) fictitious coronavirus leave credits the customers were not entitled; and (4) fictitious schedule A charitable contribution deductions that the customer did not incur.

Violations of I.R.C. § 6694(b)

167. I.R.C. § 6694(b) penalizes a tax return preparer who prepares a return or claim with an understatement of liability: (1) in a willful attempt to understate the liability; or (2) with a reckless and intentional disregard of rules or regulations.

168. In violation of I.R.C. § 6694(b), Defendant recklessly or intentionally disregarded rules and/or regulations by preparing and filing tax returns that contained (1) fictitious Schedule C losses that the taxpayers did not incur; (2) fictitious energy credits to which the customers were not entitled; (3) fictitious coronavirus leave credits the customers were not entitled; and (4) fictitious schedule A charitable contribution deductions that the customer did not incur.

Interference with Internal Revenue Laws

169. Defendant engaged in fraudulent and deceptive conduct that substantially interferes with the proper administration of the internal revenue laws when he prepared and filed tax returns for customers that contained (1) fictitious Schedule C losses that the taxpayers did not incur; (2) fictitious energy credits to which the customers were not entitled; (3) fictitious coronavirus leave credits the customers were not entitled; and (4) fictitious schedule A charitable contribution deductions that the customer did not incur.

170. Anything less than a permanent injunction and complete bar on the preparation of tax returns is unlikely to stop Defendant from continuing to violate I.R.C. §§ 6694(a) and 6694(b) and from continuing to substantially interfere with the proper administration of the internal revenue laws.

COUNT II: Injunction under I.R.C. § 7408 for Unlawful Interference with Enforcement of the Internal Revenue Laws and Appropriateness of Injunctive Relief

171. The United States incorporates by reference the allegations in paragraphs 1-160, as though fully set forth herein.

172. Section 7408 of the Internal Revenue Code authorizes a district court to enjoin any person from engaging in conduct subject to penalty under I.R.C. § 6701 (among other provisions) if injunctive relief is appropriate to prevent the recurrence of such conduct.

173. Section 6701 of the Internal Revenue Code imposes a penalty on any person who aids or assists in the preparation or presentation of a federal tax return knowing (or having reason to believe) that the filed return would result in an understatement of the tax liability.

174. Defendant prepared federal tax returns for his customers knowing (or having reason to believe) they would be filed with the IRS and knowing the returns understate the customers' tax liabilities. Defendant knows the returns understate the customers' tax liabilities because the returns claim (1) fictitious Schedule C losses that the taxpayers did not incur; (2) fictitious energy credits to which the customers were not entitled; (3) fictitious coronavirus leave credits the customers were not entitled; and (4) fictitious schedule A deductions that the customer did not incur. Thus, Defendant's conduct is subject to penalty under § 6701.

175. If the Court does not enjoin Defendant, he is likely to continue to engage in conduct subject to penalty under § 6701. Defendant's conduct has continued for several years, for many different customers, and involves multiple and evolving schemes.

176. Injunctive relief is therefore appropriate under § 7408.

COUNT III: Injunction under I.R.C. § 7402(a) for Unlawful Interference with Enforcement of the Internal Revenue Laws and Appropriateness of Injunctive Relief

177. The United States incorporates by reference the allegations in paragraphs 1-160, as though fully set forth herein.

178. Under I.R.C. § 7402(a), a court is authorized to issue orders of injunction as may be necessary or appropriate to enforce the internal revenue laws.

179. I.R.C. § 7402(a) expressly provides that its injunction remedy is "in addition to and not exclusive of" other remedies for enforcing the internal revenue laws.

180. Defendant's activities described above substantially interfere with the enforcement of the internal revenue laws because Defendant prepares and files many fraudulent

tax returns that result in customers not paying their true federal tax liabilities and receiving tax refunds to which they are not entitled.

181. Defendant has shown that he should not be allowed to continue to prepare any tax returns for others because he has deliberately played the audit lottery on behalf of the customers. By claiming false Schedule A deductions, fabricating businesses and business expenses on Schedules C, and abusing REC's, Defendant has employed schemes the IRS can only detect by auditing returns or interviewing customers. Because the IRS lacks the resources to audit every return that includes such schedules, Defendant is actively subverting the American tax system, which relies on taxpayers to self-report their income and expenses fully and accurately.

182. An injunction prohibiting Defendant from preparing or assisting in the preparation of tax returns for others is needed to stop him from preparing and filing fraudulent tax returns and to prohibit him from otherwise interfering with the proper administration and enforcement of the internal revenue laws now and in the future.

183. If Defendant is not enjoined, the United States will continue to suffer irreparable harm for which it has no adequate remedy at law because it is not feasible (and in many cases too late) for the IRS to audit all of the returns that the Defendant has prepared and filed for customers over the years and to assert tax deficiencies, much less successfully collect all of the undeserved refunds.

184. Defendant could suffer no hardship from the injunction sought here that would outweigh the irreparable harm the United States will suffer if Defendant is not enjoined. The Injunction will merely prevent him from preparing tax returns for compensation, and not preclude him from seeking other non-tax related gainful employment.

185. The public interest would be advanced by enjoining Defendant because an injunction will stop his illegal conduct and the harm his conduct is causing the United States Treasury and the public.

186. An injunction under I.R.C. § 7402 is therefore necessary and appropriate.

WHEREFORE, the United States of America prays for the following:

A. That the Court find that Defendant has continually and repeatedly engaged in conduct subject to penalty under I.R.C. § 6694, and in other fraudulent or deceptive conduct that substantially interferes with the proper administration of the tax laws; that, pursuant to I.R.C. § 7407, an injunction merely prohibiting conduct subject to penalty under I.R.C. § 6694, or other fraudulent or deceptive conduct, would be insufficient to prevent his interference with the proper administration of the tax laws; and that Defendant should be permanently enjoined from acting as tax return preparer;

B. That the Court find that Defendant has repeatedly engaged in conduct subject to penalty under I.R.C. § 6701; that, pursuant to I.R.C. § 7408, an injunction merely prohibiting conduct subject to penalty under I.R.C. § 6701, or other fraudulent or deceptive conduct, would be insufficient to prevent his interference with the proper administration of the tax laws; and that Defendant, and anyone acting in active concert or participation with him, should be permanently enjoined from acting as tax return preparers;

C. That the Court find that Defendant has interfered with the enforcement of the internal revenue laws and that injunctive relief is appropriate to prevent the recurrence of that conduct pursuant to I.R.C. § 7402(a) and under the Court's inherent equity powers;

D. That the Court, pursuant to I.R.C. §§ 7402(a), 7407, and 7408 enter a permanent injunction enjoining Ruben Gonzalez, and all those in active concert or participation with him,

from directly or indirectly:

- (1) acting as a federal tax return preparer or requesting, assisting in, or directing, the preparation or filing of federal tax returns, amended returns, or other related documents or forms for any person or entity other than themselves unless the entity for which a return is being prepared is an entity for which defendant is legally obligated to file a tax return;
- (2) owning, operating, managing, working for, investing in, volunteering for, consulting for, providing capital or loans to, receiving fees or remuneration from, controlling, licensing, consulting with, or franchising a tax return preparation business;
- (3) training, instructing, teaching, and creating or providing cheat sheets, memoranda, directions, instructions, or manuals, pertaining to the preparation of federal tax returns;
- (4) maintaining, assigning, holding, using, leasing, or obtaining a Preparer Tax Identification Number (PTIN) or an Electronic Filing Identification Number (EFIN);
- (5) advising, counseling, or instructing anyone for compensation or otherwise regarding substantive tax law or the preparation of federal tax returns;
- (6) engaging in any other activity subject to penalty under I.R.C. §§ 6694, 6695, 6700, or 6701;
- (7) advertising tax return preparation services through any medium, including print, online, and social media;

- (8) referring any taxpayer to a tax preparation firm or to a tax return preparer, or otherwise suggesting that a taxpayer use any given tax preparation firm or any tax return preparer;
- (9) selling, providing access, or otherwise transferring to any person or entity other than the IRS or counsel for the United States a list of tax preparation customers, that Defendant generated by his tax return preparation activities;
- (10) using any business entity, to (a) assist in the preparation of a tax preparation business; or (b) receive federal tax refunds, whether directly from the IRS, or indirectly from Santa Barbara Tax Products Group, or any other tax refund processor; and
- (11) collecting or gathering Forms W-2 and Forms 1099 from taxpayers or from customers who want to have a federal tax return prepared.
- (12) working in the same office or office suite that also contains any part of a business whose activity at that office or office suite is to file, prepare, advise, or assist in the preparation of documents relating to a matter material to the internal revenue laws, including federal tax returns, amended federal tax returns and related documents, for any person for compensation.
- (13) Providing office space, equipment, or services for, or in any other way facilitating, the work of any person or entity that is in the business of preparing or filing federal tax returns or other federal tax documents or forms for others or representing persons before the Internal Revenue Service;

E. That the Court enter an order requiring Defendant to send, at his own expense, by certified mail, return receipt requested, within 30 days of the Court's order, and, if an email

address is known also by email, to (1) all persons for whom he has prepared federal tax returns, amended tax returns, or claims for refund since January 2020; (2) all business partners, associates, landlords, employees or independent contractors that Defendant has had since January 2020; and (3) all tax preparation tax software providers from whom defendant has purchased or licensed any tax preparation software since January 2020, a copy of the order of permanent injunction, with no other enclosures, unless the enclosure(s) is approved by the Department of Justice;

F. That the Court enter an order requiring Defendant to prominently and continuously from at least January 1 through April 16 of each year post a copy of its permanent injunction (with dimensions of at least 12 by 24 inches) at all the locations where Defendant conducts business, including, but not limited to, posting a copy at 536 W. Seminary Drive, Suite A, Fort Worth, TX 76115;

G. That the Court enter an order requiring Defendant to post on all social media accounts and websites used to advertise his tax preparation services: “Ruben Gonzalez, has been permanently enjoined from preparing federal income tax returns by the United States District Court for the Northern District of Texas. See the U.S. Department of Justice, Tax Division’s website for further information.” This statement will include a hyperlink, which will be provided by counsel for the United States, to any press release regarding the injunction that the Department of Justice may issue. Gonzalez, individually and dba Sin Barreras Income Tax, shall not deactivate any such social media accounts for at least one year after entry of judgment;

H. That the Court enter an order requiring Defendant, to produce to counsel for the United States, within 30 days of the Court’s order, a list that identifies by name, social security number, address, email address, and telephone number and tax period(s) all persons for whom

Defendant, prepared federal tax returns or claims for a refund, for calendar years beginning in 2020 and continuing through this litigation;

I. That the Court enter an order requiring Defendant to surrender to the Secretary of the Treasury or his delegate all PTINs held by, assigned to, or used by him pursuant to 26 U.S.C. § 6109, as well as any EFINs held by, assigned to, or used by him;

J. That the Court enter an order prohibiting Defendant from applying for, and from directing others to apply for, an EFIN or a PTIN;

K. That the Court enter an order requiring Defendant, within 60 days of the Court's order, to file a declaration, signed under penalty of perjury, confirming that he has received a copy of the Court's order and has timely complied with the terms described in paragraphs E, F, G, and H of the Order;

L. That the Court enter an order requiring Defendant to keep records of his compliance with the foregoing directives, which may be required to be produced to the Court, if requested, or to the United States;

M. That this Court enter an order that permits the United States to conduct post-judgment discovery to ensure Defendant's compliance with the permanent injunction; and

N. That this Court grant the United States such other relief as the Court deems appropriate.

June 11, 2024

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Deputy Assistant Attorney General

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