UNITED STATES DISTRICT COURT

SOUTHERN DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA, Plaintiff, v. OLADAPO OLAGBEMI, Defendant.	Case No.: 26-CV-6120 JLS (GC) **ORDER ENTERING CONSENT JUDGMENT OF PERMANENT INJUNCTION** (ECF No. 4)

Presently before the Court is the Parties' Stipulation for Entry of Consent Judgment of Permanent Injunction ("Stip.," ECF No. 5). For the reasons below, the Court **APPROVES** the Stipulation and **ORDERS** the proposed injunction.

BACKGROUND

Plaintiff, the United States of America, has requested a permanent injunction under Title 26 of the United States Code, ("Internal Revenue Code" or "IRC") §§ 7402(a) and 7407 against Oladapo Olagbemi. Stip. at 1–2. In the Complaint, the United States alleges that Olagbemi aided and assisted in the preparation of false tax returns. Complaint, ECF No. 1 ¶ 7. Olagbemi admits the allegations in the Complaint and consents to the permanent injunction. *Id.* ¶¶ 8–10.

LEGAL STANDARD

"A consent decree is 'essentially a settlement agreement subject to continued judicial policing.'" *United States v. Oregon*, 913 F.2d 576, 580 (9th Cir. 1990) (quoting *Williams v. Vukovich*, 720 F.2d 909, 920 (6th Cir. 1983)); *see Lares v. Reliable Wholesale Lumber, Inc.*, No. 8:18-CV-0157-JLS-AGR, 2018 WL 6219936, at *2 (C.D. Cal. Oct. 18, 2018) ("Consent decrees are hybrids of private settlement agreements and public judgements."). "It is not a decision on the merits or the achievement of the optimal outcome for all parties, but is the product of negotiation and compromise." *Oregon*, 913 F.2d at 580. "Before approving a consent decree, a district court must be satisfied that it is at least fundamentally fair, adequate and reasonable." *Id.* "In applying the 'fair, adequate and reasonable' standard, courts examine both procedural and substantive fairness." *United States v. Pac. Gas & Elec.*, 776 F. Supp. 2d 1007, 1024–25 (N.D. Cal. 2011) (citing *United States v. Cannons Eng'g Corp.*, 899 F.2d 79, 86 (1st Cir. 1990)); *see United States v. Coeur D'Alenes Co.*, 767 F.3d 873, 877 (9th Cir. 2014) ("[W]e require a district court to review a proposed consent decree for the purpose of determining whether it is fair—not only procedurally, but also substantively."). "In addition, because it is a form of judgment, a consent decree must conform to applicable laws." *Oregon*, 913 F.2d at 580. When reviewing a consent decree, a court must independently review its terms and avoid "rubber stamp approval." *See United States v. Montrose Chem. Corp. of Cal.*, 50 F.3d 741, 747 (9th Cir. 1995). The approval of a proposed consent decree rests within the sound discretion of the court. *See Oregon*, 913 F.2d at 580.

ANALYSIS

Under the proposed judgment, Olagbemi is permanently enjoined from preparing federal tax returns for any person other than himself. Stip. at 2. He is also enjoined from many other activities that are associated with the preparation of federal tax returns. *Id.* at 2–3. He must also contact all persons for whom he prepared federal tax returns since January 1, 2023, to inform them of the permanent injunction and produce a list of such persons for the United States. *Id.* at 4.

I. Procedural Fairness

The Court first considers whether the proposed Consent Judgment is the "product of a procedurally fair process." *Montrose*, 50 F.3d at 746. "To measure procedural fairness, a court should ordinarily look to the negotiation process and attempt to gauge its candor, openness, and bargaining balance." *Cannons*, 899 F.2d at 86; *San Diego Unified Port Dist. v. Gen. Dynamics Corp.*, No. 07-CV-01955-BAS-WVG, 2017 WL 2655285, at *7 (S.D. Cal. June 20, 2017). "The district court's role in reviewing the essentially private agreement among the parties is 'limited to the extent necessary to reach a reasoned judgment that the agreement is not the product of fraud or overreaching by, or collusion between, the negotiating parties.'" *Oregon*, 913 F.2d at 586 (quoting *Officers for Just. v. Civil Serv. Comm'n of S.F.*, 688 F.2d 615, 625 (9th Cir. 1982)).

Here, Olagbemi was represented by counsel during the plea negotiations and there is nothing in the record to suggest procedural unfairness. *United States v. Olagbemi*, No. 26-cr-1982-RBM-1, ECF No. 21 (S.D. Cal. Aug. 19, 2026); *see Oregon*, 913 F.2d at 581; *see also Ecological Rts. Found. v. San Diego Gas & Elec. Co.*, No. 24-CV-1614-RSH-MMP, 2024 WL 4495530, at *3 (S.D. Cal. Oct. 15, 2024).

II. Substantive Fairness and Reasonableness

Next, the Court considers whether the proposed Consent Judgment is "substantively fair to the parties in light of a reasonable reading of the facts." *Montrose*, 50 F.3d at 746. "Substantive fairness introduces into the equation concepts of corrective justice and accountability: a party should bear the cost of the harm for which it is legally responsible." *Cannons*, 899 F.2d at 87. The relevant standard is not whether the settlement "is one which the court itself might have fashioned, or considers as ideal[.]" *Id.* at 84. "Rather, the court's approval is nothing more than 'an amalgam of delicate balancing, gross approximations and rough justice." *Oregon*, 913 F.2d at 581 (quoting *Officers for Just.*, 688 F.2d at 625)). "As long as the consent decree comes within the general scope of the case made by the pleadings, furthers the objectives upon which the law is based, and does not violate[] the statute upon which the complaint was based, the parties' agreement may be entered by the

court." *Sierra Club, Inc. v. Elec. Controls Design, Inc.*, 909 F.2d 1350, 1355 (9th Cir. 1990) (internal quotation marks omitted).

Here, the United States asks for an injunction that the Parties agree "is appropriate for the enforcement of the internal revenue laws." Stip. at 2. The United States argues that the misconduct may recur unless a permanent injunction is entered. Compl. at 4. The Court finds the injunction is reasonable in light of Olagbemi's admitted conduct.

In light of the foregoing, the Court finds that the proposed Consent Judgment is fair, reasonable, and equitable, and that there is no indication it violates the law or public policy. *See Sierra Club*, 909 F.2d at 1355.

CONCLUSION

Accordingly, the Court **APPROVES** the Parties' Stipulation for Entry of Consent Judgment of Permanent Injunction (ECF No. 5), and it is hereby **ORDERED**, **ADJUDGED**, and **DECREED** that:

1. This Court has jurisdiction over this action and the Defendant Oladapo Olagbemi pursuant to 26 U.S.C. §§ 7402(a), 7407, and 7408 as well as 28 U.S.C. §§ 1340 and 1345.
2. **A PERMANENT INJUNCTION IS HEREBY ENTERED** against Defendant from the date of this Judgment, and the Defendant, Oladapo Olagbemi, is permanently enjoined from directly or indirectly:
    a. Preparing, requesting, assisting in, 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 person or entity other than himself;
    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 person or entity other than himself;

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c. Employing any person to prepare, file or assist in the preparation of filing of any federal return, amended return or other federal tax document for any person or entity other than himself;

d. Instructing, teaching, or otherwise training any person in the preparation of tax returns, amended tax returns, or other federal tax documents;

e. Engaging in any conduct or activity subject to penalty under 26 U.S.C. §§ 6694, 6695, 6700, or 6701;

f. Owning, controlling, or managing any business involving tax return preparation and/or the provision of tax advice, or maintaining a professional presence in any premises, whether an office, place of business, dwelling, or other abode, where tax returns are being prepared for a fee or professional tax services are being provided;

g. Having any form of remunerative interest in an entity that is in the business of preparing or advising in the preparation of federal tax returns, amended tax returns, or other federal tax documents, provided, however, that Defendant has 30 days from the effective date of this Judgment to wind up any tax preparation or advice business he currently owns, including D.A.O. Accounting, Consulting, and Taxation, Inc;

h. Representing persons before the Internal Revenue Service other than himself;

i. Maintaining, assigning, holding, using or obtaining a Preparer Tax Identification Number (PTIN) or an Electronic Filing Identification Number (EFIN);

j. Advertising tax return preparation services through any medium, including the internet and social media;

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k. Selling, providing access, or otherwise transferring to any person some or all of the proprietary assets of Olagbemi and D.A.O. Accounting, Consulting, and Taxation, Inc., generated by their tax return preparation activities, including but not limited to customer lists;

l. Referring any customer to a tax preparation firm or a tax return preparer, or otherwise suggesting that a customer use any particular tax preparation firm or tax return preparer;

m. Otherwise engaging in conduct that substantially interferes with the proper administration and enforcement of the internal revenue laws.

3. Defendant **SHALL** contact, at his own expense, within thirty (30) days after entry of this Judgment, by United States mail to the last-known address and, if an email address is known, by email, all persons for whom he prepared or assisted in preparing federal tax returns since January 1, 2023, to inform them of the permanent injunction entered against him; and include a copy of this Judgment, but no other documents or enclosures unless agreed to by counsel for the United States, and within 45 days after entry of this Judgment file with the Court a declaration, signed under penalty of perjury, stating that he has complied with this requirement and the terms described in Paragraph 2 of this Stipulated Judgment of Permanent Injunction;

4. Defendant shall produce to counsel for the United States, within forty-five (45) days of this Judgment, a list that identifies by name, Social Security number, address, email address, telephone number, and tax period(s), all persons for whom he prepared, or assisted in preparing, federal tax returns since January 1, 2023;

5. The United States of America is entitled to conduct post-judgment discovery to monitor Defendant's compliance with the terms of this Stipulated Judgment of Permanent Injunction;

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6. This Court shall retain jurisdiction over this case for the purposes of monitoring and enforcing the Defendant's compliance with this Stipulated Judgment of Permanent Injunction; and
7. The parties shall bear their own attorneys' fees and costs associated with this action.

As this concludes the litigation in this matter, the Clerk of Court **SHALL CLOSE** the case.

IT IS SO ORDERED.

Dated: November 5, 2026

Janis L. Sammartino
Hon. Janis L. Sammartino
United States District Judge