

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

CASE NO.: 17-80604-MIDDLEBROOKS

UNITED STATES OF AMERICA,

Plaintiff,

v.

FRED PICKETT JR., JALISA STEELE,
FRED PICKETT III, FIVE STAR TAX
AGENCY, LLC, FIVE STAR FINANCIAL
SERVICES, INC., and MILLENIUM
TAX PROFESSIONALS, INC.,

Defendants.

ORDER AND JUDGMENT OF PERMANENT INJUNCTION

THIS CAUSE comes before the Court upon a Stipulation for Entry of Order and Judgment of Permanent Injunction Against Fred Pickett Jr., Jalisa Steele, Fred Pickett III, Five Star Tax Agency, LLC, Five Star Financial Services, Inc., and Millenium [sic] Tax Professionals, Inc. (DE 37). The Court enters this Order and Judgment of Permanent Injunction in accordance with the stipulation.

The United States has filed a complaint in which it seeks a permanent injunction under 26 U.S.C. §§ 7402, 7407, and 7408 against Fred Pickett Jr., Jalisa Steele, Fred Pickett III, Five Star Tax Agency, LLC, Five Star Financial Services, Inc., and Millenium Tax Professionals, Inc. ("Defendants"). The United States alleges, in part, that Defendants continually and repeatedly engaged in conduct subject to penalty under 26 U.S.C. §§ 6694, 6695, and 6701, and conduct that interferes with the administration of the internal revenue laws.

Defendants waived the entry of findings of fact and conclusions of law under Rules 52 and 65 of the Federal Rules of Civil Procedure, consented to the entry of this Order and Judgment of Permanent Injunction, and agreed to be bound by its terms. No provision in the stipulation or this order and judgment or the fact that Defendants are agreeing thereto constitutes an admission by any

Defendant of any of the allegations set forth by the United States in the foregoing paragraph or in the United States' complaint. This Order and Judgment of Permanent Injunction constitutes the final judgment against each Defendant in this civil injunction action and each Defendant waives the right to appeal from that judgment.

This Order and Judgment of Permanent Injunction resolves only this civil injunction action, and neither precludes the United States from pursuing any other current or future civil or criminal matters or proceedings, nor precludes Defendants from contesting their liability or guilt in any other matter or proceeding. The Court retains jurisdiction over this matter for the purpose of implementing and enforcing the permanent injunction against Defendants, including civil and criminal sanctions for contempt of court if any Defendant violates the injunction. Accordingly, it is hereby

ORDERED AND ADJUDGED that:

A. Defendants, and all those in active concert or participation with them, are permanently enjoined from:

- a. 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;
- b. preparing or assisting in preparing federal tax returns that each knows or reasonably should know would result in an understatement of tax liability or the overstatement of federal tax refund(s) as penalized by 26 U.S.C. § 6694;
- c. owning, operating, managing, working in, investing in, providing capital or loans to, receiving fees or remuneration from, controlling, licensing, consulting with, or franchising a tax return preparation business;
- d. training, advising, counseling, instructing, teaching, and creating or providing cheat sheets, memoranda, directions, instructions, or manuals, pertaining to the preparation of federal tax returns;
- e. maintaining, transferring, assigning, holding, using, or obtaining a Preparer Tax Identification Number (PTIN) or an Electronic Filing Identification Number (EFIN);

- f. 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 (26 U.S.C.); and
- g. engaging in any conduct that substantially interferes with the proper administration and enforcement of the internal revenue laws.

B. Defendants shall immediately and permanently close all tax return preparation stores that they own directly or through any entity, and whether those stores do business as Five Star Tax Agency, LLC, Five Star Financial Services, Inc., and Millenium Tax Professionals, Inc. or under any other name;

C. Defendants are prohibited, either directly or through any entity, from assigning, transferring, or selling any franchise agreement, independent contractor agreement, or employment contract related to Five Star Tax Agency, LLC, Five Star Financial Services, Inc., and Millenium Tax Professionals, Inc., or any other tax return preparation business to which any of Defendants or any entity under their control is a party;

D. Defendants are barred, directly or through any entity, from: (1) selling, transferring, assigning, disseminating, giving, or otherwise providing to any individual or entity a list of customers, or any other customer information, for customers for whom Defendants or those acting at their direction have prepared a tax return at any time since 2011; (2) selling, transferring, assigning, disseminating, giving, or otherwise providing to any current or former manager, tax return preparer, employee, or independent contractor of Defendants a list of customers or any other customer information for customers for whom Defendants or those acting at their direction have prepared a tax return at any time since 2011; and (3) selling, transferring, assigning, disseminating, giving, or otherwise providing to any individual or entity any proprietary information pertaining to any business or name through which Defendants, or those acting at their direction, have prepared a tax return at any time since 2011;

E. Defendants shall contact, within 75 days of this Order and Judgment of Permanent Injunction, by United States mail and, if an e-mail address is known, by e-mail, all persons for whom Defendants and the managers, employees, tax return preparers, and contractors acting at their direction prepared federal tax returns at any time since 2011 to inform them of the permanent injunction entered against Defendants, including sending a copy of the order of permanent injunction, but not enclosing any other documents or enclosures unless agreed to by counsel for the United States or approved by the Court;

F. Defendants shall within 30 days of this Order and Judgment of Permanent Injunction, prominently post in the window of the store location(s) where tax returns were prepared by Defendants and the managers, employees, tax return preparers, and contractors acting at their direction from January 2017 through the present, a notice with dimensions of at least 12 by 24 inches, to be provided by the United States, stating that a United States District Court has ordered that Defendants are permanently prohibited by law from preparing tax returns for others from the date of entry of the Injunction Order;

G. Defendants shall produce to counsel for the United States, within 75 days of this Order and Judgment of Permanent Injunction, a list that identifies by name and either social security number or date of birth, and tax period(s) all persons for whom Defendants and the managers, employees, tax return preparers, and contractors acting at their direction prepared federal tax returns at any time since 2011 and continuing through this litigation;

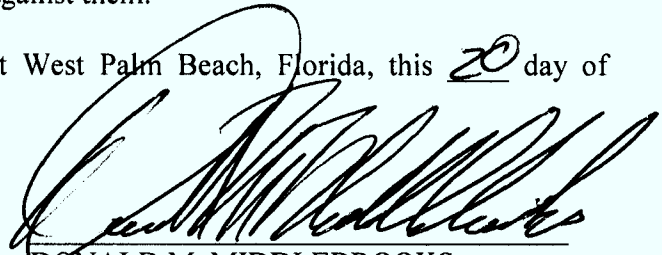
H. Defendants shall produce to counsel for the United States, within 30 days of this Order and Judgment of Permanent Injunction, a list that identifies by name, address, e-mail address (if available), and telephone number all managers, employees, and contractors of Defendants from 2011 to the present;

I. Defendants shall provide a copy of this Order and Judgment of Permanent Injunction to all managers, employees, and contractors of Defendants within 30 days of its entry, and provide to counsel for the United States within 45 days of this Order and Judgment of Permanent Injunction a signed and dated acknowledgment of receipt for each person to whom Defendants provided a copy of this Order and Judgment of Permanent Injunction or, if a manager, employee, or contractor of Defendants refuses to sign and date an acknowledgement of receipt, then Defendants shall provide to counsel for the United States a list that is signed and dated by one of Defendants of those individuals to whom Defendants provided a copy of this Order and Judgment of Permanent Injunction;

J. The Court shall retain jurisdiction over Defendants and over this action to enforce this permanent injunction entered against them; and

K. The United States is entitled to conduct discovery to monitor Defendants' compliance with the terms of the permanent injunction entered against them.

DONE AND ORDERED in Chambers at West Palm Beach, Florida, this 20 day of October, 2017.


DONALD M. MIDDLEBROOKS
UNITED STATES DISTRICT JUDGE

Copies furnished to: All counsel of record