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10  
11 IN THE UNITED STATES DISTRICT COURT FOR THE  
DISTRICT OF ARIZONA

12 United States of America,

13 Plaintiff,

14 v.

15 Alfred George Decker, an individual, and  
Accountable Business Services, Inc.,

16 Defendants.

Case No.

COMPLAINT FOR PERMANENT  
INJUNCTION AND OTHER RELIEF

17  
18 Plaintiff, the United States of America, by and through undersigned counsel,  
19 complains and alleges as follows:

20 1. This is a civil action brought by the United States of America under 26  
21 U.S.C. §§ 7402(a) and 7407 to permanently enjoin Alfred George Decker (“Mr. Decker”)  
22 and Accountable Business Services, Inc. (“ABS”), and anyone in active concert or  
23 participation with them, from:

- 24 a. acting as a federal tax return preparer or requesting,  
25 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;



1 **DEFENDANTS**

2 5. Defendant Alfred George Decker resides in Maricopa County, Arizona.

3 6. Defendant Accountable Business Services, Inc. (“ABS”) is an Arizona  
4 Corporation, owned by Mr. Decker and his wife, Cheryl Dee Decker (“Mrs. Decker”),  
5 and is the corporate entity that owns the return preparation store known as “Accountable  
6 Business Services” located in Gilbert, Arizona. “Accountable Business Services” is the  
7 registered trade name of Accountable Business Services, Inc.

8 **BACKGROUND**

9 7. Mr. Decker is not professionally certified as a return preparer. He graduated  
10 from college in 1974 with an accounting degree and worked for a small CPA firm for  
11 approximately one year. He worked at that firm during a single tax season. After leaving  
12 the CPA firm, Mr. Decker worked full-time as a Farmers Insurance agent until 2001.

13 8. Decker Enterprises, Inc., owned by Mr. Decker and his wife, was the initial  
14 corporate entity to operate the tax return preparation store known as Accountable  
15 Business Services, which began operating in 1982, and had initially registered the  
16 “Accountable Business Services” trade name. Mr. Decker prepared returns at this store  
17 on a part time basis until 2001.

18 9. In 2001, Mr. Decker began preparing returns full time at Accountable  
19 Business Services, the tax-return preparation store in Gilbert, Arizona. Over the years,  
20 many of Mr. Decker’s family members also worked at the tax-return preparation store,  
21 including Mrs. Decker, and a number of their adult children.

22 *State of Arizona Investigation and Criminal Conviction*

23 10. The State of Arizona conducted an examination of returns prepared by Mr.  
24 Decker, and initiated a criminal action against Mr. Decker for fraudulently preparing state  
25 tax returns. In an indictment issued on September 13, 2007, the State of Arizona charged

1 Mr. Decker with over 50 criminal counts, including Fraudulent Schemes and Artifices (a  
2 class 2 felony) and Fraudulent Preparation of an Income Tax Return (a class 5 felony), as  
3 well as forgery and identity theft. *See* Indictment dated September 13, 2007, *State of*  
4 *Arizona v. Alfred George Decker, Cheryl Dee Decker, et. al.*, CR2007-008286, Superior  
5 Court of Arizona, Maricopa County. A number of Mr. Decker's family members were  
6 also charged with various tax fraud related counts in that same indictment, including Mrs.  
7 Decker, the couple's four adult children, a nephew, and Mr. Decker's brother.

8 11. On April 1, 2008, Mr. Decker pleaded guilty to Count 1 Fraudulent  
9 Schemes and Artifices (class 2 felony) (A.R.S. § 13-2310, 13-701, 13-702.01 and 13-  
10 801) and guilty to Count 5 Fraudulent Preparation of an Income Tax Return (class 5  
11 felony) (A.R.S. § 42-1127, 13-701, 13-702, 13-702.01 and 13-801).

12 12. On August 6, 2008, the Superior Court sentenced Mr. Decker to be  
13 incarcerated in county jail for 12 months, and then suspended the sentence and granted  
14 Mr. Decker probation for a term of seven years (7 years for Count 1, 3 years for Count 5,  
15 both probation terms running concurrently). The Superior Court also ordered Mr. Decker  
16 and Mrs. Decker (CR 2007-008286-002 SE) to pay restitution of \$2,000,000.00 to the  
17 Arizona Department of Revenue.

18 *Tax Preparation with Accountable Business Services, Inc.*

19 13. In 2007, around the time of the State of Arizona's criminal action discussed  
20 above, Decker Enterprises, Inc. was administratively dissolved, but Mr. Decker and his  
21 wife continued to operate the same return preparation store known as Accountable  
22 Business Services.

23 14. On December 15, 2010, Mr. Decker and his wife incorporated Accountable  
24 Business Services, Inc. which registered the trade name Accountable Business Services,  
25 and continued to operate the tax return preparation store located in Gilbert, Arizona.

1           15.     While Mr. Decker was on probation for his conviction involving the State  
2 of Arizona, he continued to prepare tax returns for his customers at ABS that understated  
3 customers' tax liabilities.

4           16.     In 2014, the Internal Revenue Service opened an investigation of Mr.  
5 Decker and ABS, and found that Mr. Decker and ABS prepared returns that understated  
6 tax liabilities based on unreasonable positions for which there was not substantial  
7 authority, and/or the understatements were made willfully, and/or the understatements  
8 were made recklessly or with an intentional disregard of rules or regulations, which is  
9 conduct subject to penalty pursuant to 26 U.S.C. § 6694.

10          17.     For the years 2011 thru 2015, ABS and Mr. Decker participated in the  
11 preparation and filing of 7,153 individual income tax returns and 1,206 entity returns  
12 (trusts, partnerships, C-corporations, S-corporations), for a total of 8,359 tax returns.  
13 These returns had a refund rate in excess of 70% and claimed the Earned Income Tax  
14 Credit (EITC) over 20% of the time.

15          18.     Mr. Decker and ABS operate largely by referral and have about 2,500  
16 customers.

17          19.     The number of tax returns filed with Mr. Decker's Preparer Tax  
18 Identification Number ("PTIN") has ranged from 1,512 to 1,926 from the year 2011 to  
19 2016.

20          20.     Either Mr. Decker's PTIN was listed on each of the returns prepared by  
21 ABS, or the returns were signed by Mr. Decker with a fabricated PTIN to evade detection  
22 by the IRS that he was the return preparer. The use of a fabricated PTIN is conduct  
23 subject to penalty pursuant to 26 U.S.C. § 6695.

24          21.     During the years 2008 through 2016, the IRS audited 1,454 tax returns  
25 prepared by ABS and Mr. Decker, and made adjustments in over 80% of the audits.

1           22. Notwithstanding the State of Arizona criminal conviction, including  
2 imposition of \$2,000,000 in restitution, and specific warnings from the IRS, Mr. Decker  
3 and ABS continued to prepare and file income tax returns for their customers that took  
4 unreasonable and unjustified positions. The following examples demonstrate a pattern of  
5 abuse and misconduct that warrants an injunction barring Mr. Decker and ABS from  
6 preparing tax returns. To protect the privacy of the taxpayers discussed in these  
7 examples, they are identified by number (i.e., Customer 1).

8           Customer 1

9           23. Mr. Decker prepared returns for Customer 1, an individual who ran a  
10 professional practice, for multiple years utilizing an elimination of income scheme that  
11 used two related business entities (Entity A and B) to hide income.

12           24. Mr. Decker and ABS prepared returns for Customer 1 that took  
13 unreasonable positions, willfully attempted to understate tax liabilities, or recklessly or  
14 intentionally disregarded rules or regulations.

15           25. Mr. Decker prepared returns for Customer 1, Entity A (professional  
16 practice wholly owned by Customer 1), and Entity B (management consulting firm  
17 wholly owned by Customer 1). Entity A ostensibly paid Entity B management fees for  
18 purportedly providing billing related support for Customer 1's professional practice.

19           26. The returns prepared for both Entity A and Entity B frequently claimed  
20 personal expenses as business expenses, essentially zeroing out large amounts of taxable  
21 income. For example, Entity A claimed the following as business expenses: (1) payments  
22 for the personal residential mortgage of Customer 1, categorized as a "rent" expense; (2)  
23 payments for home improvement expenses for the personal residence categorized as  
24 "repair and maintenance" expenses; (3) payments for Customer 1's gym membership  
25 categorized as "dues and subscriptions" for the business; (4) payments related to a family

1 dog was categorized as business “security expenses”; (5) payments for personal  
2 groceries, categorized as “office expenses” or “office supplies”; and (6) personal student  
3 loan payments for education in prior years, categorized as a “training/continuing  
4 education” business expense. Additionally, Entity B claimed as “employee benefits” what  
5 were in fact transfers of tens of thousands of dollars to Customer 1’s personal investment  
6 account, and also claimed a “rent expense” for payments of the residential mortgage of  
7 Customer 1’s home. Entity B improperly claimed payments for personal expenses as  
8 repair and maintenance business expenses as well.

9       27. The returns prepared by Mr. Decker for Entity A and Entity B ignored basic  
10 tax law, by improperly claiming personal expenses as business deductions. For example,  
11 the returns improperly claimed payments for personal vehicles (not used for business) as  
12 a business expense, improperly deducted Customer 1’s student loan payments (both  
13 principal and interest were deducted) as a business expense, and ignored the 50%  
14 limitation on meal and entertainment deductions. Consequently, Mr. Decker improperly  
15 eliminated significant amounts of the income actually earned by Entity A and Entity B by  
16 claiming deductions not permitted by law, and not properly accounting for the income  
17 earned by the various entities.

18       28. The returns Mr. Decker prepared for Customer 1 failed to account for  
19 distributions and wages as required by law. Entity A and Entity B are both S-  
20 Corporations whose items of income, deduction, loss or credit must “flow-through” to the  
21 shareholder’s (i.e. Customer 1’s) personal income tax return. Mr. Decker prepared returns  
22 for Customer 1 that failed to claim a number of taxable distributions from Entity A and  
23 Entity B on Customer 1’s individual income tax returns.

24       29. In order for Entity A and Entity B to legally claim certain deductions for  
25 payments to third-parties, each entity was required to issue Forms 1099 (used to report

1 such payments) to the payees and also file Forms 1099 with the IRS. Mr. Decker  
2 prepared returns claiming deductions for payments to third-parties on behalf of Entity A  
3 and B without preparing or otherwise ensuring these information returns were properly  
4 prepared and submitted. Additionally, the entities neither issued nor filed the required  
5 Forms 1099 for the payments claimed on the returns prepared by Mr. Decker.

6 Customers 2 & 3

7 30. Mr. Decker and ABS prepared tax returns for Customers 2 and 3 that used  
8 multiple related business entities in such a way as to improperly and significantly lower  
9 the tax liabilities of Customers 2 and 3, and further required the IRS to expend significant  
10 resources to unwind the illegally prepared returns.

11 31. For example, Customer 2, a professional who had multiple locations for his  
12 professional practices, and his business partner Customer 3, sold one of their professional  
13 practices for a set price and also sold the underlying real estate (i.e. office building) to the  
14 same unrelated third-party buyer.

15 32. Customer 2 and Customer 3 had previously set up two partnerships,  
16 Partnership A that owned the professional practice that was sold, and Partnership B that  
17 owned the underlying real estate. Partnership A (professional practice) was actually a  
18 partnership between, Entity C, Customer 2's wholly-owned S-Corporation, and Entity D,  
19 Customer 3's wholly-owned S-Corporation. Similarly, Partnership B (real estate  
20 partnership) was actually a partnership between Entity C (owned by Customer 2) and  
21 Entity D (owned by Customer 3).

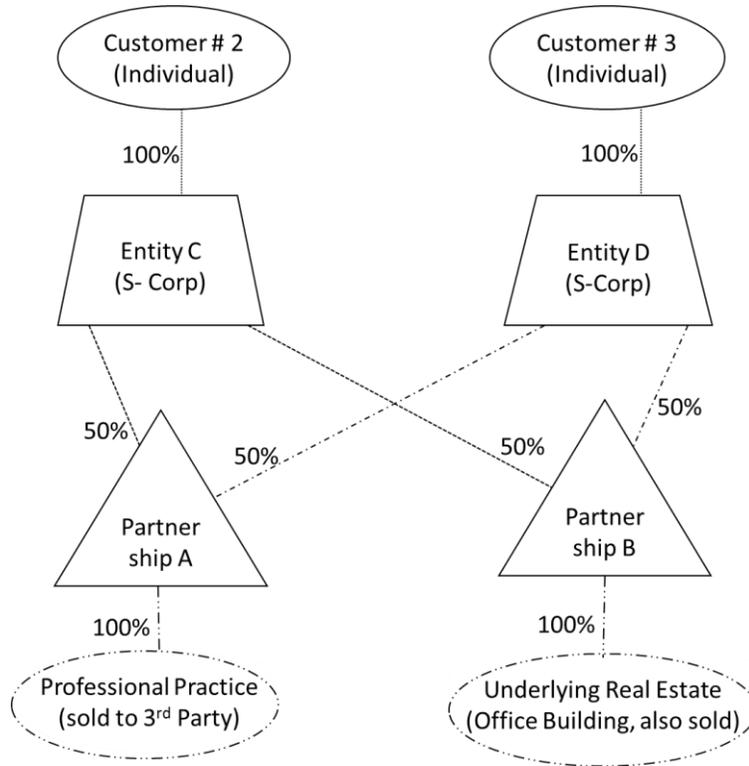
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1 33. The chart below summarizes the relationship between the entities and the  
 2 individuals:



14 34. When Partnership A received payment for the sale of the professional  
 15 practice and Partnership B received payment for the sale of the underlying real estate,  
 16 each partnership had a taxable and reportable event which respectively flowed through to  
 17 Entity C's (Customer 2's S-Corporation) and Entity D's (Customer 3's S-Corporation)  
 18 corporate returns, and on to the individual income tax returns of Customer 2 and  
 19 Customer 3 (i.e. after flowing through the S-Corporations to the individual customer's  
 20 returns).

21 35. Mr. Decker prepared returns for Partnership A (professional practice) and  
 22 Partnership B (real estate holding partnership), as well as Entity C (Customer 2's S-  
 23 Corporation) and Entity D (Customer 3's S-Corporation), along with the individual  
 24 income tax returns for Customers 2 and 3. Each of these six tax returns prepared by Mr.

1 Decker should have reflected the tax consequences of the sale of the business and real  
2 property.

3 36. Mr. Decker was given accounting records, including printouts of  
4 QuickBooks and a copy of the purchase contracts that he should have used to properly  
5 reflect the sale and the appropriate tax consequences on each of the relevant returns.

6 37. However, the partnership returns prepared by Mr. Decker did not report the  
7 contracted sale prices. The S-Corporation returns for Entity C and D did not reflect the  
8 sale prices, and reported fabricated basis amounts (falsely deflating the amount of gain on  
9 the sale). Further, the taxable events that should have flowed through to the individual  
10 income tax returns were never reported, and consequently not taxed on the returns  
11 prepared by Mr. Decker.

12 38. Mr. Decker also prepared tax returns for Customer 2's second professional  
13 practice Entity E (another S-Corporation wholly-owned by Customer 2). Customer 2  
14 provided Mr. Decker with accounting records, including QuickBooks statements, profit  
15 and loss statements and bank statements. In one audited year, the amounts reported on  
16 Entity E's tax returns for employee benefits and outside services did not correspond to  
17 the general ledger, and were fictitious amounts. In the subsequent audited year, business  
18 expenses of Entity E were inflated by Mr. Decker as being over \$200,000, even though  
19 the amount listed in the general ledger provided to Mr. Decker was under \$25,000.

20 39. The returns prepared by Mr. Decker and ABS for entities C, D, and E,  
21 along with Partnerships A and B, as well as Customers 2 and 3 took unreasonable  
22 positions, and/or willfully attempted to understate the liability for tax on the returns,  
23 and/or recklessly or intentionally disregarded tax rules or regulations.

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1           Customer 4

2           40. Mr. Decker prepared returns for Customer 4, another professional. Mr.  
3 Decker incorrectly advised Customer 4 that he could deduct his student loan principal  
4 and interest payments (incurred in prior years) as business deductions. Mr. Decker  
5 prepared returns claiming approximately \$100,000 in student loan principal and interest  
6 payments as investment interest in the first audited year and over \$100,000 of payments  
7 that included both principal and interest, as being “education interest” in the second  
8 audited year.

9           41. Mr. Decker also improperly claimed the full amount of Customer 4’s  
10 personal mortgage payments as a business rent expense. Customer 4 did not operate a  
11 business out of his personal residence. Even assuming Customer 4’s business was paying  
12 “rent” to Customer 4, then Customer 4 would be required to claim these “rent” payments  
13 as income on his personal income tax returns. No such rental income was shown on the  
14 returns prepared by Mr. Decker.

15           42. Businesses that operate under a cash basis accounting method cannot claim  
16 bad debt expenses as business expenses. Only a business using the accrual accounting  
17 method is permitted by law to take such a deduction. Customer 4’s business operated on a  
18 cash basis, and Mr. Decker prepared a return for that business that improperly claimed a  
19 bad debt expense as a business deduction.

20           43. Mr. Decker and ABS prepared returns for Customer 4 that improperly  
21 claimed deductions, and these positions were unreasonable, and/or they willfully  
22 attempted to understate the liability for tax on the return, and/or they recklessly or  
23 intentionally disregarded tax rules or regulations.

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1           Customer 5

2           44. Customer 5 is in the business of buying, renovating, and selling (i.e.  
3 flipping) houses. Mr. Decker advised Customer 5 to time the purchase of the houses he  
4 sought to flip at the end of the calendar year, but then wait to sell the houses until the next  
5 year (i.e. buy the house in year 1, sell in year 2). Mr. Decker incorrectly advised  
6 Customer 5 that the money Customer 5 spent purchasing the houses was fully deductible  
7 in the calendar year that the house was purchased (i.e. year 1), rather than when the house  
8 is actually sold (i.e. year 2). The Internal Revenue Code and the associated regulations,  
9 require that the acquisition costs related to flipping houses be capitalized (i.e. added to  
10 the basis of each respective house), such that those acquisition costs are later factored  
11 into determining the actual profit (and income from the sale) whenever the house is sold.

12           45. Mr. Decker wrongly deducted the full acquisition costs of two houses in the  
13 year the homes were purchased, even though the houses were not sold by Customer 5 in  
14 that calendar year. By deducting the cost of the purchases in the earlier year, instead of  
15 capitalizing the expenses and deducting the acquisition costs in the following year when  
16 each house was sold, Mr. Decker improperly claimed a loss that Customer 5 was not  
17 entitled to claim. That is, Mr. Decker fabricated a loss in an earlier year by claiming  
18 acquisition costs for a house that wasn't sold or flipped until the next year.

19           46. Additionally, Mr. Decker listed meal and entertainment expenses as  
20 advertising expenses to avoid statutory limitations on the amounts of meal and  
21 entertainment expenses that can be deducted (i.e. only 50% of certain meal and  
22 entertainment expenses can be deducted).

23           47. By claiming deductions not allowed by law and hiding expenses in  
24 incorrect categories to avoid legal limitations, Mr. Decker prepared returns for Customer  
25

1 5 that took unreasonable positions, and/or willfully attempted to understate Customer 5's  
2 tax liabilities, and/or recklessly or intentionally disregarded tax rules or regulations.

3 Customer 6

4 48. Customer 6, a real estate agent, provided detailed monthly category-based  
5 expense sheets, along with an annual summary to Mr. Decker for both the 2012 and 2013  
6 tax years. Mr. Decker prepared tax returns for each of these years that included amounts  
7 that did not correspond to the summary expense sheets provided to him by his Customer.

8 49. Mr. Decker inflated expenses, reporting amounts in excess of those listed  
9 on the summary sheets provided. He deducted 100% of meal and entertainment expenses  
10 by claiming the amount as advertising expenses, deducted nondeductible life insurance  
11 premiums payments, deducted amounts that exceeded the \$25 limitation for business-  
12 related gifts, and deducted personal expenses, including personal loan payments, as  
13 business expenses.

14 50. Mr. Decker prepared returns for Customer 6 that ignored the 50% limit on  
15 meal and entertainment deductions, ignored the limitations on deductions for business  
16 gifts, and for life insurance premium payments, and incorrectly claimed personal loan  
17 payments as business expenses.

18 51. Mr. Decker inflated the expenses claimed in order to illegally lower  
19 Customer 6's income and make Customer 6 ostensibly eligible for the Earned Income  
20 Tax Credit (EITC) for each of the years 2012 and 2013. After audit examination,  
21 Customer 6 paid back the amounts of the EITC that were improperly claimed, because  
22 Customer 6's income was in fact much higher. Customer 6 was ineligible for this tax  
23 credit targeted towards families with lower earned incomes.

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1           52. Mr. Decker prepared returns for Customer 6 that took unreasonable  
2 positions, and/or willfully attempted to understate Customer 6's tax liabilities, and/or  
3 recklessly or intentionally disregarded tax rules or regulations.

4           Customer 7

5           53. For Customer 7, an individual that owned a professional practice (S-  
6 Corporation), Mr. Decker prepared both corporate and personal income tax returns.  
7 Customer 7 gave Mr. Decker copies of QuickBooks printouts for the professional  
8 practice to aid in preparing the corporate returns.

9           54. Mr. Decker inflated the QuickBooks data by a factor of 10 when claiming  
10 deductions for the business. Specifically, an expense for outside services that was listed  
11 as approximately \$5,000 on the QuickBooks summary was reported by Mr. Decker as  
12 being over \$55,000 on the S-Corporation's return. For another year, the cost of labor was  
13 listed on the summary provided by Customer 7 as under \$6,000, but Mr. Decker inflated  
14 the expense and reported it as approximately \$60,000.

15           55. Customer 7 was unaware that Mr. Decker deducted thousands of dollars of  
16 Customer 7's personal student loan payments as business expenses. Customer 7 was also  
17 unaware of the 50% limitation on deducting meals and entertainment expenses. Mr.  
18 Decker had advised Customer 7 that 100% of the meal and entertainment expenses could  
19 be, and ultimately were, claimed as deductions.

20           56. Mr. Decker prepared returns for Customer 7 that took unreasonable  
21 positions, and/or willfully attempted to understate Customer 7's tax liabilities, and/or  
22 recklessly or intentionally disregarded tax rules or regulations.

23           Customer 8

24           57. Customer 8, the 99% owner of an internet-based company, Partnership C,  
25 provided Mr. Decker with bank account statements, Paypal summaries, and American

1 Express statements for both 2012 and 2013, to prepare both Customer 8's individual  
2 returns and Partnership C's return (Form 1065).

3 58. For 2012, Customer 8 gave Mr. Decker a summary revenue and expense  
4 sheet for Partnership C, listing a detailed amount in gross receipts. However, Mr. Decker  
5 understated the amount by \$50,000 in the return he prepared for Partnership C.

6 59. Mr. Decker prepared his own summary for 2013, ostensibly using the  
7 information provided by Customer 8, but still underreported Partnership C's gross  
8 income by over \$150,000. Additionally, Mr. Decker fabricated a legal fee expense in  
9 excess of \$400,000 on Partnership C's 2013 partnership return.

10 60. Customer 8 was unaware that the gross income reported by Mr. Decker did  
11 not match the information the customer had provided to Mr. Decker, and was also  
12 unaware that Mr. Decker had fabricated the \$400,000 legal fee expense reported on the  
13 return.

14 61. Adjustments during the audit resulted in over \$225,000 in additional tax for  
15 the 2013 tax year and an additional tax liability of approximately \$45,000 for the 2012  
16 tax year for Customer 8.

17 62. Mr. Decker and ABS prepared returns for Customer 8 and Partnership C  
18 that took unreasonable positions, and/or willfully attempted to understate Customer 8's  
19 tax liabilities, and/or recklessly or intentionally disregarded tax rules or regulations.

20 **HARM CAUSED BY DEFENDANTS' CONDUCT**

21 63. Mr. Decker's customers have been harmed by his actions because they paid  
22 fees for the preparation of proper tax returns, but Mr. Decker has prepared returns that  
23 took unreasonable positions, willfully understated his customers' tax liabilities, and  
24 recklessly or intentionally disregarded rules or regulations to improperly claim refunds or  
25 credits. Many of his customers may be liable for sizeable penalties and interest.

1           64. Mr. Decker and ABS have caused harm to the United States by preparing  
2 tax returns that illegally create or overstate his customers' refunds. Additionally, Mr.  
3 Decker and ABS's activities have caused irreparable harm to the United States in that his  
4 activities undermine the public confidence in the administration of the federal tax system  
5 and encourage noncompliance with the internal revenue laws by encouraging taxpayers  
6 to claim deductions to which they are not entitled, and omit taxable income that should  
7 flow-through partnerships and S-Corporations to personal income tax returns.

8           65. Mr. Decker's and ABS's conduct has further irreparably harmed the United  
9 States because the IRS must devote its limited resources to identifying his customers,  
10 ascertaining whether they are associated with any of his other customers (i.e. corporate  
11 entities, partnerships etc.), and further ascertaining their correct tax liabilities, recovering  
12 any refunds erroneously issued, and collecting additional taxes and penalties owed. The  
13 expenditure of these resources due to the illegal preparation of tax returns by Mr. Decker  
14 and ABS caused irreparable harm to the United States.

15                           **COUNT I: INJUNCTION UNDER 26 U.S.C. § 7407**

16           66. The United States incorporates by reference the allegations contained in  
17 paragraphs one (1) through sixty-five (65), above.

18           67. Section 7407 of the Internal Revenue Code authorizes a district court to  
19 enjoin a tax return preparer from engaging in certain prohibited conduct or from further  
20 acting as a return preparer. An injunction is warranted where the preparer's conduct, *inter*  
21 *alia*, includes: (a) engaging in conduct subject to penalty under 26 U.S.C. §§ 6694 or  
22 6695, or subject to criminal penalty provided by the Internal Revenue Code; or (b)  
23 engaging in any other fraudulent or deceptive conduct that substantially interferes with  
24 the proper administration of the internal revenue laws.

25

1           68. In order for a court to issue such an injunction, the court must find (1) that  
2 the preparer has engaged in the specified conduct defined in 26 U.S.C. § 7407(b)(1),  
3 which includes having engaged in any conduct subject to penalty under 26 U.S.C. § 6694,  
4 and (2) that injunctive relief is appropriate to prevent the recurrence of the conduct.

5           69. The court may permanently enjoin the person from further acting as a  
6 federal tax return preparer if it finds that a preparer has continually or repeatedly engaged  
7 in such conduct, and the court further finds that a narrower injunction (i.e. prohibiting  
8 only that specific enumerated conduct) would not be sufficient to prevent that person's  
9 interference with the proper administration of the internal revenue laws.

10           70. Mr. Decker engages in a variety of fabrications and manipulations to  
11 achieve the intended tax results. As described above, Mr. Decker and ABS have  
12 continually and repeatedly prepared returns that claimed deductions to which the  
13 taxpayer was not entitled, ignored basic principles of tax law by claiming personal  
14 expenses as business deductions, ignored limitations on certain types of deductions by  
15 hiding the expense in a different category (e.g. avoid 50% limitation on meals and  
16 entertainment expenses by listing them as advertising expenses), and manipulated  
17 different entities' (partnerships, S-Corporations, LLC) tax returns to try to hide or  
18 eliminate income and zero-out customers' tax liabilities.

19           71. Mr. Decker and ABS act with the knowledge that the positions taken on the  
20 returns they've prepared are unreasonable and lack substantial authority. Mr. Decker  
21 and/or ABS have continually or repeatedly engaged in conduct subject to penalty under  
22 26 U.S.C. § 6694(a), which is conduct described in 26 U.S.C. § 7407(b)(1)(A).

23           72. Mr. Decker and ABS have continually or repeatedly engaged in fraudulent  
24 or deceptive conduct which has substantially interfered with the proper administration  
25 and enforcement of the internal revenue laws, which as conduct described in 26 U.S.C.

1 § 7407(b)(1)(B) justifies enjoining Mr. Decker as a tax return preparer under 26 U.S.C. §  
2 7407. Many of Mr. Decker's schemes are implemented in such a way as to require the  
3 expenditure of significant resources on the part of the IRS to uncover and correct the  
4 various schemes.

5 73. Mr. Decker and ABS have continually or repeatedly prepared returns that  
6 willfully attempted to understate the liability for tax on the return or recklessly or  
7 intentionally disregarded relevant rules or regulations in the preparation of returns, which  
8 is conduct described in 26 U.S.C. § 7407(b)(1)(A), and subject to penalty under 26  
9 U.S.C. § 6694(b).

10 74. The imposition of penalties and a prior criminal conviction has failed to  
11 deter Mr. Decker. Mr. Decker's and ABS's continual or repeated conduct subject to  
12 penalty under 26 U.S.C. § 6694 occurred even after the state level criminal conviction for  
13 similar conduct.

14 75. A more limited injunction would not prevent Mr. Decker's and ABS's  
15 interference with the proper administration of the internal revenue laws, given the variety  
16 of fabrications and manipulations utilized to achieve the intended tax results, and the  
17 prior penalties and criminal convictions failing to deter Mr. Decker.

18 76. Mr. Decker and ABS have engaged in the specified conduct defined in 26  
19 U.S.C. § 7407(b)(1) and injunctive relief is appropriate to prevent the recurrence of the  
20 conduct. Further, Mr. Decker and ABS have continually or repeatedly engaged in the  
21 specified conduct defined in 26 U.S.C. § 7407(b)(1), and a narrower injunction would not  
22 be sufficient to prevent the recurrence of such conduct. Mr. Decker and ABS should be  
23 permanently enjoined from further acting as a federal tax return preparer pursuant to 26  
24 U.S.C. § 7407.

25 //

**COUNT II: INJUNCTION UNDER 26 U.S.C. § 7402(a)**

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2 77. The United States incorporates by reference the allegations contained in  
3 paragraphs one (1) through sixty-five (65), above.

4 78. Section 7402 of the Internal Revenue Code authorizes a district court to  
5 issue orders of injunction as may be necessary or appropriate for the enforcement of the  
6 internal revenue laws.

7 79. Mr. Decker and ABS, through the actions described above, have repeatedly  
8 and continually engaged in conduct that substantially interferes with the enforcement of  
9 the internal revenue laws.

10 80. Unless enjoined, Mr. Decker and ABS are likely to continue to engage in  
11 such improper conduct and interfere with the enforcement of the internal revenue laws. If  
12 they are not enjoined from engaging in return preparation, the United States will suffer  
13 irreparable injury by wrongfully providing federal income tax refunds to individuals not  
14 entitled to receive them, much of which may never be discovered and recovered. The  
15 United States will also suffer irreparable injury because it will have to devote substantial  
16 unrecoverable time and resources to auditing Mr. Decker's customers to detect future  
17 returns understating customers' liabilities or overstating their refunds.

18 81. Enjoining Mr. Decker and ABS is in the public interest because an  
19 injunction, backed by the Court's contempt powers if needed, will stop their illegal  
20 conduct and the harm it causes the United States.

21 82. The Court should therefore impose injunctive relief under 26 U.S.C. §  
22 7402(a).

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1           WHEREFORE, Plaintiff, the United States of America, prays for judgment on all  
2 counts as follows:

3           A.     That the Court find that Alfred George Decker and the business,  
4 Accountable Business Services, Inc., have continually or repeatedly engaged in conduct  
5 subject to penalty under 26 U.S.C. § 6694 and have continually or repeatedly engaged in  
6 other fraudulent and deceptive conduct that substantially interferes with the  
7 administration of the tax laws, and that injunctive relief barring them from acting as  
8 federal tax return preparers is appropriate under 26 U.S.C. § 7407 to prevent recurrence  
9 of that conduct;

10          B.     That the Court find that Alfred George Decker by himself, and through his  
11 business Accountable Business Services, Inc., has engaged in conduct that substantially  
12 interferes with the enforcement of the internal revenue laws, and that injunctive relief is  
13 appropriate to prevent the recurrence of that conduct pursuant to the Court's inherent  
14 equity powers and 26 U.S.C. § 7402(a);

15          C.     That the Court enter a permanent injunction prohibiting Alfred George  
16 Decker, Accountable Business Services, Inc., and all those in active concert or  
17 participation with them from:

- 18           i.     Acting as a federal tax return preparer or requesting, assisting in, or  
19                 directing the preparation or filing of federal tax returns, amended  
20                 returns, or other related documents or forms for any person or entity  
21                 other than themselves;
- 22           ii.    Preparing or assisting in preparing or filing federal tax returns, amended  
23                 returns, or other related documents or forms, that they know or  
24                 reasonably should know would result in an understatement of tax  
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1 liability or the overstatement of federal tax refund(s) as penalized by 26  
2 U.S.C. § 6694;

3 iii. Owning, operating, managing, working in, investing in, providing  
4 capital or loans to, consulting with, or franchising a tax return  
5 preparation business;

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

9 v. Engaging in any other activity subject to penalty under 26 U.S.C. §  
10 6694, or any other penalty provision in the Internal Revenue Code; and

11 vi. Engaging in any conduct that substantially interferes with the proper  
12 administration and enforcement of the internal revenue laws;

13 D. That the Court enter an injunction requiring that Mr. Decker, within 30  
14 days of entry of the injunction, contact by United States mail and, if an e-mail address is  
15 known, by e-mail, all persons for whom he prepared a federal tax return since January 1,  
16 2012 to inform them of the permanent injunction entered against him, including sending a  
17 copy of the order of permanent injunction but not enclosing any other documents or  
18 enclosures unless agreed to by counsel for the United States or approved by the Court,  
19 and file with the Court a sworn certificate stating that he has complied with this  
20 requirement;

21 E. That the Court enter an injunction requiring Mr. Decker to produce to  
22 counsel for the United States within 30 days of entry of the injunction a list that identifies  
23 by name, social security number, address, e-mail address, telephone number, and tax  
24 period(s) all persons for whom he or associates working at Accountable Business  
25 Services prepared federal income tax returns or claims for refund since January 1, 2012;

1 F. That the Court enter an injunction requiring Mr. Decker to produce to  
2 counsel for the United States, within 30 days of entry of the injunction, copies of all  
3 federal income tax returns that he, or associates working at Accountable Business  
4 Services, prepared since January 1, 2012;

5 G. That the Court enter an injunction requiring Mr. Decker to provide a copy,  
6 within 15 days, of the Court's order to all of the principals, officers, managers,  
7 employees, and independent contractors of Accountable Business Services, Inc., and  
8 provide to counsel for the United States within 30 days a signed and dated  
9 acknowledgment of receipt of the Court's order for each person to whom he provided a  
10 copy of such Order;

11 H. That the Court authorize the IRS, without further proceedings, to  
12 immediately revoke any Preparer Tax Identification Number (PTIN) or Electronic Filing  
13 Identification Number (EFIN) that is held by, assigned to, or used by Mr. Decker,  
14 pursuant to 26 U.S.C. § 6109;

15 I. That the United States be entitled to conduct discovery to monitor Mr.  
16 Decker and ABS's compliance with the terms of any permanent injunction entered  
17 against them;

18 J. That the Court retain jurisdiction over the defendants and over this action to  
19 enforce any permanent injunction entered against them; and

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