

IN THE UNITED STATES DISTRICT COURT FOR THE
SOUTHERN DISTRICT OF FLORIDA

UNITED STATES OF AMERICA,)	
)	
Plaintiff,)	
)	
v.)	Civil No. 1:19-cv-24841
)	
DIMARY CORDERO a/k/a DIMARY)	
CORDERO TORRES; NMB ACCOUNTING)	
AND TAX SERVICES, LLC; and WFS)	
ACCOUNTING AND TAX SERVICES, LLC,)	
)	
Defendants.)	

COMPLAINT FOR PERMANENT INJUNCTION AND OTHER RELIEF

The United States of America, for its complaint against Dimary Cordero a/k/a Dimary Cordero Torres, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC, alleges the following:

1. This is a civil action brought by the United States under 26 U.S.C. §§ 7402, 7407, and 7408 to enjoin Dimary Cordero a/k/a Dimary Cordero Torres, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC, and anyone in active concert or participation with them, from:

- a. acting as federal tax return preparers 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 they know 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, instructing, teaching, and creating or providing cheat sheets, memoranda, directions, instructions, or manuals, pertaining to the preparation of federal tax returns;
- e. maintaining, 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; and
- g. engaging in any conduct that substantially interferes with the proper administration and enforcement of the internal revenue laws.

This action also seeks, under 26 U.S.C. § 7402, an order requiring Dimary Cordero a/k/a Dimary Cordero Torres, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC, to disgorge to the United States the ill-gotten gains that Cordero, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC received (in the form of tax preparation fees subtracted from tax refunds issued by the United States Treasury) for the preparation of federal tax returns making grossly incompetent, negligent, reckless, false, and/or fraudulent claims.

Authorization

2. This action has been requested and authorized by the Chief Counsel of the Internal Revenue Service, a delegate of the Secretary of the Treasury, and commenced at the direction of a delegate of the Attorney General of the United States, pursuant to 26 U.S.C. §§ 7402, 7407, and 7408.

Jurisdiction and Venue

3. Jurisdiction is conferred on this Court by 28 U.S.C. §§ 1340 and 1345 and 26 U.S.C. § 7402(a).

4. Venue is proper in this Court under 28 U.S.C. § 1391(b)(1) because Cordero resides in this judicial district, and NMB Accounting and Tax Services, LLC and WFS Accounting and Tax Services, LLC have its principal place of business in Miami, Florida, within this district, and a substantial part of the activities giving rise to this suit occurred in this judicial district.

Defendants

5. Dimary Cordero a/k/a Dimary Cordero Torres resides in Miami, Florida. Cordero has been preparing tax returns for others since at least 2013. Since 2015, Cordero has owned (and prepared tax returns in the name of) NMB Accounting and Tax Services, LLC and WFS Accounting and Tax Services, LLC. Until 2015, Cordero prepared tax returns at Tax Mon\$ter and Tax Pros.

6. NMB Accounting and Tax Services, LLC was incorporated in the State of Florida on or about November 12, 2015. Cordero is the Manager and Registered Agent of NMB Accounting and Tax Services, LLC. Cordero, through NMB Accounting and Tax Services, LLC, owns and operates a tax return preparation store located at 1990 NE 163rd Street, Suite 103, North Miami Beach, Florida 33172. A Tax Pros tax preparation store previously operated at this location. This Court entered a permanent injunction on November 1, 2016 against Kenneth Aikens, the owner of Tax Pros, barring him from preparing tax returns and owning or operating, or receiving fees or remuneration from, a tax preparation business. *See United States v. Christopher Lawrence, et al.*, Case No. 0:15-cv-62233, docket no. 98 (S.D. Fla.).

7. NMB Accounting and Tax Services, LLC is identified as the tax preparation firm on at least the following number of tax returns filed in 2016, 2017, 2018, and 2019:

Processing Year	Total Number of Returns	Number of Returns Claiming a Refund	% of Returns Claiming a Refund
2016	543	537	99%
2017	51	51	100%
2018	330	321	97%
2019	236	225	95%

8. WFS Accounting and Tax Services, LLC was incorporated in the State of Florida on or about November 12, 2015. Cordero is the Manager and Registered Agent of WFS Accounting and Tax Services, LLC. Cordero, through WFS Accounting and Tax Services, LLC, owns and operates a tax return preparation store located at 10514 West Flagler Street, Miami, Florida 33174. A Tax Mon\$ter, and subsequently Tax Pros, tax preparation store previously operated at this location. This Court entered a permanent injunction on September 7, 2016 against Christopher Lawrence, the owner of Tax Mon\$ter, Inc., barring him from preparing tax returns and owning or operating, or receiving fees or remuneration from, a tax preparation business. *See United States v. Christopher Lawrence, et al.*, Case No. 0:15-cv-62233, docket no. 90 (S.D. Fla.).

9. WFS Accounting and Tax Services, LLC is identified as the tax preparation firm on at least the following number of tax returns filed in 2016, 2017, 2018, and 2019:

Processing Year	Total Number of Returns	Number of Returns Claiming a Refund	% of Returns Claiming a Refund
2016	738	719	97%
2017	371	337	91%
2018	480	456	95%
2019	456	435	95%

10. Dimary Cordero prepares tax returns for compensation. Cordero, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC employ others who prepare tax returns for compensation.

Background

11. In December 2012, Cordero was hired as a tax return preparer at a Tax Mon\$ter store located on West Flagler Street in Miami, Florida. Prior to this, Cordero had no training in tax preparation and had never prepared a tax return for herself or anyone else. Cordero did not receive any training at Tax Mon\$ter or Tax Pros on tax law or how to prepare accurate tax returns, but only viewed online modules demonstrating the mechanics of using the tax preparation software. In 2014, Cordero worked as the manager of the Tax Pros store located in North Miami Beach, Florida.

12. According to Cordero, in 2015 she assumed ownership of these two tax preparation stores. Cordero incorporated NMB (North Miami Beach) Accounting and Tax Services, LLC to operate the store in North Miami Beach, and WFS (West Flagler Street) Accounting and Tax Services, LLC to operate the store on West Flagler Street in Miami.

Business Structure

13. The Defendants do not require the store managers and the tax return preparers who they employ or oversee to have any tax return preparation experience, knowledge of federal tax laws or accounting, or minimum education.

14. Similarly, the Defendants fail to teach managers and tax return preparers crucial elements related to basic tax return preparation. The Defendants' tax return preparation training covers instruction on data entry using tax return preparation software and preparing practice tax returns so that preparers know where to enter information in the preparation software. The

supplier of the tax return preparation software does not provide in-person training or training on tax law.

15. The Defendants train and instruct managers and tax return preparers how to prepare tax returns that improperly claim bogus refunds based on false claims, credits, and deductions, in order to falsely and improperly maximize customers' tax refunds and to maximize the fees extracted from those refunds. The Defendants also train managers and tax return preparers to increase the tax return preparation fees charged to customers as they increase the customers' bogus refunds.

16. The Defendants provide instruction sheets to managers and tax return preparers directing the preparers to input specific information into the tax preparation software to create the maximum bogus refund for customers. The Defendants also provide scripts directing employees on how to interact with customers and potential customers. This includes scripts informing customers that they will be receiving a refund, although not all customers legally qualify for a refund.

17. The purpose of these scripts is to solicit customers and, once those customers have come in the door, to run up the tax return preparation fees by attaching unnecessary forms to the return at an additional charge to the customer. The Defendants include bogus claims, credits, and deductions on these forms to generate a higher refund for the customer, and use this higher refund to justify the additional (and often undisclosed) tax return preparation fees.

The Defendants' Activities

18. The Defendants, and their employees acting at their direction and with their knowledge and consent, prepare tax returns to generate bogus refunds for customers, enabling

the Defendants to charge exorbitant fees and maximize profits at the expense of the United States Treasury.

19. Many of the Defendants' customers earn low to moderate incomes and lack knowledge regarding tax law and tax return preparation. Customers often have no knowledge that the Defendants have prepared and filed false tax returns on their behalf. For others, the Defendants mislead customers about what can "legally" be claimed on their tax returns, particularly with respect to various credits and deductions, and by promising customers thousands of dollars of (illegal) refunds to convince them to have the Defendants prepare their tax returns.

20. The Defendants, and their employees acting at their direction and with their knowledge and consent, make false claims on tax returns, particularly on the forms attached to those returns, in order to improperly increase customers' refunds. After completing the returns, the Defendants falsely tell the customers that these forms legally increased the customers' refunds, and charge higher (and often undisclosed) fees due to the additional forms and the higher refund that the Defendants claimed. The Defendants charge customers fees for preparing the return, fees for each tax form attached to the return, and fees for filing the return. These fees are all deducted from the customer's tax refund, often without the customer being told the amount that the Defendants actually charged for preparing the tax return.

21. The Defendants, and their employees acting at their direction and with their knowledge and consent, request on customers' tax returns a refund amount that is not based on the customer's actual income, expenses, deductions, and applicable qualifying credits. Instead, the refund is based on fabricated income, expenses, deductions, and credits reported by the Defendants.

22. The Defendants, and their employees acting at their direction and with their knowledge and consent, engage in unlawful tax return preparation practices including:
- a. Falsely claiming the Earned Income Tax Credit;
 - b. Circumventing due diligence requirements in order to fraudulently maximize the Earned Income Tax Credit;
 - c. Improperly claiming false filing status, such as Head of Household when the customer is actually married;
 - d. Fabricating businesses and related business income and expenses;
 - e. Fabricating itemized deductions, including for unreimbursed employee business expenses and charitable contributions;
 - f. Falsely claiming the federal Fuel Tax Credit;
 - g. Claiming education credits to which their customers are not entitled;
 - h. Improperly preparing returns based on pay stubs rather than Wage and Income Statements Forms W-2;
 - i. Failing to provide customers with a copy of the completed tax return;
 - j. Failing to identify the actual paid preparer of the tax return; and
 - k. Charging deceptive and unconscionable fees.

**Phony Claims for the Earned Income Tax Credit
and Failure to Comply with Due Diligence Requirements**

23. The Defendants, and their employees acting at their direction and with their knowledge and consent, prepare tax returns that include fraudulent claims for the Earned Income Tax Credit (“EITC”) often based on fabricated business income and expenses, bogus or improperly-claimed dependents, and/or false filing status.

24. The EITC is a refundable tax credit available to certain low-income working people. The amount of the credit is based on the taxpayer’s income, filing status, and claimed number of dependents. *See* 26 U.S.C. § 32 and the accompanying Treasury Regulations.

Because the EITC is a refundable credit, claiming an EITC can, in certain circumstances, reduce a taxpayer's federal tax liability below zero, entitling the taxpayer to a payment from the U.S. Treasury.

25. Due to the method used to calculate the EITC, an individual can claim a larger EITC by claiming multiple dependents and, for certain income ranges, individuals with higher earned income are entitled to a larger credit than those with lower earned income. The amount of the credit increases as income increases between \$1 and \$14,000, and decreases as income increases beyond \$18,350. Some tax preparers who manipulate reported income to maximize the EITC refer to this range of earned income corresponding to a maximum EITC as the "sweet spot" or "golden range." For tax year 2017, the maximum EITC was \$6,318 and was available to eligible individuals with three dependent children who earned income between \$14,000 and \$18,350.

26. Because of the way the EITC is calculated, reporting more income, up to a certain point, allows customers to receive a larger refundable credit. Similarly, claiming losses to offset higher income to decrease the total reported income and to fall within the "sweet spot" allows customers to claim a larger refundable credit.

27. The Defendants, and their employees acting at their direction and with their knowledge and consent, falsify information to claim the maximum EITC for customers. For example, to bring the customer's reported earned income within the "sweet spot" for the EITC, and depending on a customer's actual income, the Defendants and their employees inflate or fabricate business income reported on a Form Schedule C, "Profit or Loss from Business (Sole Proprietorship)" (used to report income and expenses from a sole proprietorship), in order to

fraudulently increase customers' reported earned income, or claim bogus Schedule C expenses to fraudulently decrease customers' reported earned income.

28. Because of the potential for abuse in claiming the EITC, Congress has authorized the Secretary of the Treasury to impose "due diligence" requirements on federal tax return preparers claiming the EITC for their customers. *See* 26 U.S.C. § 6695(g). These "due diligence" requirements obligate the tax return preparer to make "reasonable inquiries" to ensure the customer is legitimately entitled to the EITC. The tax return preparer may not "ignore the implications of information furnished to, or known by, the tax return preparer, and must make reasonable inquiries if the information furnished to the tax return preparer appears to be incorrect, inconsistent, or incomplete." *See* 26 C.F.R. § 1.6695-2 (2011). Tax return preparers must also document their compliance with these requirements and keep that documentation for three years. *Id.*

29. The Defendants fail to comply with the due diligence requirements. The Defendants show an intentional disregard for the tax laws and in particular for the due diligence requirements.

Fabricated Schedule C Business Income and Expenses

30. The Defendants, and their employees acting at their direction and with their knowledge and consent, prepare tax returns reporting non-existent businesses on bogus Forms Schedule C. On some of these returns, the Defendants, and their employees acting at their direction and with their knowledge and consent, report substantial income, but little or no expenses. On other returns, the Defendants, and their employees acting at their direction and with their knowledge and consent, report substantial expenses, but little or no income. The determining factor is whether the tax return preparer needs to inflate a customer's income (or

create income when the customer has none) to bring the reported income within the EITC “sweet spot,” or to lower the taxable income of a customer who has actual income (such as wages reported on a Form W-2) in order to either bring the income within the EITC “sweet spot” or simply to create a phony business loss to offset the customer’s wages and falsely or fraudulently reduce the customer’s income tax liability.

Customers 1 and 2

31. For example, Cordero prepared the 2014 and 2015 federal income tax returns of Customers 1 and 2 of Miami, Florida. Cordero is not identified as the paid preparer of the 2015 tax return. Customer 1 worked at a hotel and Customer 2 was not employed in 2014 and 2015. Neither Customer 1 nor Customer 2 owned or operated a business, and they did not inform Cordero that they owned or operated a business. Customers 1 and 2 provided Cordero with a copy of Customer 1’s Form W-2 from his job and did not discuss owning a business with Cordero.

32. On the Schedule C attached to the 2014 tax return, Cordero falsely reported that Customer 2 owned a business identified as “vendor retail” through which Customer 2 purportedly received \$517 in gross receipts, and incurred expenses totaling \$18,415, including \$9,790 in car and truck expenses (for purportedly driving 17,482 miles for a business), \$4,751 for supplies, \$1,482 for deductible meals and entertainment, \$965 for a cell phone, and \$1,427 for “gear.” Customer 2 did not provide this information to Cordero and was not aware that Cordero reported it on the tax return.

33. Cordero also claimed phony expenses on the Form Schedule A attached to the 2014 tax return, discussed in paragraph 87, *infra*, and claimed a bogus education credit, discussed in paragraph 118, *infra*. By reporting a phony \$17,898 business loss, along with the

other false claims, Cordero claimed a bogus refund of \$11,329 on the 2014 tax return of Customers 1 and 2. After the IRS examined this tax return, and Customers 1 and 2 owed \$6,447.42 in tax and interest.

Customers 3 and 4

34. Cordero prepared the 2013 joint federal income tax returns of Customers 3 and 4 of Opa Locka, Florida, and separate tax returns for 2014 and 2015. Cordero is not identified as the paid preparer of these tax returns.

35. Both Customers 3 and 4 were employed at the same cleaning company. Neither Customer 3 nor Customer 4 owned or operated a business, and they did not inform Cordero that they owned or operated a business. Customers 3 and 4 provided Cordero with copies of their Forms W-2 and did not discuss owning a business with Cordero.

36. On the Schedule C attached to the 2013 tax return, Cordero falsely reported that Customer 3 owned a “janitorial” business through which Customer 3 purportedly received \$135 in gross receipts, and incurred expenses totaling \$13,749, including \$5,983 in car and truck expenses (for purportedly driving 10,589 miles for a business), \$872 for repairs and maintenance, \$4,156 for supplies, \$455 for travel, \$494 for deductible meals and entertainment, \$745 for a uniform, \$567 for a cell phone, and \$477 for a computer. Customer 3 did not provide this information to Cordero and was not aware that Cordero reported it on the tax return. As a result of the fabricated business loss, as well as phony education credits, discussed in paragraph 119, *infra*, Cordero claimed a bogus refund of \$5,071 on the 2013 tax return of Customers 3 and 4.

37. Cordero prepared separate tax returns for Customers 3 and 4 in 2014. Customer 3 received wages from his job totaling \$16,150 in 2014. On the 2014 tax return of Customer 3,

Cordero falsely reported on the Schedule C attached to the return that Customer 3 owned a “janitorial” business through which he received \$8,170 in gross receipts, and incurred expenses totaling \$15,539, including \$9,516 in car and truck expenses (for purportedly driving 16,992 miles for a business), \$2,463 for supplies, \$307 for deductible meals and entertainment, \$684 for a uniform, \$1,477 for a cell phone, and \$1,092 for “protective gear.” Customer 3 did not provide this information to Cordero and was not aware that Cordero reported it on the tax return. As a result of these false claims, along with the bogus fuel tax credit, discussed in paragraph 108 *infra*, and phony education credit, discussed in paragraph 120, *infra*, Cordero claimed a bogus refund of \$3,063 on Customer 3’s 2014 tax return.

38. Customer 4 received wages from her job totaling \$17,207 in 2014. On the 2014 tax return of Customer 4, Cordero falsely reported on the Schedule C attached to the return that Customer 4 owned a “retail” business through which she had no sales and received no gross receipts, but incurred expenses totaling \$8,379, all for car and truck expenses (for purportedly driving 14,962 miles for a business). Customer 4 did not provide this information to Cordero and was not aware that Cordero reported it on the tax return. As a result of these false claims, along with the bogus fuel tax credit, discussed in paragraph 109 *infra*, and phony education credit, discussed in paragraph 121, *infra*, Cordero claimed a bogus refund of \$3,068 on Customer 4’s 2014 tax return.

39. Cordero likewise prepared separate tax returns for Customers 3 and 4 in 2015. Customer 3 received wages from his job totaling \$3,662 in 2015, and received a Form 1099 reporting \$26,382 in income that he received as a delivery driver. Customer 3 used a company truck to make deliveries. On the 2015 tax return of Customer 3, Cordero falsely reported on the Schedule C attached to the return that Customer 3 incurred \$22,243 in expenses working as a

delivery driver, including \$12,399 in car and truck expenses (for purportedly driving 21,563 using a personal vehicle, when the company employing Customer 3 actually provided him with a delivery truck), \$1,423 for supplies and maintenance, \$3,269 for supplies, \$1,497 for deductible meals and entertainment, \$2,213 for a uniform, and \$1,442 for a cell phone. Customer 3 did not incur these expenses, did not provide this information to Cordero, and was not aware that Cordero reported it on the tax return. As a result of these false expenses, Cordero claimed a bogus refund of \$1,511 on Customer 3's 2015 tax return.

40. Customer 4 received wages from her job totaling \$18,079 in 2015. On the 2015 tax return of Customer 4, Cordero falsely reported on the Schedule C attached to the return that Customer 4 owned a "retail" business through which she received \$1,075 in gross receipts and incurred expenses totaling \$6,836, including \$4,643 in car and truck expenses (for purportedly driving 8,075 miles for a non-existent business) and \$2,193 for supplies. Customer 4 did not provide this information to Cordero and was not aware that Cordero reported it on the tax return. As a result of the reported phony business loss, Cordero claimed a bogus refund of \$2,426 on Customer 4's 2015 tax return.

41. Cordero did not review the completed tax returns with Customers 3 and 4 or explain to Customers 3 and 4, who speak Spanish and cannot read English well, what she reported on the returns.

Customer 5

42. Cordero prepared the 2016 and 2017 federal income tax returns of Customer 5 of Miami, Florida. Customer 5 was married in 2016 and 2017 with three children, but Cordero advised him to file a tax return separately from his wife and have his wife claim the children on her tax return. On both the 2016 and 2017 tax returns, despite knowing that Customer 5 was

married, Cordero falsely reported Customer 5's filing status as single. Although Cordero prepared the tax returns, Cordero did not identify herself as the paid preparer of either the 2016 or the 2017 tax return.

43. Customer 5 was employed as a hotel general manager in 2016 and 2017. In 2016, Customer 5 also received income from a business run by his mother-in-law for selling electronic products, as reported on a Form 1099. Customer 5 and his brother also owned and operated a small business that made \$50-\$60 per month, but that income was slightly outweighed by expenses, such as the phone bill. When having his tax returns prepared, Customer 5 provided Cordero with his Form W-2, his wife's Form W-2, the Form 1099 showing the income he received in 2016, day care records for his children, his mortgage interest statement, and proof of health insurance. Cordero asked "open-ended questions," such as whether Customer 5 incurred dry cleaning expenses, as if she was prompting him for information, without explaining to him why she needed that information or how it could or would be reported on his tax return. Cordero did not ask Customer 5 for any specific amounts incurred for expenses such as dry cleaning. Cordero also told Customer 5 that if he went to college, he could get a larger refund.

44. On the Schedule C attached to Customer 5's 2016 tax return, Cordero reported that Customer 5 received \$4,382 in income as reported on a Form 1099. However, Cordero then falsely reported that Customer 5 incurred \$44,315 in expenses purportedly incurred in selling some electronic products. The fabricated expenses included \$4,279 for advertising, \$8,221 for car and truck expenses (for purportedly driving 15,224 business miles), \$2,854 for repairs and maintenance, \$5,493 for supplies, \$5,037 for travel, \$3,429 for deductible meals and entertainment, \$2,820 for utilities, \$2,841 for a phone, \$3,767 for tools, \$540 for an alarm system, \$1,076 for landscaping, and \$1,564 for "electronics devices." Customer 5 did not incur

these expenses, did not provide these amounts to Cordero, and said that it did not make sense to see on his tax return that he spent \$44,315 to make \$4,382.

45. Cordero also reported phony expenses on the Form Schedule A attached to the tax return, discussed in paragraphs 90-91, *infra*. As a result of the fabricated expenses on the Form Schedule A and phony business loss of \$39,933 reported on the Schedule C, Cordero claimed a bogus refund in the amount of \$1,024 on Customer 5's 2016 tax return.

46. The IRS examined Customer 5's tax return and, as a result, Customer 5 owes the IRS at least \$8,361 in tax, interest, and penalties. When Customer 5 received a letter from the IRS, he contacted Cordero to ask for her assistance. She assured him that his tax return was correct and that she would assist him, and scheduled a meeting with him. However, Cordero did not appear at the meeting, and did not answer or return repeated phone calls from Customer 5 after the scheduled meeting date.

47. On the Schedule C attached to Customer 5's 2017 tax return, Cordero falsely reported that Customer 5 received \$2,200 in income, purportedly reported on a Form 1099. However, Customer 5 did not receive any such income in 2017 and did not provide any Form 1099 to Cordero. Cordero then falsely reported that Customer 5 incurred \$23,039 in expenses purportedly incurred in selling some electronic products. The fabricated expenses included \$3,119 for car and truck expenses, \$4,054 for repairs and maintenance, \$3,045 for supplies, \$5,008 for travel, \$2,428 for deductible meals and entertainment, \$1,085 for a phone, \$3,100 for tools, and \$1,200 for landscaping. Customer 5 did not incur these expenses, did not provide these amounts to Cordero, and was not aware that this fabricated business income and expenses were reported on his tax return.

48. Cordero also reported phony expenses on the Form Schedule A attached to the tax return, discussed in paragraphs 90 and 92 *infra*. As a result of the fabricated expenses on the Form Schedule A and phony business loss of \$20,839 reported on the Schedule C, Cordero claimed a bogus refund in the amount of \$478 on Customer 5's 2017 tax return

49. Cordero did not review the completed tax returns with Customer 5, but simply input the information into her computer in front of him.

Customer 6

50. Customer 6 of Hialeah, Florida had his 2015 and 2016 federal income tax returns prepared at WFS Accounting and Tax Services. However, Customer 6's 2016 tax return does not identify the name of the paid preparer or tax preparation firm.

51. Customer 6 was employed as a truck driver in 2015 and 2016, but also attempted to start a landscaping business on weekends for additional income. On the 2015 tax return of Customer 6, the preparer reported on the Schedule C attached to the return that Customer 6 owned a landscaping business that received income of \$1,209. The preparer then falsely reported that Customer 6 incurred expenses totaling \$26,405, including \$2,457 for advertising, \$12,817 in car and truck expenses, \$2,477 for insurance, \$4,304 for supplies, \$2,250 for deductible meals and entertainment, and \$2,100 for utilities. Customer 6 did not provide this information to the preparer and was not aware that the preparer reported it on the tax return. As a result of claiming a phony business loss of \$25,196, the WFS preparer claimed a bogus refund of \$3,668 on Customer 6's 2015 tax return. After the IRS examined his 2015 tax return, Customer 6 owed \$6,428.49 in tax and interest.

52. On the 2016 tax return of Customer 6, the preparer reported on the Schedule C attached to the return that Customer 6 owned a landscaping business that received income of

\$3,000, but incurred expenses totaling \$12,585. The phony expenses included \$10,660 in car and truck expenses (for purportedly driving 19,000 business miles), \$800 for supplies, \$375 for repairs, and \$750 for a cell phone.

53. Customer 6 did not incur any expenses in 2016 related to his job as a truck driver. On the Schedule A attached to the tax return, the preparer falsely reported that Customer 6 incurred \$23,460 in unreimbursed employee business expenses related to his job, which equals 33.5% of his reported wages. The fabricated job expenses included \$21,060 in vehicle expenses (for purportedly driving 39,000 miles with a personal vehicle), \$900 in parking fees and tolls, \$800 in business expenses, and \$1,400 in meals and entertainment expenses. Customer 6 did not provide this information to the preparer and was not aware that the preparer reported all of these phony expenses on the tax return. As a result of claiming a phony business loss of \$9,385 and the phony job-related expenses, the WFS preparer claimed a bogus refund of \$3,578 on Customer 6's 2016 tax return. After the IRS examined his 2016 tax return, Customer 6 owed \$6,910 in tax.

54. The WFS preparer informed Customer 6 that he would be charged \$75 to have each tax return prepared. However, he was actually charged \$800 to have each tax return prepared, with the fee taken from his tax refund.

Customer 7

55. Customer 7 of Miami Springs, Florida had his 2015 federal income tax return prepared at WFS Accounting and Tax Services. Customer 7 was employed working in a warehouse, and he provided his Form W-2 to the preparer when having the tax return prepared. Customer 7 did not own or operate a business in 2015.

56. On the Schedule C attached to the tax return, the preparer falsely reported that Customer 7 owned a business, identified as a carpenter, through which Customer 7 purportedly received \$1,011 in gross receipts, but incurred expenses totaling \$17,617, including \$11,929 for car and truck expenses, \$2,445 for supplies, \$2,394 for deductible meals and entertainment, \$350 for utilities, and \$499 for a “donation.” Customer 7 did not incur these reported expenses, did not provide these amounts to the preparer, and did not know that the preparer reported this information related to a non-existent business on his tax return. By reporting a phony \$16,606 business loss, the WFS preparer claimed a bogus refund of \$3,655 on Customer 7’s 2015 tax return.

Customer 8

57. Customer 8 of Miami, Florida had her 2015 federal income tax return prepared at WFS Accounting and Tax Services. Cordero is identified as the preparer of the tax return, but a man actually prepared the return. Customer 8 was married in 2015 and told the preparer that she was married. Customer 8 worked cleaning houses with a friend and earned approximately \$1,000 in 2015. The preparer did not ask Customer 8 any questions about her income or expenses cleaning houses.

58. On the Schedule C attached to the tax return, the preparer falsely reported that Customer 8 received \$14,563 in gross receipts, and incurred expenses totaling \$2,191, for a net profit of \$12,372. Customer 8 did not receive that amount of gross receipts or incur that amount of expenses, and did not provide these amounts to the preparer. The preparer also falsely claimed head of household filing status on Customer 8’s tax return, despite knowing that Customer 8 was married. By reporting the fabricated business income and falsely claiming head of household filing status, the WFS preparer claimed a fabricated Earned Income Tax Credit in

the amount of \$3,359 and a bogus refund of \$2,611 on Customer 8's 2015 tax return. According to paperwork that the preparer provided to Customer 8, the total fees to prepare the tax return would equal \$438, and Customer 8 would thus receive a refund of \$2,173.05. However, Customer 8 received a check from the preparer in the amount of \$1,173.

Customers 9 and 10

59. Customers 9 and 10 of Miami, Florida had their 2015 federal income tax return prepared at WFS Accounting and Tax Services. Cordero is identified as the preparer of the tax return, but a man actually prepared the return. Customer 9 was employed as a boat mechanic in 2015, and he provided his Form 1099 and documents related to his wife's expenses for nursing school to the preparer when having the tax return prepared. Customer 9 did not own or operate a business in 2015. The preparer asked Customer 9 whether he owned a car and about his expenses related to his car, phone expenses, and clothing expenses.

60. The preparer prepared two Forms Schedule C attached to the tax return. On the first Schedule C attached to the tax return, the preparer reported the \$56,640 in income that Customer 9 received through his job, as identified on the Form 1099. However, the preparer then falsely reported that Customer 9 incurred expenses totaling \$23,732, including \$15,014 for car and truck expenses, \$3,254 for supplies, \$1,078 for deductible meals and entertainment, \$1,256 for a cell phone, \$985 for a uniform, and \$2,145 for tools. On the second Schedule C, the preparer falsely reported that Customer 9 received a second Form 1099, which purportedly reported no income, and that Customer 9 incurred \$2,520 in expenses related to this non-existent self-employment, including \$1,269 for supplies, \$493 for deductible meals and entertainment, and \$758 for tools. Customer 9 did not incur the expenses reported on the two Forms Schedule

C, did not provide these amounts to the preparer, and did not know that the preparer reported this information on his tax return.

61. By reporting phony business expenses, the WFS preparer falsely reduced the taxable income reported on the tax return to \$594, and claimed a bogus refund of \$2,377 on the 2015 tax return of Customers 9 and 10.

Customers 11 and 12

62. Customers 11 and 12 of Miami, Florida had their 2015 federal income tax return prepared at WFS Accounting and Tax Services. A man is identified as the preparer of the tax return, but a woman actually prepared the return. Customer 11 was employed in 2015, and Customer 11 provided his last paycheck stub from his job to the preparer when having the tax return prepared. Customer 12 operated a party decorations business in 2015, which mostly provided services to her family and friends. The preparer asked Customers 11 and 12 whether they owned a car and about their expenses related to their car, including toll expenses, their phone expenses, and their clothing expenses.

63. On the Schedule C attached to the tax return, the preparer falsely reported that Customer 11 owned a catering business (which he did not), which identified the business name as the name of his wife, that received \$475 in gross receipts, but incurred expenses totaling \$15,564, including \$2,490 for advertising, \$7,144 for car and truck expenses, \$631 for repairs and maintenance, \$2,749 for supplies, and \$2,550 for utilities. Neither Customer 11 nor Customer 12 owned or operated a catering business, incurred that amount of expenses for a catering business, or provided these amounts to the preparer. By reporting the phony \$15,089 business loss, the WFS preparer claimed a fabricated Earned Income Tax Credit in the amount of

\$2,358. By also claiming phony education credits, discussed in paragraph 122, *infra*, the preparer claimed a bogus refund of \$7,512 on the 2015 tax return of Customers 11 and 12.

Customer 13

64. Customer 13 of Miami Beach, Florida had his 2018 federal income tax return prepared at WFS Accounting and Tax Services. In 2018, Customer 13 earned a small profit, as much as \$3,000, through a business that he operated out of his home. Customer 13 did not incur many expenses for his business and made a profit. The preparer asked Customer 13 questions about personal expenses, including his personal travel to California. The preparer also asked Customer 13 how often he drove his car, but did not ask for mileage amounts or whether Customer 13 was driving his car for personal or business purposes. Customer 13 had to go to the tax preparation store twice because, he was told, there was a problem with Customer 13's spouse and the return prepared during the first visit needed to be corrected.

65. On the Schedule C attached to the tax return, the preparer falsely reported that Customer 13 only received \$1,940 in business income, and purportedly incurred expenses totaling \$18,256, including \$5,015 for car and truck expenses, \$2,500 for supplies, \$598 for travel, \$1,713 for deductible meals and entertainment, \$1,080 for a cell phone, and \$7,350 for a uniform. Customer 13 did not incur these reported business expenses, did not provide these amounts to the preparer, and did not know that the preparer reported this information on his tax return. Customer 13 believes that the travel expense claimed is for a plane ticket for a vacation to California, which he discussed with the preparer and which the preparer knew was not related to his home business. The preparer did not review the completed tax return with Customer 13. By reporting a phony \$16,316 business loss, along with a phony education credit, discussed in

paragraph 123, *infra*, the WFS preparer claimed a bogus refund of \$6,320 on Customer 13's 2018 tax return. Customer 13 was charged \$419 to have this tax return prepared.

Customer 14

66. Customer 14 of Miami, Florida had her 2018 federal income tax return prepared at WFS Accounting and Tax Services. In 2018, Customer 14 started a business doing babysitting referrals, and spent as much as \$3,000 to get the business started.

67. On the Schedule C attached to the tax return, the preparer falsely reported that Customer 14 received \$956 in gross receipts, and purportedly incurred expenses totaling \$9,562, including \$1,520 for advertising, \$3,054 for car and truck expenses, \$3,051 for supplies, \$1,230 for a cell phone, \$103 for a uniform, and \$604 for "internate." Customer 14 did not incur these reported business expenses, did not provide these amounts to the preparer, and did not know that the preparer reported this information on her tax return. The preparer did not review the completed tax return with Customer 14. By reporting a phony \$8,606 business loss, the WFS preparer claimed a bogus refund of \$2,724 on Customer 14's 2018 tax return.

Customer 15

68. Customer 15 of Miami, Florida had his 2017 federal income tax return prepared at NMB Accounting and Tax Services. In 2017, Customer 15 worked as a busboy and did not own or operate his own business. The preparer asked Customer 15 about his gas expenses for his car, but did not ask any questions about vehicle mileage. Customer 15 only provided the preparer with copies of his Forms W-2, ID, and social security card for him and his daughter.

69. On the Schedule C attached to the tax return, the preparer falsely reported that Customer 15 owned a car wash business. Customer 15 did not own any business and was not aware that the preparer reported on his tax return that he owned a car wash. The preparer falsely

reported that the non-existent business received \$3,569 in gross receipts or sales, and purportedly incurred expenses totaling \$13,195, including \$1,089 for advertising, \$3,893 for repairs and maintenance, \$4,569 for supplies, \$2,368 for travel, and \$1,276 for utilities. Customer 15 did not discuss any such expenses with the preparer. The preparer did not review the completed tax return with Customer 15. By reporting a phony \$9,626 business loss, along with other phony deductions, discussed in paragraphs 97-98, *infra*, the NMB preparer claimed a bogus refund of \$9,079 on Customer 15's 2017 tax return.

Intentionally Claiming an Improper Filing Status and Bogus Dependents

70. The Defendants, and their employees acting at their direction and with their knowledge and consent, prepare tax returns reporting false filing status. Specifically, Head of Household filing status is claimed on customers' tax returns to increase the amount of the customers' standard deduction, even though the Defendants, and their employees acting at their direction and with their knowledge and consent, are aware that the customer does not qualify for Head of Household filing status.

71. The Defendants, and their employees acting at their direction and with their knowledge and consent, file separate returns for married couples who are not living apart, improperly using the "head-of-household" or "single" filing status, both of which are unavailable to married couples living together. Often, this is an attempt to increase the claimed EITC; a qualifying couple with at least two children who, together, might otherwise receive a single EITC refund of \$5,000 by properly claiming "married, filing jointly," may instead each receive a refund of \$3,000 or more, by both falsely claiming Head of Household or single status and each claiming at least one dependent.

Customer 16

72. For example, Customer 16 of Miami, Florida had her 2015 tax return prepared at WFS Accounting and Tax Services. Customer 16 was married in 2015 and told the preparer that she was married. The preparer told Customer 16 that she and her husband could file separate tax returns each claiming a dependent.

73. Despite knowing that Customer 16 was married, the preparer filed a separate tax return for Customer 16 on which the preparer falsely claimed Head of Household filing status, and claimed one daughter as a dependent. By falsely claiming Head of Household filing status and one dependent, the preparer claimed a fabricated Earned Income Tax Credit in the amount of \$3,359. By also claiming a phony education credit, discussed in paragraph 125, *infra*, the WFS preparer claimed a bogus refund of \$5,235 on Customer 16's 2015 tax return.

74. Additionally, the Defendants, and their employees acting at their direction and with their knowledge and consent, claim dependents who do not actually qualify as dependents on customers' tax returns, and then claim Head of Household filing status to increase the customers' refunds through both the false filing status and fraudulent EITC claim based on the bogus dependents.

Bogus Schedule A Deductions

75. The Defendants, and their employees acting at their direction and with their knowledge and consent, prepare tax returns reporting bogus itemized deductions on Form Schedule A, "Itemized Deductions," to improperly or fraudulently reduce customers' taxable income. For example, the Defendants report non-deductible personal expenses, and fabricate (or falsely inflate) charitable contributions, medical expenses, tax return preparation fees,

unreimbursed employee business expenses, and other job-related or miscellaneous deductions, and purportedly paid by their customers.

76. The Defendants, and their employees acting at their direction and with their knowledge and consent, also prepare tax returns for customers which include Forms Schedule A making false claims for purported unreimbursed employee business expenses. Section 162 of the Internal Revenue Code governs trade or business expenses. The Defendants, and their employees acting at their direction and with their knowledge and consent, often claim deductions for fabricated, fraudulently inflated, and/or non-qualifying business expenses, particularly for purported business miles driven by customers.

Customer 17

77. For example, Customer 17 of Miami, Florida had his 2015 federal income tax return prepared at WFS Accounting and Tax Services. Customer 17 was employed as a sales representative, which issued him a Form W-2 that he provided to the preparer when having the tax return prepared.

78. Customer 17 received wages totaling \$87,383. On the Schedule A attached to the tax return, the preparer falsely reported that Customer 17 incurred \$35,364 (over 40% of Customer 17's wages) in unreimbursed employee business expenses purportedly related to Customer 17's job. These phony expenses included \$1,250 for a uniform, \$4,680 for meals, and \$600 for a cell phone; the remaining \$28,834 in purported expenses were not categorized on the tax return. The preparer also falsely claimed that Customer 17 incurred \$10,796 in medical and dental expenses. The WFS preparer did not review the completed tax return with Customer 17. As a result of the fabricated claims on the Schedule A, the preparer claimed a bogus refund in the

amount of \$3,086 on Customer 17's 2015 tax return. After the IRS examined his 2015 tax return, Customer 17 owed \$2,834.50 in tax and interest.

Customer 18

79. Customer 18 of North Miami Beach, Florida had his 2015 and 2016 federal income tax returns prepared at NMB Accounting and Tax Services. Customer 18's 2016 tax return identifies a different business as the tax preparation firm. Customer 18 was employed as a restaurant manager in 2015 and 2016. The preparer asked Customer 18 whether he owned a car and about his expenses related to his car, including for tolls, as well as his phone and clothing expenses.

80. On the Schedule A attached to the 2015 tax return, the preparer falsely reported that Customer 18 incurred \$9,160 in unreimbursed employee business expenses. These phony expenses included \$1,241 for a cell phone, \$1,345 for uniforms, and \$1,848 for shoes; the remaining \$4,726 in purported job expenses was not categorized on the tax return. Customer 18 did not incur these expenses and did not provide these amounts to the preparer. The preparer also falsely reported that Customer 18 donated \$499 in cash to charity in 2015.

81. Customer 18 did not own or operate a business in 2015. On the Schedule C attached to the tax return, the preparer falsely reported that Customer 18 owned a business as a "chef" through which Customer 18 received \$324 in gross receipts and incurred \$24,270 in expenses, including \$9,749 in car and truck expenses (for purportedly driving 16,954 miles for a non-existent business), \$2,941 for repairs and maintenance, \$2,418 for travel, \$1,494 for deductible meals and entertainment, \$1,411 for a cell phone, \$1,985 for a uniform, \$1,847 for dry cleaning, and \$2,895 for electronics. Customer 18 did not tell the preparer that he owned a business and did not provide these amounts to the preparer.

82. As a result of the false claims, the NMB preparer claimed a bogus refund of \$1,507 on Customer 18's 2015 tax return.

83. On the Schedule A attached to the 2016 tax return, the preparer falsely reported that Customer 18 incurred \$12,281 in unreimbursed employee business expenses. These phony expenses included \$1,395 for a cell phone, \$795 for uniforms, and \$384 for shoes; the remaining \$9,707 in purported job expenses was not categorized on the tax return. The preparer also falsely reported that Customer 18 donated \$490 in cash to charity in 2016. The preparer also falsely reported that Customer 18, who did not even visit a doctor in 2016, incurred \$17,817 in medical and dental expenses in 2016. Customer 18 did not incur these expenses and did not provide these amounts to the preparer. As a result of the false claims, the NMB preparer claimed a bogus refund of \$351 on Customer 18's 2016 tax return.

Customer 19

84. Customer 19 of Hallandale, Florida had his 2016 and 2017 federal income tax returns prepared at NMB Accounting and Tax Services. Customer 19 was employed as a server at a restaurant 2016 and 2017. When having his tax returns prepared, Customer 19 provided the preparer with his Form W-2, his Form 1099 mortgage statement, his driver's license, and documents showing his health insurance coverage. The preparer asked Customer 19 how far he lived from his job and whether he incurred any uniform expenses. Customer 19 told the preparer that his employer provides a uniform but that he purchases 2 to 3 pairs of shoes for work each year. The preparer did not ask Customer 19 any questions about medical or dental expenses or whether he donated money to charity.

85. On the Schedule A attached to the 2016 tax return, the preparer falsely reported that Customer 19 incurred \$12,119 in medical and dental expenses, when he had no such

expenses. The preparer also falsely reported that Customer 19 incurred \$12,388 in unreimbursed employee business expenses. These phony expenses included \$3,165 for tools and \$1,349 for repairs. Customer 19 believes that these may have been for home repairs that he discussed with the preparer. The remaining \$7,874 in purported job expenses was not categorized on the filed tax return. The preparer also falsely claimed that Customer 19 incurred other purportedly deductible expenses for a cell phone in the amount of \$1,374 and \$358 for a uniform. Customer 19 did not incur these expenses and did not provide these amounts to the preparer. As a result of the false claims, the NMB preparer claimed a bogus refund of \$4,733 on Customer 19's 2016 tax return.

86. On the Schedule A attached to the 2017 tax return, the preparer falsely reported that Customer 19 donated \$5,800 in cash to charity in 2017, when he did not and did not inform the preparer that he donated cash to charity. Customer 19 did inform the preparer that he sent money to his family in Turkey, but does not know if this is the amount that he provided the preparer. In 2017, Customer 19 received wages totaling \$66,046. The preparer falsely reported that Customer 19 incurred \$26,324 in unreimbursed employee business expenses, or 40% of his wages. These phony expenses included \$4,563 for tools, \$7,896 for repairs, and \$1,452 for supplies; the remaining \$12,413 in purported job expenses was not categorized on the filed tax return. The preparer also falsely claimed that Customer 19 incurred other purportedly deductible expenses for a cell phone in the amount of \$1,293, a uniform in the amount of \$1,456, and dry cleaning in the amount of \$2,893. Customer 19 did not incur these expenses and did not provide these amounts to the preparer. As a result of the false claims, the NMB preparer claimed a bogus refund of \$7,844 on Customer 19's 2017 tax return. Customer 19 asked the preparer why his refund was several thousand dollars more in 2017, and the preparer stated that it was because

Customer 19 earned more money and paid over \$10,000 in taxes (the return reports tax withholdings totaling \$10,719), and assured Customer 19 that the tax return was accurate.

Customers 1 and 2 (con't)

87. As discussed in paragraphs 31-33, *supra*, Cordero prepared the 2014 tax return of Customers 1 and 2. On the Schedule A attached to the 2014 tax return, Cordero falsely reported that Customer 1 incurred \$18,490 in unreimbursed employee business expenses purportedly related to Customer 1's job. The fabricated job-related expenses included \$2,152 for a cell phone, \$1,063 for a uniform, \$3,392 for "equipment," and \$957 for a "tablet." The remaining \$10,926 in purported job-related expenses was not categorized on the tax return. Cordero also falsely reported that Customer 1 incurred \$663 in dry cleaning expenses. Customer 1 did not incur these expenses and did not provide any of these amounts to Cordero. Cordero also falsely claimed that Customers 1 and 2 incurred \$15,108 in medical and dental expenses when they did not, and they did not inform Cordero that they incurred such expenses.

88. Cordero prepared the 2015 federal income tax return of Customers 1 and 2, although she did not identify herself as the paid preparer; the tax return identifies another preparer at NMB Accounting and Tax Services. On the Schedule A attached to the 2015 tax return, Cordero falsely reported that Customer 1 incurred \$19,330 in unreimbursed employee business expenses purportedly related to Customer 1's job. The fabricated job-related expenses included \$2,267 for a cell phone, \$1,683 for a uniform, \$3,296 for "equipment," and \$750 for "internet." The remaining \$11,379 in purported job-related expenses was not categorized on the tax return. Cordero also falsely reported that Customer 1 incurred expenses in the amounts of \$485 for dry cleaning and \$1,499 for a laptop. Customer 1 did not incur these expenses and did not provide any of these amounts to Cordero. Cordero also falsely claimed that Customers 1 and

2 incurred \$9,396 in medical and dental expenses when they did not, and they did not inform Cordero that they incurred such expenses.

89. As a result of these fabricated itemized deductions, and the phony education credit claimed (discussed in paragraph 118, *infra*), Cordero claimed a bogus refund in the amount of \$9,594 on the 2015 tax return of Customers 1 and 2. Following the IRS's examination of the 2015 tax return, Customers 1 and 2 owed \$3,815.24 in tax and interest.

Customer 5 (con't)

90. As discussed in paragraphs 42-49, *supra*, Cordero prepared the 2016 and 2017 federal income tax returns of Customer 5. In 2016 and 2017, Customer 5's job-related expenses were limited to everyday business suits, and some tolls and vehicle expenses. Including the non-deductible costs for his suits, which comprised the majority of his expenses, his annual job-related expenses did not exceed \$4,000 to \$5,000.

91. On the Schedule A attached to his 2016 tax return, Cordero falsely reported that Customer 5 incurred \$21,290 in unreimbursed employee business expenses. The fabricated expenses included \$4,051 for supplies, \$3,574 for an advertisement, \$2,461 for a phone, and \$2,065 for uniforms (likely an approximation of Customer 5's non-deductible business suit expenses). The remaining \$9,139 in purported job-related expenses were not categorized on the tax return. Cordero also reported \$1,127 for a "dry cleaner" as an "other" deductible expense. Customer 5 did not incur these expenses and did not provide these amounts to Cordero. As discussed above, Cordero claimed a bogus refund as a result.

92. On the Schedule A attached to his 2017 tax return, Cordero falsely reported that Customer 5 incurred \$19,750 in unreimbursed employee business expenses. The fabricated expenses included \$2,988 for supplies, \$1,068 for an advertisement, \$2,785 for a phone, and

\$1,569 for “uniforms suits and shoes.” The remaining \$11,340 in purported job-related expenses were not categorized on the tax return. Customer 5 did not incur these expenses and did not provide these amounts to Cordero. Cordero also reported \$5,992 in “other” deductible expenses, including \$250 for a dry cleaner, \$3,183 for hazard insurance, and \$2,559 for mortgage insurance (likely improperly reported here because Customer 5’s income prevented the mortgage insurance from being reported as a deduction in the appropriate section on the Schedule A). As discussed above, Cordero claimed a bogus refund as a result.

Customer 13 (con’t)

93. Customer 13 had his 2017 federal income tax return prepared at WFS Accounting and Tax Services. In 2017, Customer 13 worked as a bartender and a server at a hotel restaurant. Customer 13 did not incur expenses related to his job, and did not tell the preparer that he incurred any job-related expenses. The preparer asked Customer 13, broadly, how often he drove his car, and also asked about other personal expenses.

94. Customer 13 received wages totaling \$45,602 in 2017. On the Schedule A attached to the tax return, the preparer falsely reported that Customer 13 incurred \$19,159 in unreimbursed employee business expenses, or over 42% of his income. The preparer falsely reported that Customer 13 incurred expenses for uniforms totaling \$7,366 and for a cell phone in the amount of \$1,080. The filed tax return does not identify the remaining \$10,713 of purported job-related expenses. Customer 13 did not incur these expenses, did not provide these amounts to the preparer, and was not aware that the preparer reported this on his tax return because the preparer never reviewed the completed return with Customer 13. As a result of the phony deductions on the Schedule A, the WFS preparer claimed a bogus refund in the amount of \$6,132

on Customer 13's 2017 tax return. Customer 13 was charged \$439 to have the tax return prepared.

Customer 14 (con't)

95. Customer 14 had her 2017 federal income tax return prepared at WFS Accounting and Tax Services. In 2017, Customer 14 was employed as a teacher and received wages totaling \$48,137. Customer 14 had to purchase a new computer to use in connection with her job. Customer 14 also purchased a shirt from Walmart and paid someone to sew or iron her name onto the shirt to create her own uniform. When having the tax return prepared, Customer 14 discussed this shirt with the preparer, because a mutual friend was responsible for creating not only Customer 14's shirt, but also the company shirts worn by the preparers at WFS. Customer 14 also donated a substantial amount of household goods to charity, and provided receipts to the preparer, but did not donate any cash to charity. The preparer asked Customer 14 how far she had to drive to and from her job.

96. On the Schedule A attached to the tax return, the preparer falsely claimed that Customer 14 incurred unreimbursed employee business expenses totaling \$24,053, or 50% of her income. Customer 14 did not incur these expenses and did not provide this amount to the preparer. The fabricated expenses included \$2,850 for a computer, which was much more than Customer 14 actually spent on her computer, \$3,650 for a "ceelphone," and \$10,500 for uniforms, despite the preparer knowing that the only "uniform" that Customer 14 purchased was shirt from Walmart on which their mutual friend imprinted Customer 14's name. The preparer also falsely reported that Customer 14 incurred job-related vehicle expenses of \$3,478, parking fees and toll expenses totaling \$2,550, and meals and entertainment expenses totaling \$2,050. The preparer also falsely claimed that Customer 14 donated \$1,500 in cash or check to charity.

As a result of the phony deductions on the Schedule A, and the phony education credit, discussed in paragraph 124, *infra*, the WFS preparer claimed a bogus refund in the amount of \$2,906 on Customer 14's 2017 tax return.

Customer 15 (con't)

97. Customer 15 had his 2017 federal income tax return prepared at NMB Accounting and Tax Services. In 2017, Customer 15 worked as a busboy for two employers. Customer 15 received wages totaling \$57,762. Customer 15 did not incur any expenses for his jobs. Customer 15 did not make any contributions to charity in 2017. Customer 15 did not discuss any charitable contributions or job-related expenses when having his tax return prepared.

98. On the Schedule A attached to the tax return, the preparer falsely reported that Customer 15 donated \$5,587 in cash to charity. The preparer falsely reported that Customer 15 incurred \$32,289, or 56% of his wages, in unreimbursed employee business expenses. The fabricated expenses included \$5,698 for dry cleaning, \$4,563 for a uniform, \$5,983 for supplies, \$1,783 for a cell phone, \$6,724 in vehicle expenses (for purportedly driving 12,569 business miles as a busboy), \$5,693 for tolls and parking fees, and \$3,689 for meals and entertainment. Customer 15 did not incur these expenses and did not provide these amounts to the preparer. The preparer did not review the completed tax return with Customer 15. As discussed in paragraphs 68-69, *supra*, these phony claims, along with a fabricated non-existent business loss reported on a Form Schedule C, resulted in the NMB preparer claiming a bogus refund in the amount of \$9,079. Customer 15 asked the preparer why the refund was so high, and was falsely told that it was because Customer 15 worked a lot in 2017 and was entitled to get more money back as a result. Customer 15 was charged \$529 to have the tax return prepared.

99. Customer 15's girlfriend also had her 2017 tax return prepared at NMB. An advertisement provided by NMB stated that customers could receive \$35 for every referral. Customer 15's girlfriend referred several people, but when she attempted to contact NMB to obtain or discuss the referral payment, NMB would not answer the phones or respond.

Fraudulent Fuel Tax Credits

100. Cordero prepares and files federal income tax returns for customers on which she improperly claims false or fraudulent fuel tax credits using IRS Form 4136, "Credit for Federal Tax Paid on Fuels." The fuel tax credit is available only to taxpayers who operate farm equipment or other off-highway business vehicles. Moreover, the equipment or vehicles using the fuel must not be registered for highway uses. Cordero claims the fuel tax credit for fabricated and non-qualifying fuel purchases.

101. Internal Revenue Code section 6421(a) provides a tax credit for fuel used in an off-highway business use. Off-highway business use is any off-highway use of fuel in a trade or business or in an income-producing activity where the equipment or vehicle is not registered and not required to be registered for use on public highways. Examples of off-highway business fuel use include: (1) in stationary machines such as generators, compressors, power saws, and similar equipment; (2) for cleaning purposes; and (3) in forklift trucks, bulldozers, and earthmovers.

102. A highway vehicle is any "self-propelled vehicle designed to carry a load over public highways, whether or not it is also designed to perform other functions." A public highway includes any road in the United States that is not a private roadway. This includes federal, state, county, and city roads and streets. These highway vehicles are not eligible for the fuel tax credit. The following highway vehicles are not eligible for the fuel tax credit: passenger automobiles, motorcycles, buses, and highway-type trucks and truck tractors.

103. In short, the fuel tax credit does not apply to passenger cars or other vehicles that are registered or required to be registered to drive on public highways.

104. Cordero claims the fuel tax credit for fabricated and non-qualifying fuel purchases.

Customer 20

105. For example, Cordero prepared the 2013 and 2014 federal income tax returns of Customer 20 of Miami, Florida. Cordero did not identify herself as the paid preparer of these tax returns.

106. In 2013, Customer 20 received wages totaling \$19,655. Cordero falsely reported that Customer 20 purchased 2,966 gallons of fuel for off-highway business use. Assuming, conservatively, that the gas was purchased at \$2.00 per gallon, Customer 20 would have incurred a gas expense in the amount of \$5,932. Cordero claimed a bogus fuel tax credit in the amount of \$543 on Customer 20's 2013 tax return. Cordero also falsely claimed that Customer 20 owned a business, not identified by name or type of business, through which Customer 20 had no sales and received no gross receipts, but incurred \$5,338 in car and truck expenses. Customer 20 did not own a business and did not inform Cordero that he owned a business. Cordero also falsely reported that Customer 20 incurred \$3,953 in education expenses, and falsely claimed an education credit of \$433 and an American opportunity credit in the amount of \$995. As a result of these false claims, Cordero claimed a bogus refund of \$4,406 on Customer 20's 2013 tax return.

107. In 2014, Customer 20 received wages totaling \$25,966. Cordero falsely reported that Customer 20 purchased 4,061 gallons of fuel for off-highway business use. Assuming, conservatively, that the gas was purchased at \$2.00 per gallon, Customer 20 would have incurred

a gas expense in the amount of \$8,122. Cordero claimed a bogus fuel tax credit in the amount of \$743 on Customer 20's 2014 tax return. Cordero also falsely claimed that Customer 20 owned a catering business through which Customer 20 had no sales and received no gross receipts, but purportedly incurred \$5,347 in car and truck expenses, \$548 in supply expenses, and \$478 in travel expenses, for a total reported loss of \$6,373. Customer 20 did not own a catering business and did not inform Cordero that he owned any business. Cordero also falsely reported that Customer 20 incurred \$2,749 in education expenses, and falsely claimed an education credit of \$960 and an American opportunity credit in the amount of \$875. As a result of these false claims, Cordero claimed a bogus refund of \$4,146 on Customer 20's 2014 tax return.

Customers 3 and 4 (con't)

108. Cordero prepared separate 2014 tax returns for married Customers 3 and 4. Customer 3 received wages from his job totaling \$16,150 in 2014. On Customer 3's 2014 tax return, Cordero falsely reported that Customer 3 purchased 4,416 gallons of gasoline for off-highway business use, and thereby claimed a bogus fuel tax credit in the amount of \$808. Assuming, conservatively, that the gas was purchased at \$2.00 per gallon, Customer 3 would have incurred a gas expense in the amount of \$8,832, or over 54% of his reported income. Customer 3 did not purchase this gas in 2014 and did not tell Cordero that he purchased this amount of gasoline.

109. Customer 4 received wages from her job totaling \$17,207 in 2014. On the 2014 tax return of Customer 4, Cordero falsely reported that Customer 4 purchased 4,394 gallons of gasoline for off-highway business use, and thereby claimed a bogus fuel tax credit in the amount of \$804. Assuming, conservatively, that the gas was purchased at \$2.00 per gallon, Customer 4 would have incurred a gas expense in the amount of \$8,788, or over 51% of her reported income.

Customer 4 did not purchase this gas in 2014 and did not tell Cordero that she purchased this amount of gasoline.

Bogus Education Credits

110. The Defendants, and the tax return preparers acting at their direction or with their knowledge and consent, also claim bogus education expenses and falsely claim refundable education credits, including the American Opportunity education credit, on customers' federal income tax returns. Unlike many tax credits, a refundable tax credit entitles qualifying taxpayers to receive refunds even if they have no tax liability. The Defendants, and the tax return preparers acting at their direction or with their knowledge and consent, claim false education credits on the tax returns of customers who did not attend college and had no qualifying education expenses, in order to generate a larger bogus refund.

Customer 21

111. For example, Cordero prepared the 2013, 2014, and 2015 federal income tax returns of Customer 21 of Miami, Florida. Cordero did not identify herself as the paid preparer of these tax returns.

112. In 2013, Customer 21 did not attend college, and her son attended high school. Cordero falsely reported on the 2013 tax return that Customer 21 incurred \$2,638 in expenses to purportedly attend Dade Medical College, and \$3,744 in expenses for her son, who was in high school, to purportedly attend Miami Dade College. Customer 21 did not incur these expenses and did not inform Cordero that she incurred these expenses. Cordero thus falsely claimed an American opportunity education credit in the amount of \$1,838 on Customer 21's 2013 tax return, and a bogus refund in the amount of \$5,088.

113. In 2014, Customer 21 did not attend college, and her son attended high school. Cordero falsely reported on the 2014 tax return that Customer 21 incurred \$2,845 in expenses to purportedly attend Dade Medical College, and \$3,744 in expenses for her son, who was in high school, to purportedly attend Miami Dade College. Customer 21 did not incur these expenses and did not inform Cordero that she incurred these expenses. Cordero thus falsely claimed an American opportunity education credit in the amount of \$1,859 on Customer 21's 2014 tax return, and a bogus refund in the amount of \$4,751.

114. In 2015, Customer 21's son did not attend college. Cordero falsely reported on the 2015 tax return that Customer 21 incurred \$2,455 in expenses for her son to purportedly attend Miami Dade College. Customer 21 did not incur these expenses and did not inform Cordero that she incurred these expenses. Cordero thus falsely claimed an American opportunity education credit in the amount of \$1,436 on Customer 21's 2015 tax return, and a bogus refund in the amount of \$3,291.

Customer 22

115. Cordero prepared the 2014 and 2015 federal income tax returns of Customer 22 of Miami, Florida. Cordero did not identify herself as the paid preparer of these tax returns.

116. In 2014, Customer 22 did not attend college and was employed at Burger King. Customer 22 received income in 2014 totaling \$12,048. Cordero falsely reported on the 2014 tax return that Customer 22 incurred \$2,361 to purportedly attend Miami Dade College. Customer 22 did not incur these expenses and did not inform Cordero that he incurred these expenses. Cordero thus falsely claimed an education credit in the amount of \$189 and an American opportunity education credit in the amount of \$855 on Customer 22's 2014 tax return. Cordero also falsely claimed that Customer 22 purchased \$4,671 gallons of gasoline for off-

highway business use, and thereby claimed a bogus fuel tax credit in the amount of \$855.

Assuming, conservatively, that the gas was purchased at \$2.00 per gallon, Customer 22 would have incurred a gas expense in the amount of \$9,342, or over 77% of his reported income.

Customer 22 did not purchase this gas in 2014 and did not tell Cordero that he purchased this amount of gasoline. As a result of these false claims, Cordero claimed a bogus refund in the amount of \$2,902 on Customer 22's 2014 tax return.

117. In 2015, Customer 22 did not attend college and was employed at Burger King. Cordero falsely reported on the 2015 tax return that Customer 22 incurred \$1,966 in expenses to purportedly attend Miami Dade College. Customer 22 did not incur these expenses and did not inform Cordero that he incurred these expenses. Cordero thus falsely claimed an education credit in the amount of \$953 and an American opportunity education credit in the amount of \$786 on Customer 22's 2015 tax return, and a bogus refund in the amount of \$2,841.

Customers 1 and 2 (con't)

118. As discussed above, Cordero prepared the 2014 and 2015 federal income tax returns of Customers 1 and 2. Neither Customer 1 nor Customer 2 attended college in 2014 or 2015, and they did not tell Cordero that they attended college or incurred any education-related expenses. On the 2014 tax return, Cordero falsely reported that Customer 2 incurred \$946 in expenses to purportedly attend Miami Dade College, and thereby claimed a bogus education credit in the amount of \$568 and a bogus American opportunity credit in the amount of \$378 on the 2014 tax return. On the 2015 tax return, Cordero falsely reported that Customer 2 incurred \$2,321 in expenses to purportedly attend Miami Dade College, and thereby claimed a bogus education credit in the amount of \$1,248 and a bogus American opportunity credit in the amount of \$832 on the 2015 tax return. These fabricated education-related expenses, along with the

other false claims discussed in paragraphs 31-33 and 87-88, *supra*, resulted in the bogus refunds claimed on the 2014 and 2015 tax returns of Customers 1 and 2.

Customers 3 and 4 (con't)

119. Cordero prepared the 2013 joint tax return, and the 2014 separate tax returns, of married Customers 3 and 4. Neither Customer 3 nor Customer 4 attended college in 2013 or 2014. On the 2013 tax return, Cordero falsely reported that Customer 3 incurred expenses of \$3,865 and that Customer 4 incurred expenses of \$3,866 to purportedly attend Miami Dade College. Customers 3 and 4 did not incur these expenses and did not inform Cordero that they incurred these expenses. Cordero thus falsely claimed an education credit in the amount of \$1,388 and an American opportunity education credit in the amount of \$1,973 on the 2013 tax return of Customers 3 and 4.

120. On Customer 3's 2014 tax return, Cordero falsely reported that Customer 3 incurred \$3,546 in expenses to purportedly attend Miami Dade College. Cordero thus falsely claimed an American opportunity education credit in the amount of \$955 on Customer 3's 2014 tax return.

121. On Customer 4's 2014 tax return, Cordero falsely reported that Customer 4 incurred \$3,469 in expenses to purportedly attend Miami Dade College. Cordero thus falsely claimed an American opportunity education credit in the amount of \$947 on Customer 4's 2014 tax return.

Customers 11 and 12 (con't)

122. As discussed above, Customers 11 and 12 had their 2015 federal income tax return prepared at WFS Accounting and Tax Services. The preparer asked Customers 11 and 12 if they attended college, and Customers 11 and 12 informed the preparer that they did not. The

preparer falsely reported that Customer 12 incurred \$4,000 in expenses to purportedly attend Miami Dade College, and thereby claimed a bogus education credit in the amount of \$1,018 and a bogus American opportunity credit in the amount of \$1,000. Customer 12 did not tell the preparer that she incurred any education related expenses and was not aware that the preparer reported such expenses on the tax return.

Customer 13 (con't)

123. As discussed above, Customer 13 had his 2018 federal income tax return prepared at WFS Accounting and Tax Services. Customer 13 attended college in 2017, but not 2018; thus, when having his 2017 tax return prepared, he provided the WFS preparer with a copy of his Form 1098-T. Customer 13 did not have any such form for 2018 and did not tell the preparer that he attended college in 2018. However, on the tax return, the preparer falsely reported that Customer 13 attended Miami Dade College in 2018 and incurred \$4,000 in education expenses. The preparer thus claimed a bogus education credit in the amount of \$1,500 and an American opportunity credit in the amount of \$1,000 on Customer 13's 2018 tax return.

Customer 14 (con't)

124. Customer 14 had her 2017 federal income tax return prepared at WFS Accounting and Tax Services. Customer 14 graduated from college several years before; however, for her job, her employer paid for her to take a 1 credit course in 2017. Customer 14 informed the preparer that she did not pay for the course. However, on the tax return, the preparer falsely reported that Customer 14 incurred \$4,500 in expenses to attend the University of Miami, and claimed a bogus education credit in the amount of \$900. As discussed in paragraphs 66-67 and 95-96, *supra*, this resulted in the bogus refund claimed on Customer 14's 2017 tax return.

Customer 16 (con't)

125. On the 2015 tax return of Customer 16, the WFS preparer also falsely reported that Customer 16 attended Miami Dade College in 2015 and incurred \$2,756 in education expenses, and thereby claimed a bogus American opportunity credit in the amount of \$876. This increased the bogus refund that the preparer claimed on Customer 16's 2015 tax return.

Improperly Preparing and Filing Returns based on Pay Stubs

126. The Defendants also prepare and file federal income tax returns using customers' end-of-year pay stubs and then file their customers' tax returns without valid Forms W-2. The returns are prepared before the end of the tax year and/or before an employer even has the ability to issue a Form W-2 for that year.

127. Federal tax returns for wage earners must be prepared using Forms W-2. Using pay stubs to prepare and file tax returns is improper and violates IRS rules. Moreover, end-of-year pay stubs frequently omit income and distributions that are shown on employer-issued Forms W-2. Thus, preparing and filing federal income tax returns based on information from end-of-year pay stubs inevitably results in errors and omissions on federal tax returns, which necessarily interferes with the administration and enforcement of the internal revenue laws.

128. The Defendants know that using pay stubs to prepare and file returns violates IRS rules and regulations because in order to participate in the IRS's electronic filing program, all electronic filers must acknowledge that they will comply with the IRS's requirements, which expressly prohibit filing returns prepared with pay stubs and without genuine Forms W-2.

129. The Defendants began soliciting customers in December by falsely telling customers that their returns can be prepared using their most recent pay stub. The Defendants open stores and advertise that customers can have their tax returns prepared before the end of the

tax year, before customers know how much income they earned and taxes they owe for the year, and before employers are able to issue Forms W-2 to their employees. Forms W-2 are not available to employees before the end of the calendar tax year, and tax returns cannot be filed before January of the processing year.

130. The Defendants know that preparing tax returns based on pay stubs violates IRS rules and regulations, and consequently interferes with the administration of the Internal Revenue laws. By preparing tax returns before the end of the tax year, the Defendants unfairly solicit business before competitors.

Unconscionable and Undisclosed Fees

131. The Defendants charge unconscionably high fees to prepare tax returns, mostly through added, fees which are typically charged without customers' knowledge. The Defendants charge hundreds of dollars to prepare and file fraudulent tax returns with unnecessary and bogus forms and schedules attached, when they should have honestly prepared a basic Form 1040 tax return.

132. The Defendants, and their employees acting at their direction and with their knowledge and consent, intentionally deceive customers regarding the fees charged for the preparation of tax returns.

133. The Defendants, and their employees acting at their direction and with their knowledge and consent, charge additional fees for each form and schedule (such as a Schedule C or Schedule A) attached to the Form 1040 tax return. These fees result in a total tax return preparation fee much higher than the amount advertised.

134. The high fees charged (and the fee structure, which encourages the addition of unnecessary and often improper forms and schedules to the Form 1040) are a strong incentive for

the Defendants and employees to prepare and file fraudulent returns claiming excessive refunds based on bogus claims and associated forms and schedules. Employees who charge higher fees and generate more revenue are more likely to be promoted and have the opportunity to manage or own their own stores.

135. Because the Defendants target low-income individuals, the high fees frequently can pose a significant financial hardship for customers. Customers may be required to pay back the improper refunds that they receive due to the Defendants' grossly incompetent, negligent, reckless, and/or fraudulent tax return preparation. Because the Defendants deduct their high fees directly from their customers' refunds, customers required to return these improper refunds to the government must also return the portion subtracted as fees. Thus, customers are then out-of-pocket the high fees charged by the Defendants. Additionally, fees are unconscionable for the basic – albeit fraudulent – tax returns being prepared for these customers, who are often eligible for free tax return preparation and electronic filing elsewhere.

136. The Defendants, and their employees acting at their direction and with their knowledge and consent, also routinely and intentionally fail to disclose to customers all fees charged. The Defendants, and their employees acting at their direction and with their knowledge and consent, present forms to customers to sign, including a form acknowledging the fees charged, without allowing the customer to closely review or understand the forms they are signing. Alternatively, the Defendants, and their employees acting at their direction and with their knowledge and consent, tell customers one amount for fees and then later increase the fees without the customers' knowledge or consent. Customers are often surprised to learn that the refund requested on their return is hundreds if not thousands of dollars more than the refund amount that they received after the fees were deducted.

137. The Defendants' fees are not paid by customers at the time of the preparation of their tax returns, but instead are subtracted from the customers' tax refund. By doing so, the Defendants are able to conceal from unsuspecting customers the actual amount that the customers pay to have their tax return prepared. Customers typically do not discover that the fees charged are much more than the customers anticipated for the preparation of their tax return until the customers receive a refund that is much less than quoted by the tax return preparer, after the Defendants have subtracted their high fees.

138. The Defendants' practice of charging unconscionable and undisclosed fees interferes with the administration and enforcement of the Internal Revenue laws. Such predatory behavior erodes consumer confidence in tax return preparers and dissuades taxpayers from seeking professional assistance with the preparation of their federal tax returns.

**Failure to Provide Customers with Copies of their Completed Tax Returns
in Violation of 26 U.S.C. § 6701(a)**

139. The Defendants, and their employees acting at their direction and with their knowledge and consent, fail to provide customers with copies of their completed tax returns. The completed tax return, filed with the IRS, shows the refund that the Defendants are claiming for the customer. By giving a copy of the tax return to the customer, the customer is able to determine the amount of fees that the Defendants charged by subtracting the amount of the refund that the customer actually receives from the amount of the refund claimed on the tax return. The Defendants' failure to provide a copy of a customer's completed tax return is part of the strategy to conceal the actual fees from their customers.

140. Failing to provide a customer with a copy of the completed tax return violates 26 U.S.C. § 6107(a), which requires that a tax return preparer "shall furnish a completed copy of [a

tax return or claim for refund] to the taxpayer not later than the time such return or claim is presented for such taxpayer's signature.”

141. Customers who do receive a copy of the tax return often receive only the first two pages of the Form 1040, but not the other forms filed with the return, such as Forms Schedule C, Forms Schedule A, and Forms 2106, “Employee Business Expenses.” This is because the Defendants, and their employees acting at their direction and with their knowledge and consent, make fraudulent claims on these forms and, to conceal the fraud from customers, do not provide them with copies of these completed forms.

**Failure to Identify the Actual Preparer of Customers' Tax Returns
in Violation of 26 U.S.C. §§ 6695(b) and 6695(c)**

142. The Defendants prepared tax returns for customers on which they did not identify themselves as the paid preparer, or are incorrectly identified as the paid preparer.

143. A tax return preparer who fails to sign a tax return that he or she prepares violates 26 U.S.C. § 6695(b). A tax return preparer, or employer of a tax return preparer, who fails to report an identifying number of the tax return preparer or the employer on a tax return that the preparer or an employee prepares, violates 26 U.S.C. § 6695(c).

144. Failing to identify themselves as the paid preparers on tax returns is part of the Defendants' attempts to conceal their tax return preparation activities from government investigators.

Harm Caused by the Defendants

145. The Defendants' preparation of false and fraudulent tax returns at their tax return preparation stores, false and misleading statements directed to customers and potential customers, and culture favoring volume and ill-gotten profits over accuracy and integrity have harmed the public and the United States Treasury. These practices harm the public because the

Defendants and many of their preparers prepare false or fraudulent tax returns that understate their customers' correct income tax liabilities and illegally cause customers to incorrectly report their federal tax liabilities and underpay their taxes.

146. The Defendants' conduct harms the United States Treasury by causing lost tax revenue. By way of example, the IRS has completed examinations of at least 30 tax returns for tax years 2012, 2013, and 2014 identifying Cordero as the preparer. Of these 30 tax returns examined, the IRS made adjustments to 26 tax returns, with a total tax deficiency of \$131,146 or an average tax deficiency of \$4,371.53 per examined return. This does not include examinations of tax returns prepared at NMB Accounting and Tax Services, LLC and WFS Accounting and Tax Services, LLC that do not identify Cordero as the paid preparer, including the examinations of the 2015 tax return of Customers 1 and 2, and the 2016 tax return of Customer 5, discussed *supra*.

147. The Defendants' customers have also been harmed because they relied on the Defendants and their tax preparation stores to prepare proper tax returns. Instead, customers' tax returns substantially understated their correct tax liabilities after paying unconscionably high fees to have their tax returns prepared. As a result, many customers, who are often low-income taxpayers, now face large income tax debts and may be liable for penalties and interest.

148. Customers are harmed by the unconscionably high and frequently undisclosed fees tied to anticipated tax refunds. These fees are subtracted from the erroneous refunds that result from the false or fraudulent tax return preparation perpetrated by the Defendants and their employees acting at their direction or with their knowledge and consent. When the IRS conducts audits or examinations of customers and seeks repayment of these erroneous refunds, the customers are liable for the repayment of those refunds. Not only do customers face the hardship

associated with repayment of erroneous refunds resulting from the Defendants' greed at others' expense, but customers may also have to repay the portion of the refund that the Defendants subtracted in fees. Customers may also have to pay additional fees to other tax return preparers to file amended tax returns to correct the false or fraudulent tax returns prepared and filed by the Defendants and their employees acting at their direction or with their knowledge and consent.

149. The Defendants' misconduct further harms the United States and the public by requiring the IRS to devote some of its resources to detecting her false claims on tax returns and assessing and collecting lost tax revenues from the Defendants' customers. Consequently, identifying and recovering all lost tax revenues resulting from the Defendants' activities may be impossible.

150. The Defendants' misconduct also harms the United States and the public because the Defendants train other tax preparers, who have no previous tax return preparation experience, on how to prepare tax returns that make false or fraudulent claims. These Defendant-trained tax preparers, in turn, often open their own tax preparation stores using the Defendants' investments of the ill-gotten gains that the Defendants received for the preparation of tax returns, or using the income that the preparers received from the Defendants for the preparation of tax returns making false or fraudulent claims. In this manner, the preparation of false or fraudulent tax returns spreads like a wildfire.

151. The Defendants' conduct also causes intangible harm to honest tax return preparers who unfairly lose business to the Defendants due to their willingness to break the law. Customers often have their returns prepared at the Defendants' tax preparation stores because they promise the maximum refund, and deliver by fabricating claims and deductions on customers' tax returns.

152. Finally, the Defendants' misconduct harms the public at large by undermining public confidence in the federal tax system and encouraging widespread violations of the internal revenue laws.

153. The harm to the government and the public will continue, and likely increase, unless the Defendants are enjoined because—given the seriousness and pervasiveness of their illegal conduct—without an injunction, the Defendants are likely to continue preparing false and fraudulent federal income tax returns for customers. An injunction will serve the public interest because it will put a stop to the Defendants' illegal conduct and the harm that it causes the United States and its citizens.

Count I
Injunction under 26 U.S.C. § 7407

154. Section 7407 of the Internal Revenue Code authorizes a district court to enjoin a tax return preparer from engaging in conduct subject to penalty under 26 U.S.C. § 6694 or § 6695. Additionally, if the court finds that a preparer has continually or repeatedly engaged in such conduct, and the court further finds that a narrower injunction (i.e., prohibiting only that specific enumerated conduct) would not be sufficient to prevent that person's interference with the proper administration of the internal revenue laws, the court may enjoin the person from further acting as a tax return preparer. The prohibited conduct justifying an injunction includes, among other things, the following:

- a. Engaging in conduct subject to penalty under 26 U.S.C. § 6694(a), which penalizes a return preparer who prepares a return or claim for refund that contains an unreasonable position and the return preparer knew (or reasonably should have known) of the position;
- b. Engaging in conduct subject to penalty under 26 U.S.C. § 6694(b), which among other conduct, penalizes a return preparer who recklessly or intentionally disregards IRS rules or regulations;

- c. Engaging in conduct subject to penalty under 26 U.S.C. § 6695(g), which penalizes a return preparer who fails to comply with the statutory due diligence requirements;
- d. Guaranteeing the payment of any tax refund or the allowance of any tax credit; or
- e. Engaging in any other fraudulent or deceptive conduct that substantially interferes with the proper administration of the internal revenue laws.

155. Section 7701(a)(36) of the Internal Revenue Code defines tax return preparer to include not only the individual who physically prepares a tax return for compensation, but also anyone “who employs one or more persons” to prepare tax returns for compensation.

156. Dimary Cordero a/k/a Dimary Cordero Torres, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC, as shown above in paragraphs 5 through 153, are tax return preparers who have repeatedly and continually prepared or submitted returns or portions of returns (or employed or managed others who prepared or submitted returns or portions of returns) that contain unreasonable positions and substantially understate the liability for tax on the return. Cordero, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC, also advise, instruct, direct, and cause managers, preparers, and employees to engage in tax fraud, and to prepare federal income tax returns asserting unreasonable, unrealistic, frivolous and fraudulent positions. Accordingly, Cordero, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC knew (or should have known) of the unreasonable, unrealistic, frivolous and fraudulent positions.

157. Cordero, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC, and those acting in concert with them and at their direction, have continually and repeatedly engaged in conduct subject to penalty under 26 U.S.C. § 6694 by preparing federal tax returns that understate their customers’ liabilities based on unrealistic, frivolous and reckless positions. Cordero, NMB Accounting and Tax Services, LLC, and WFS Accounting and

Tax Services, LLC, through the actions described above, also recklessly or intentionally disregard IRS rules or regulations.

158. Cordero, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC, and those acting in concert with them and at their direction, have continually and repeatedly engaged in conduct subject to penalty under 26 U.S.C. § 6695. The Treasury regulations promulgated under 26 U.S.C. § 6695(g) prohibit a return preparer from claiming the EITC without first conducting proper due diligence and documenting his or her compliance with the due diligence requirements. *See* 26 C.F.R. § 1.6695-2 (2011). Not only do Cordero, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC fail to conduct proper due diligence or comply with the due diligence requirements, but they also advise, encourage, and cause managers, preparers, and employees to circumvent the due diligence requirements and to ignore or disregard the information provided by customers.

159. Cordero's, NMB Accounting and Tax Services, LLC's, and WFS Accounting and Tax Services, LLC's failure to comply with the due diligence requirements for the EITC violates Treasury Regulations and their willingness to falsify information to obtain the EITC for their customers shows a reckless and/or intentional disregard of IRS rules and regulations.

160. Cordero, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC, and those acting in concert with them and at their direction, have continually and repeatedly prepared federal income tax returns that claim the EITC for customers, where Cordero, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC, and those acting in concert with them and at their direction, have not conducted, let alone documented, the required due diligence procedures.

161. Cordero, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC also fail to comply with 26 U.S.C. § 6695(a), which requires that a tax return preparer provide a copy of the completed tax return to the taxpayer.

162. Cordero's, NMB Accounting and Tax Services, LLC's, and WFS Accounting and Tax Services, LLC's continual and repeated violations of 26 U.S.C. §§ 6694 and 6695 fall within 26 U.S.C. § 7407(b)(1)(A), and thus are subject to an injunction under 26 U.S.C. § 7407.

163. Cordero's, NMB Accounting and Tax Services, LLC's, and WFS Accounting and Tax Services, LLC's continual and repeated fraudulent or deceptive conduct that substantially interferes with the proper administration of the internal revenue laws falls within 26 U.S.C. § 7407(b)(1)(D), and thus is subject to an injunction under 26 U.S.C. § 7407.

164. Cordero, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC, and those acting in concert with them and at their direction, have continuously and repeatedly guaranteed refunds to customers and guaranteed the allowance of tax credits, including but not limited to the EITC. This conduct falls within 26 U.S.C. § 7407(b)(1)(C), and thus is subject to an injunction under 26 U.S.C. § 7407.

165. If Cordero, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC are not enjoined from all tax preparation, they and those acting in concert with them and at their direction are likely to continue to prepare and file false and fraudulent tax returns.

166. Cordero's, NMB Accounting and Tax Services, LLC's, and WFS Accounting and Tax Services, LLC's continual and repeated conduct subject to an injunction under 26 U.S.C. § 7407, including their continual and repeated fabrication of expenses and deductions, is so flagrantly illegal and so egregious that it demonstrates that a narrow injunction prohibiting only

specific conduct would be insufficient to prevent Cordero's, NMB Accounting and Tax Services, LLC's, and WFS Accounting and Tax Services, LLC's interference with the proper administration of the internal revenue laws. Accordingly, Cordero, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC should be permanently barred from acting as federal tax return preparers, and from owning, operating, managing, investing in, controlling, licensing, franchising, or working for a tax return preparation business.

Count II
Injunction under 26 U.S.C. § 7408

167. Section 7408 of the Internal Revenue Code authorizes a district court to enjoin any person from engaging in conduct subject to penalty under either 26 U.S.C. § 6700 or § 6701 if injunctive relief is appropriate to prevent recurrence of such conduct.

168. Section 6701(a) of the Internal Revenue Code penalizes any person who aids or assists in, procures, or advises with respect to the preparation or presentation of a federal tax return, refund claim, or other document knowing (or having reason to believe) that it will be used in connection with any material matter arising under the internal revenue laws and knowing that if it is so used it will result in an understatement of another person's tax liability. Under 26 U.S.C. § 6701(c)(1), the term "procures" includes "ordering (or otherwise causing) a subordinate to do an act," as well as "knowing of, and not attempting to prevent, participation by a subordinate in an act."

169. Cordero, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC, through the actions detailed above in paragraphs 5 through 153, caused the presentation and preparation of false, fraudulent, and abusive tax returns and other documents. Cordero, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC prepare, assist, and/or advise with respect to the presentation and preparation of federal tax

returns for customers that they know will understate their correct tax liabilities, because Cordero, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC knowingly prepare, assist, and/or advise with respect to the presentation and preparation of returns claiming bogus expenses and deductions. Cordero, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC procured and assisted the preparation of false and fraudulent tax returns by filing and encouraging the filing of tax returns they knew were false or fraudulent, and by training and supervising tax return preparers engaging in tax fraud. Cordero, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC have thus engaged in conduct subject to a penalty under 26 U.S.C. § 6701.

170. Cordero, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC are likely to continue violating the law absent an injunction. Tax return preparation is Cordero's, NMB Accounting and Tax Services, LLC's, and WFS Accounting and Tax Services, LLC's primary source of revenue. To maximize that income, Cordero, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC prepare, and instruct and direct managers and preparers to prepare, fraudulent returns. That fraudulent conduct, in turn, gives Cordero, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC a competitive edge over law-abiding preparers. It also provides a means for Cordero, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC to further exploit their customers by charging them unconscionably high fees, while Cordero's, NMB Accounting and Tax Services, LLC's, and WFS Accounting and Tax Services, LLC's fraud simultaneously and callously exposes their customers to possible civil and criminal liability.

171. If the Court does not enjoin Cordero, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC, they are likely to continue to engage in conduct subject to penalty under 26 U.S.C. § 6701. The preparation of tax returns claiming improper expenses and deductions by Cordero, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC, and those acting in concert with them and at their direction, is widespread over many customers and tax years. Injunctive relief is therefore appropriate under 26 U.S.C. § 7408.

Count III
Injunction under 26 U.S.C. § 7402(a)
Necessary to Enforce the Internal Revenue Laws

172. Section 7402 of the Internal Revenue Code authorizes a district court to issue injunctions as may be necessary or appropriate for the enforcement of the internal revenue laws.

173. Cordero, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC, through the actions described above in paragraphs 5 through 153, including, but not limited to, intentionally understating their customers' tax liabilities and charging unconscionable and undisclosed fees for the preparation of federal tax returns that intentionally understate their customers' tax liabilities, have engaged in conduct that substantially interferes with the enforcement of the internal revenue laws.

174. Unless enjoined, Cordero, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC, and those acting in concert with them and at their direction, are likely to continue to engage in such improper conduct and interfere with the enforcement of the internal revenue laws. If Cordero, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC are not enjoined from engaging in fraudulent and deceptive

conduct, the United States will suffer irreparable injury by providing federal income tax refunds to individuals not entitled to receive them.

175. While the United States will suffer irreparable injury if Cordero, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC are not enjoined, Cordero, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC will not be harmed by being compelled to obey the law.

176. Enjoining Cordero, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC is in the public interest because an injunction, backed by the Court's contempt powers if needed, will stop Cordero's, NMB Accounting and Tax Services, LLC's, and WFS Accounting and Tax Services, LLC's illegal conduct and the harm it causes the United States and the Defendants' customers.

177. The Court should impose injunctive relief under 26 U.S.C. § 7402(a).

Count IV
Disgorgement under 26 U.S.C. § 7402(a)
Necessary to Enforce the Internal Revenue Laws

178. Section 7402 of the Internal Revenue Code authorizes a district court to issue orders, judgments, and decrees as may be necessary or appropriate for the enforcement of the internal revenue laws.

179. Cordero's, NMB Accounting and Tax Services, LLC's, and WFS Accounting and Tax Services, LLC's conduct, described above in paragraphs 5 through 153, substantially interferes with the enforcement of the internal revenue laws and has caused the United States to issue tax refunds to individuals not entitled to receive them. Cordero, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC have unjustly profited at the expense of the United States by subtracting their exorbitant fees from those refunds.

180. Cordero, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC are not entitled to these ill-gotten gains. But for the Defendants' conduct, these bogus refunds would not have been issued.

181. The Court should enter an order under 26 U.S.C. § 7402(a) requiring Cordero, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC to disgorge to the United States the gross receipts (in the form of fees subtracted from customers' tax refunds) that Cordero, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC received for the preparation of federal tax returns making false and/or fraudulent claims.

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

A. That the Court find that Dimary Cordero a/k/a Dimary Cordero Torres, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC have continually and repeatedly engaged in conduct subject to penalty under 26 U.S.C. §§ 6694 and 6695, continually and repeatedly engaged in other fraudulent or deceptive conduct that substantially interferes with the administration of the tax laws, and that a narrower injunction prohibiting only this specific misconduct would be insufficient;

B. That the Court, pursuant to 26 U.S.C. § 7407, enter a permanent injunction prohibiting Dimary Cordero a/k/a Dimary Cordero Torres, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC from acting as federal tax return preparers;

C. That the Court find that Dimary Cordero a/k/a Dimary Cordero Torres, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC have engaged in conduct subject to penalty under 26 U.S.C. § 6701, and that injunctive relief under 26 U.S.C. § 7408 is appropriate to prevent a recurrence of that conduct;

D. That the Court find that Dimary Cordero a/k/a Dimary Cordero Torres, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC have engaged in conduct that interferes with the enforcement of the internal revenue laws, and that injunctive relief is appropriate to prevent the recurrence of that conduct pursuant to the Court's inherent equity powers and 26 U.S.C. § 7402(a);

E. That the Court, pursuant to 26 U.S.C. §§ 7402(a), 7407, and 7408, enter a permanent injunction prohibiting Dimary Cordero a/k/a Dimary Cordero Torres, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC, and all those in active concert or participation with them, from:

- (1) acting as federal tax return preparers 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;
- (2) preparing or assisting in preparing federal tax returns that they know 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;
- (3) 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;
- (4) training, instructing, teaching, and creating or providing cheat sheets, memoranda, directions, instructions, or manuals, pertaining to the preparation of federal tax returns;
- (5) maintaining, assigning, holding, using, or obtaining a Preparer Tax Identification Number (PTIN) or an Electronic Filing Identification Number (EFIN);
- (6) 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; and
- (7) engaging in any conduct that substantially interferes with the proper administration and enforcement of the internal revenue laws.

F. That the Court, pursuant to 26 U.S.C. §§ 7402(a) and 7407, enter an order requiring Dimary Cordero a/k/a Dimary Cordero Torres, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC to immediately and permanently close, because of the pervasive fraud, all tax return preparation stores that they own directly or through any other entity, and whether those stores do business as Simple Solutions or under any other name;

G. That the Court, pursuant to 26 U.S.C. §§ 7402(a) and 7407, enter an order appointing a receiver to sell all of the hard assets, such as computers (after any and all taxpayer information has been removed), electronics, and furniture, for all tax return preparation stores that Dimary Cordero a/k/a Dimary Cordero Torres, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC own directly or through any other entity, and whether those stores do business as Simple Solutions or under any other name;

H. That the Court, pursuant to 26 U.S.C. § 7402(a), enter an order prohibiting Dimary Cordero a/k/a Dimary Cordero Torres, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC, directly or through any other entity, from assigning, transferring, or selling any franchise agreement, independent contractor agreement, or employment contract related to Simple Solutions FL, LLC, or any other tax return preparation business to which they or any entity under their control is a party;

I. That the Court, pursuant to 26 U.S.C. § 7402(a), enter an order barring Dimary Cordero a/k/a Dimary Cordero Torres, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC from: (1) selling to any individual or entity a list of customers, or any other customer information, for whom Dimary Cordero a/k/a Dimary Cordero Torres, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC,

and any other business or name through which Dimary Cordero a/k/a Dimary Cordero Torres, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC, or those acting at their direction, have at any time since 2013 prepared a tax return; (2) assigning, disseminating, providing, or giving to any current or former franchisee, General Sales Manager, District Sales Manager, manager, tax return preparer, employee, or independent contractor of Dimary Cordero a/k/a Dimary Cordero Torres, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC, or any other business through which Dimary Cordero a/k/a Dimary Cordero Torres, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC prepare tax returns or own or franchise a tax return preparation business, a list of customers or any other customer information for customers for whom Dimary Cordero a/k/a Dimary Cordero Torres, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC, and any other business or name through which Dimary Cordero a/k/a Dimary Cordero Torres, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC, or those acting at their direction, have at any time since 2013 prepared a tax return; and (3) selling to any individual or entity any proprietary information pertaining to Simple Solutions FL, LLC, and any other business or name through which Dimary Cordero a/k/a Dimary Cordero Torres, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC, or those acting at their direction, have at any time since 2013 prepared a tax return;

J. That the Court, pursuant to 26 U.S.C. § 7402, enter an order requiring Dimary Cordero a/k/a Dimary Cordero Torres, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC to disgorge to the United States the gross receipts (the amount of which is to be determined by the Court) that Dimary Cordero a/k/a Dimary Cordero

Torres, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC received (in the form of fees subtracted from customers' tax refunds) for the preparation of tax returns that make or report grossly incompetent, negligent, reckless, and/or fraudulent claims, deductions, credits, income, expenses, or other information that results in the understatement of taxes, prepared since 2013 by Cordero, NMB Accounting and Tax Services, LLC, and/or WFS Accounting and Tax Services, LLC, and at any tax preparation store franchised, owned, or managed by Cordero, NMB Accounting and Tax Services, LLC, and/or WFS Accounting and Tax Services, LLC;

K. That the Court, pursuant to 26 U.S.C. §§ 7402(a) and 7407, enter an order requiring Dimary Cordero a/k/a Dimary Cordero Torres, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC to contact, within 30 days of the Court's order, by United States mail and, if an e-mail address is known, by e-mail, all persons for whom Dimary Cordero a/k/a Dimary Cordero Torres, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC, and their managers, employees, and tax return preparers prepared federal tax returns or claims for a refund for tax years beginning in 2013 and continuing through this litigation to inform them of the permanent injunction entered against them, 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;

L. That the Court, pursuant to 26 U.S.C. §§ 7402(a), 7407, and 7408, enter an order requiring Dimary Cordero a/k/a Dimary Cordero Torres, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC 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, e-mail address, and telephone number and tax period(s) all persons for whom Dimary Cordero a/k/a Dimary Cordero Torres, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC, and their managers, employees, and tax return preparers prepared federal tax returns or claims for a refund for tax years beginning in 2013 and continuing through this litigation;

M. That the Court, pursuant to 26 U.S.C. §§ 7402(a), 7407, and 7408, enter an order requiring Dimary Cordero a/k/a Dimary Cordero Torres, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC to produce to counsel for the United States, within 30 days of the Court's order, a list that identifies by name, address, e-mail address, and telephone number all principals, officers, managers, franchisees, employees, and independent contractors of Dimary Cordero a/k/a Dimary Cordero Torres, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC from 2013 to the present;

N. That the Court, pursuant to 26 U.S.C. §§ 7402(a), 7407, and 7408, enter an injunction requiring Dimary Cordero a/k/a Dimary Cordero Torres, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC to provide a copy of the Court's order to all principals, officers, managers, franchisees, employees, and independent contractors of Dimary Cordero a/k/a Dimary Cordero Torres, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC within 15 days of the Court's order, and provide to counsel for the United States within 30 days a signed and dated acknowledgment of receipt of the Court's order for each person whom Dimary Cordero a/k/a Dimary Cordero Torres, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC provided a copy of the Court's order;

O. That the Court retain jurisdiction over Dimary Cordero a/k/a Dimary Cordero Torres, NMB Accounting and Tax Services, LLC, and WFS Accounting and Tax Services, LLC and over this action to enforce any permanent injunction entered against them;

P. That the United States be entitled to conduct discovery to monitor Dimary Cordero's, NMB Accounting and Tax Services, LLC's, and/or WFS Accounting and Tax Services, LLC's compliance with the terms of any permanent injunction entered against them; and

Q. That the Court grant the United States such other and further relief, including costs, as is just and reasonable.

DATED: November 22, 2019

ARIANA FAJARDO ORSHAN
United States Attorney

RICHARD E. ZUCKERMAN
Principal Deputy Assistant Attorney General

s/ Daniel A. Applegate
DANIEL A. APPLGATE
SAMUEL P. ROBINS
Trial Attorneys, Tax Division
U.S. Department of Justice
P.O. Box 7238, Ben Franklin Station
Washington, D.C. 20044
Telephone: (202) 353-8180
Fax: (202) 514-6770
daniel.a.applegate@usdoj.gov