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UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION

UNITED STATES OF AMERICA,

Plaintiff,

v.

Case No. 6:25-cv-482-CEM-RMN

**JUAN HUMBERTO GARCIA,
MARCOS YARIEL FIGUEROA,
and THE TAX MASTER OF BVL,
INC.,**

Defendants.

_____ /

ORDER

THIS CAUSE is before the Court on Plaintiff's Motion for a Preliminary Injunction ("Motion," Doc. 19), to which Defendants filed a Response in Opposition ("Response," Doc. 24). On February 5, 2026, the Court held an evidentiary hearing on this matter. (Min. Entry, Doc. 33). For the reasons set forth below, the Motion will be granted.

I. BACKGROUND

This case involves Defendants' alleged fraudulent preparation and filing of federal income taxes. (*See generally* Compl., Doc. 1). In 2022, the Internal Revenue Service ("IRS") began a formal civil investigation into tax preparers Juan Humberto Garcia and Marcos Yariel Figueroa, as well as Garcia's company, the Tax Master of

BVL, Inc. (collectively “Defendants”). (Hayes Am. Decl., Doc. 32, at 2). As a result of that investigation, Plaintiff (the “Government”) filed a Complaint for Permanent Injunction on March 19, 2025, and on January 21, 2026, filed the instant Motion.

In the Motion, the Government argues that an injunction is needed to prevent Defendants from preparing and filing false or fraudulent tax returns during the ongoing 2025 tax season. (Doc. 19 at 1). According to the Government, Defendants have persisted in their illegal conduct, despite being served with the Complaint in this action. (*Id.* at 20). Specifically, the Government alleges that Defendants prepare individual income tax returns that state fabricated medical expenses, charitable donations, and personal property taxes as deductions on Form 1040 Schedule A and fictitious or inflated business losses on Form 1040 Schedule C. (*Id.* at 6, 10). In support of the Motion the Government submitted evidence including depositions from over a dozen of Defendants’ customers (Doc. Nos. 19-1, 19-3, 19-6, 19-10, 19-13, 19-16, 19-19, 19-20, 20-3, 20-6, 20-8, 20-10, 20-11, 20-15, 20-18, and 20-21); those customers’ Form 1040 individual income tax returns (Doc. Nos. 19-2, 19-4, 19-5, 19-7, 19-8, 19-11, 19-12, 19-14, 19-15, 19-17, 19-18, 20-1, 20-2, 20-4, 20-5, 20-7, 20-9, 20-12, 20-13, 20-14, 20-17, 20-19, and 20-22); questionnaires customers submitted to Defendants (Doc. Nos. 19-9, 20-16, 20-23, 20-24, 20-25, 20-26, and 20-27); the declaration of the investigating revenue agent (Doc. 32); and summaries of interviews the IRS conducted with Defendants’ customers (Doc. Nos. 32-1 and

32-2). At the hearing on the Motion the Government presented live testimony from the investigating revenue agent and one of Defendants' customers. (*See* Doc. 33).

II. LEGAL STANDARD

“The grant or denial of a preliminary injunction is a decision within the sound discretion of the district court.” *United States v. Lambert*, 695 F.2d 536, 539 (11th Cir. 1983). To obtain a preliminary injunction, the movant must sufficiently establish that (1) “it has a substantial likelihood of success on the merits;” (2) “irreparable injury will be suffered unless the injunction issues;” (3) “the threatened injury to the movant outweighs whatever damage the proposed injunction may cause the opposing party;” and (4) “the injunction would not be adverse to the public interest.” *Forsyth Cnty. v. U.S. Army Corps of Eng’rs*, 633 F.3d 1032, 1039 (11th Cir. 2011) (quoting *Siegel v. LePore*, 234 F.3d 1163, 1176 (11th Cir. 2000)). “A preliminary injunction, moreover, ‘is an extraordinary and drastic remedy not to be granted unless the movant clearly establishes the burden of persuasion as to the four requisites.’” *Llovera v. Fla.*, 576 F. App’x 894, 896 (11th Cir. 2014) (quoting *Forsyth Cnty.*, 633 F.3d at 1039). “To carry its burden, a plaintiff seeking a preliminary injunction must offer proof beyond unverified allegations in the pleadings. Moreover, vague or conclusory affidavits are insufficient to satisfy the plaintiff’s burden.” *Palmer v. Braun*, 155 F. Supp. 2d 1327, 1331 (M.D. Fla. 2001), *aff’d*, 287 F.3d 1325, 1327 (11th Cir. 2002).

III. ANALYSIS

The Government seeks injunctive relief under I.R.C. §§ 7402, 7407, and 7408. Pursuant to I.R.C. § 7407, a district court may enjoin a tax preparer if they have engaged in conduct subject to penalty under § 6694 or § 6695 and injunctive relief is appropriate to prevent the recurrence of such conduct. 26 U.S.C. § 7407. As relevant here, a tax return preparer violates § 6694(b) by understating a payer's tax liability if such conduct was willful or reckless. 26 U.S.C. § 6694(b).

Similarly, under § 7408, a district court is authorized to enjoin any person from further engaging in specified conduct, including acts subject to penalty under I.R.C. § 6701, if the court finds that the person has engaged in such conduct and if injunctive relief is appropriate to prevent recurrence of such conduct. 26 U.S.C. § 7408. Conduct that violates § 6701 includes aiding or assisting in preparing tax returns or other documents that the person knows will result in an understatement of tax liability. 26 U.S.C. § 6701.

Finally, “[s]ection 7402(a) grants a district court broad authority to issue injunctions ‘as may be necessary or appropriate for the enforcement of the internal revenue laws.’” *United States v. Stinson*, 661 F. App’x 945, 949 (11th Cir. 2016) (quoting 26 U.S.C. § 7402(a)). Under § 7402(a) a court must look to “the traditional factors shaping the district court’s use of the equitable remedy.” *United States v. Askins & Miller Orthopaedics, P.A.*, 924 F.3d 1348, 1358 (11th Cir. 2019).

The equitable factors weigh in factor of granting the Government's Motion. As to the first equitable factor, the Government has presented sufficient evidence to demonstrate a likelihood of success on the merits. *See Stinson*, 661 F. App'x at 952–53 (explaining that “the Government is ‘not required to prove [its] case in full at a preliminary injunction hearing’” and affirming the district court's finding of likelihood of success on the merits where the Government submitted customer depositions and documentary evidence in support of its claims of improper tax preparation (citation omitted)). Defendants' customers repeatedly testified that their tax returns included deductions and expenses that they did not incur. (J. Vargas Dep., Doc. 19-1, at 6; Smith Dep., Doc. 19-3, at 9; Ferro Dep., Doc. 19-6, at 11; N. Rodriguez Dep., Doc. 19-10, at 8; Taveras Dep., Doc. 19-13, at 8; Gordillo Dep., Doc. 19-16, at 8; Corsaro Dep., Doc. 19-20, at 6; J. Rodriguez Dep., Doc. 20-6, at 8; Lacataru Dep., Doc. 20-8, at 8; A. Gonzales Dep., Doc. 20-10, at 5–6; N. Gonzales Dep., Doc. 20-11, at 5–8; Galvez Dep., Doc. 20-15, at 11–12; M. Vargas Dep., Doc. 20-18 at 10–11). While one or two instances of customers not recognizing the deductions on their returns might indicate that a mistake was made, over a dozen customers testifying that Defendants submitted fraudulent tax returns on their behalf strongly suggests that Defendants were intentionally preparing and filing fraudulent returns.

Moreover, Defendants have not offered any plausible alternative explanation for the false tax returns. At the hearing on the Motion, Defendants suggested that perhaps the customers lied to their tax preparers to get larger returns, but when the IRS started asking questions, they changed their story. Notably, the individuals who would be able to provide evidence to support such a theory are Defendants. They declined to do so, even when specifically given the opportunity by the Court at the hearing. There is no evidence that Defendants’ customers—as opposed to Defendants—intended to file fraudulent taxes.

Next the Court turns to the irreparable harm factor. “A showing of irreparable harm is the *sine qua non* of injunctive relief.” *Adams v. Bordeau Metals Se., Ltd. Liab. Co.*, No. 24-11572, 2025 U.S. App. LEXIS 8806, at *11 (11th Cir. Apr. 15, 2025) (quoting *Ne. Fla. Chapter of the Ass’n of Gen. Contractors of Am. v. City of Jacksonville*, 896 F.2d 1283, 1285 (11th Cir. 1990)). “[T]he key word in this consideration is *irreparable*.” *Alabama v. United States Sec’y of Educ.*, No. 24-12444, 2024 U.S. App. LEXIS 21358, at *26 (11th Cir. Aug. 22, 2024) (quoting *Sampson v. Murray*, 415 U.S. 61, 90 (1974)). “Mere injuries, however, substantial, in terms of money, time, and energy necessarily expanded . . . are not enough. The possibility that adequate compensatory or other corrective relief will be available at a later date, in the ordinary course of litigation, weighs heavily against a claim of irreparable harm.” *Id.* (quoting *Sampson*, 415 U.S. at 90). And preliminary

injunctions are “premised on the need for speedy and urgent action.” *Wreal, LLC v. Amazon.com, Inc.*, 840 F.3d 1244, 1248 (11th Cir. 2016). As a result, “a party’s failure to act with speed or urgency in moving for a preliminary injunction necessarily undermines a finding of irreparable harm.” *Id.*

Here, absent an injunction, irreparable harm will occur because even after being served with the Complaint in this action, Defendants continue to prepare fraudulent tax returns. (See Return of Service Executed, Doc. 7; Galvez 2024 Return, Doc. 20-17; Doc. 20-15, at 7–13). To recover the lost tax revenue from Defendants’ actions, the Government will have to expend substantial resources auditing Defendants’ customers, assessing liabilities, and litigating resulting cases. See *Askins & Miller Orthopaedics, P.A.*, 924 F.3d at 1360 (explaining that in cases involving the IRS, the Government may suffer irreparable injury where it is required to expend a disproportionate amount of resources to bring individuals into compliance and recover lost tax revenue). Additionally, Defendants’ customers, i.e., the public, are harmed by Defendants’ actions. See *Stinson*, 661 F. App’x at 953 (finding irreparable harm where individual taxpayers were, among other things, subject to increased tax liability due to their tax preparer’s actions). Defendants’ customers rely on Defendants for tax preparation services but unbeknownst to them, Defendants improperly prepare their taxes and expose them to stressful audits and tax liability.

Notably, there was a delay between when the Government filed the Complaint in this action (Mar. 19, 2025) and when the Government filed the Motion for Preliminary Injunction (Jan. 21, 2026). At the hearing on the Motion, the Government explained that this delay was caused by bureaucratic obstacles, including a government shutdown, and ongoing discovery through December 2025. While a delay in seeking a preliminary injunction mitigates against a finding of irreparable harm, it is “not necessarily fatal” to such a finding. *Wreal, LLC*, 840 F.3d at 1248. In this instance, the delay is not determinative. Given the recent commencement of the 2025 tax season and the great harm Defendants would inflict on the public, there is a need for urgent action to enjoin Defendants.

The balancing of the equities and the public interest factors also favor granting the Government’s Motion. A preliminary injunction would prohibit Defendants from continuing to operate their business and impair their ability to earn a living. But this harm is “substantially outweighed by the harm to which their clients are subjected by having fraudulent tax returns prepared in their names.” *United States v. Marc*, No. 6:18-cv-2147-Orl-37EJK, 2020 U.S. Dist. LEXIS 169341, at *22 (M.D. Fla. Sep. 1, 2020) (citation omitted). A preliminary injunction will serve the public interest by protecting individuals from having Defendants prepare false tax returns in their names.

IV. CONCLUSION

Accordingly, it is **ORDERED** and **ADJUDGED** as follows:

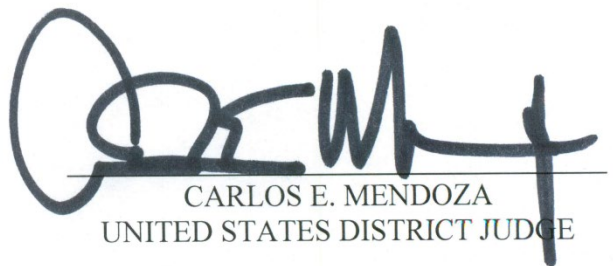
1. The Governments' Motion for Preliminary Injunction (Doc. 19) is **GRANTED**.

2. Defendants and anyone acting in concert or participation with Defendants are **PRELIMINARILY ENJOINED** from:

- 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 and forms, including any electronically submitted tax returns or tax-related documents, for any entity or person other than themselves;
- c. Owning, managing, assisting, working for, profiting from, or volunteering for any individual, business, or entity engaged in tax return preparation;

- d. Using, maintaining, renewing, obtaining, transferring, selling, or assigning any PTIN or EFIN;
 - e. Transferring, selling, or assigning their customer lists and/or other customer information;
 - f. Engaging in activity subject to penalty under 26 U.S.C. §§ 6694, 6695 and 6701; and
 - g. Engaging in conduct that substantially interferes with the proper administration and enforcement of the internal revenue laws.
3. This Order of Preliminary Injunction against Defendants shall remain in full force and effect until the final resolution of this case on the merits or at such time that the Court modifies, vacates, or supersedes this Order.

DONE and **ORDERED** in Orlando, Florida on February 13, 2026.



CARLOS E. MENDOZA
UNITED STATES DISTRICT JUDGE

Copies furnished to:

Counsel of Record