

IN THE UNITED STATES DISTRICT COURT FOR THE
EASTERN DISTRICT OF NORTH CAROLINA
WESTERN DIVISION

Case No. 5:17-cv-16

UNITED STATES OF AMERICA,)
)
Plaintiff,)
)
v.)
)
TANISHA SALMON a/k/a TANISHA)
CHAMBERS,)
)
Defendant.)

COMPLAINT FOR PERMANENT INJUNCTION AND OTHER RELIEF

The United States of America, for its complaint against Tanisha Salmon a/k/a Tanisha Chambers, 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 Tanisha Salmon, and anyone in active concert or participation with her, from:
 - a. acting as a federal tax return preparer or requesting, assisting in, or directing the preparation or filing of federal tax returns, amended returns, or other related documents or forms for any person or entity other than herself;
 - b. preparing or assisting in preparing federal tax returns that she knows or reasonably should know would result in an understatement of tax liability or the overstatement of federal tax refund(s) as penalized by 26 U.S.C. § 6694;
 - c. owning, operating, managing, working in, investing in, providing capital or loans to, receiving fees or remuneration from, controlling, licensing, consulting with, or franchising a tax return preparation business;
 - d. training, 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 Salmon to disgorge to the United States the ill-gotten gains that she received (in the form of tax preparation fees) 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 Salmon resides in this judicial district and a substantial part of the activities giving rise to this suit occurred in this judicial district.

Defendant

5. Tanisha Salmon a/k/a Tanisha Chambers resides in Fayetteville, North Carolina. Salmon has been preparing tax returns for others since at least 2013. In 2016, Salmon was an

owner of (and prepared tax returns in the name of) Q A Tax Service, Inc. Salmon, through Q A Tax Service, Inc., operated tax preparation stores in Fayetteville and Dunn, North Carolina in 2016. Prior to 2016, Salmon prepared tax returns at LBS Tax Services and BPTS Tax Services. Salmon prepared the following total number of tax returns listing her as the paid preparer in 2013, 2014, 2015, and 2016:

Processing Year	Total Number of Returns	Number of Returns Claiming a Refund	% of Returns Claiming a Refund
2013	101	101	100 %
2014	84	83	98 %
2015	86	83	96 %
2016	66	63	95%

The total number of returns that Salmon prepared in 2016 is not known because she did not properly identify herself as the paid preparer on returns she prepared using her IRS-issued Preparer Tax Identification Number (PTIN) on all tax returns that she prepared in 2016.

6. Salmon prepares tax returns for compensation. Salmon employs individuals, either directly or through Q A Tax Service, Inc., who prepare tax returns for compensation.

Background

7. LBS Tax Services (“LBS”) began in 2008 as a tax return preparation business in Orlando operated by Walner Gachette. In 2011, Gachette began franchising the LBS name through Loan Buy Sell, Inc., a corporation organized in the State of Florida, to his employees in order to broaden his revenue base.

8. Salmon began working at LBS stores owned and operated by Jean Demesmin and Tonya Chambers in 2010. These stores subsequently were owned solely by Tonya Chambers and operated as BPTS Tax Services.

9. Salmon is the Vice President of Q A Tax Service, Inc., a Florida corporation through which she operated her tax preparation stores in North Carolina in 2016. Q A Tax

Service, Inc. was incorporated in the State of Florida on or about November 30, 2015. The other officers of Q A Tax Service, Inc. are Jasmine Morales a/k/a Jasmine Rivera (President) and Vicky Barwick a/k/a Vicky Eddleman (Secretary).¹

10. Q A Tax Service, Inc. was incorporated nine days before the United States District Court for the Middle District of Florida entered a preliminary injunction against Tonya Chambers. Chambers owned BPTS, LLC, doing business as BPTS Tax Services. Salmon is Tonya Chambers' sister. The injunction against Chambers, entered December 8, 2015, barred her from 1) preparing or assisting in the preparation of tax returns for others, 2) owning or operating a tax preparation business, 3) assigning, transferring, or selling a list of customers or any other customer information from, and any proprietary information pertaining to, BPTS, LLC and any other business through which Chambers or those acting at her direction have prepared a tax return, and 4) assigning, transferring, or selling any franchise agreement, independent contractor agreement, or employment contract related to BPTS, LLC or any other tax return preparation business to which Chambers or any entity under her control is a party. *See* Docket No. 51, *United States v. Demesmin, et al.*, Case No. 6:14-cv-1537-ACC-TBS (M.D. Fla.).

11. Salmon utilizes the business structure and business model created by LBS, which she learned working at LBS and BPTS Tax Services stores. Each of Salmon's Q A Tax Service, Inc. stores are managed by an individual who may be known as a District Sales Manager. District Sales Managers, in turn, oversee office managers, tax return preparers, and marketers (employees whose sole job is to solicit customers). Salmon, however, bears ultimate authority over her stores.

¹ Jasmine Morales and Vicky Barwick reside in Florida, and the United States is simultaneously filing a lawsuit against them and Q A Tax Service, Inc. in the United States District Court for the Middle District of Florida.

12. Salmon fails to teach managers and tax return preparers crucial elements related to basic tax return preparation. Salmon's 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.

13. Salmon trains and instructs her tax return preparers on 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. Salmon also trains her tax return preparers to increase the tax return preparation fees charged to customers as they increase the customers' bogus refunds.

14. Salmon provides instruction sheets to managers and tax return preparers that direct the preparers to input specific information into the tax preparation software to create the maximum bogus refund for customers. Salmon also provides 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. Salmon delivers on her promise of a refund, as illustrated above paragraph 5, in the high refund rates on tax returns that Salmon prepared from 2013 through 2015.

15. 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. Salmon includes bogus claims, credits, and deductions on these forms to generate a higher refund for the customer, and uses this higher refund to justify the additional (and often undisclosed) tax return preparation fees.

The Defendant's Activities

16. Salmon, and those acting in concert with her and at her direction, has created and maintained a tax preparation business that promotes and encourages the preparation of false and fraudulent federal income tax returns to generate bogus refunds for customers and enable Salmon to charge exorbitant fees, thereby maximizing profits at the expense of the United States Treasury.

17. Many of Salmon's customers earn low to moderate incomes and lack knowledge regarding tax law and tax return preparation. Customers often have no knowledge that Salmon and Q A Tax Service, Inc. tax return preparers have prepared and filed false tax returns on their behalf. For others, the tax preparers—with Salmon's consent and urging—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 Q A Tax Service, Inc. prepare their tax returns.

18. Instead of focusing on honest and accurate tax return preparation, Salmon's business model is result-oriented. Salmon and her employees make grossly incompetent, negligent, reckless, and/or fraudulent claims on these forms, in order to improperly increase customers' refunds. After completing the returns, Salmon and her employees 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 Salmon claimed. Salmon charges 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 Salmon actually charged for preparing the tax return.

19. Salmon typically trains and instructs her employees how to 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 Salmon and her employees for the sake of generating an entirely false or fraudulently inflated refund from which Salmon can subtract an exorbitant and undisclosed fee without the customers' knowledge.

20. Salmon, and those acting at her direction at Q A Tax Service, Inc., engages in negligent, reckless, fraudulent, and/or illegal practices. These practices include, but are not limited to:

- a. Making fraudulent claims for 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 education credits to which her customers are not entitled;
- g. Improperly preparing returns based on pay stubs rather than Wage and Information Statements Forms W-2;
- h. Failing to provide customers with a copy of the completed tax return;
- i. Guaranteeing refunds; and
- j. Charging deceptive and unconscionable fees.

Earned Income Tax Credit Fraud and Failure to Comply with Due Diligence Requirements

21. Salmon, and her employees acting at her direction and with her knowledge and consent, prepares 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.

22. 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.

23. 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 \$13,650, and decreases as income increases beyond \$17,830. 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 2014, the maximum EITC was \$6,143 and was available to eligible individuals with three dependent children who earned income between \$13,650 and \$17,830.

24. 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.

25. Salmon, and her employees acting at her direction and with her knowledge and consent, falsifies 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, Salmon and her 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.

26. 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.*

27. Salmon, and her employees acting at her direction and with her knowledge and consent, utterly fails to comply with the due diligence requirements. Salmon’s conduct shows an intentional disregard for the tax laws and, in particular, for the due diligence requirements, and

demonstrates her unwillingness to comply with the requirements. Not only does Salmon, and her employees acting at her direction and with her knowledge and consent, fail to adhere to the due diligence requirements, but she is falsifying information in order to maximize the EITC for her customers.

Fabricated Schedule C Business Income and Expenses

28. Salmon, and her employees acting at her direction and with her knowledge and consent, prepares tax returns reporting non-existent businesses on bogus Forms Schedule C. On some of these returns, Salmon, and her employees acting at her direction and with her knowledge and consent, reports substantial income, but little or no expenses. On other returns, Salmon, and her employees acting at her direction and with her knowledge and consent, reports 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 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.

Intentionally Claiming an Improper Filing Status and Bogus Dependents

29. Salmon, and her employees acting at her direction and with her knowledge and consent, prepares 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 Salmon and her managers and preparers are aware that the customer does not qualify for Head of Household filing status.

30. Salmon, and her employees acting at her direction and with her knowledge and consent, files 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.

31. Additionally, Salmon, and her employees acting at her direction and with her knowledge and consent, claims dependents who do not actually qualify as dependents on customers’ tax returns, and then claims 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

32. Salmon, and her employees acting at her direction and with her knowledge and consent, prepares tax returns reporting bogus itemized deductions on Form Schedule A, “Itemized Deductions,” to improperly or fraudulently reduce customers’ taxable income. For example, Salmon fabricates (or falsely inflates) charitable contributions and unreimbursed employee business expenses purportedly paid by her customers.

33. Salmon, and her employees acting at her direction and with her knowledge and consent, also prepares 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. Salmon, and her employees acting at her

direction and with her knowledge and consent, often claims deductions for fabricated, fraudulently inflated, and/or non-qualifying business expenses, particularly for purported business miles driven by customers. IRS Publication 529 (which is a guide for preparing Forms Schedule A and is readily available and easy to understand) provides examples of qualifying business expenses, including “Union dues and expenses” and “Work clothes and uniforms if required and not suitable for everyday use.” Publication 529 also provides examples of expenses that do not qualify as business expenses, including “Commuting expenses,” “Lunches with co-workers,” “Meals while working late,” and “Personal, living, or family expenses.”

Bogus Education Credits

34. Salmon, and her employees acting at her direction and with her knowledge and consent, also claims 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. Salmon, and her employees acting at her direction and with her knowledge and consent, claims false education credits on the tax returns of customers who did not attend college and had no qualifying education expenses, in order to fraudulently reduce her customers’ taxable income and generate a larger bogus refund.

Improperly Preparing and Filing Returns based on Pay Stubs

35. Salmon, and her employees acting at her direction and with her knowledge and consent, also prepares federal income tax returns using customers’ end-of-year pay stubs and then files her customers’ tax returns without valid Forms W-2. In other instances, an IRS Form 4852, “Substitute for Form W-2,” is attached to customers’ returns, which falsely claims that the

employer did not timely issue a Form W-2. In reality, 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.

36. 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.

37. Salmon, and her employees acting at her direction and with her knowledge and consent, knows 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, including Salmon and managers and preparers at Q A Tax Service, Inc., 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.

38. Salmon, and her employees acting at her direction and with her knowledge and consent, begins soliciting customers in December by falsely telling customers that their returns can be prepared using their most recent pay stub. Salmon opened stores and advertised 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.

39. Salmon knows 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, Salmon unfairly solicits business before competitors.

Unconscionable and Undisclosed Fees

40. Salmon charges unconscionably high fees to prepare tax returns, mostly through added, fees which are typically charged without customers' knowledge. Salmon charges up to \$999 (or more) to prepare and file fraudulent tax returns with unnecessary and bogus forms and schedules attached, when she should have honestly prepared a basic Form 1040 tax return.

41. Salmon, and her employees acting at her direction and with her knowledge and consent, intentionally deceives customers regarding the fees charged for the preparation of tax returns. Employees are trained not to disclose the full amount of the fee and, when having the customer sign forms showing the fee, to cover the fee with a hand or a piece of paper and not explain to the customer what the customer is signing.

42. Salmon, and her employees acting at her direction and with her knowledge and consent, charges additional fees for each form and schedule (such as a Schedule C or a Form 8863 for an education credit) attached to the Form 1040 tax return. Salmon charges separate fees for forms and schedules such as the electronic filing authorization (Form 8879) which is required for e-filing, the EITC qualifying child form (Schedule EIC), and the related EITC due diligence checklist (Form 8867), which must be completed in connection with a claim for the EITC. These fees result in a total tax return preparation fee much higher than the amount advertised.

43. 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

Salmon and her 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.

44. Because Salmon targets 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 Salmon's grossly incompetent, negligent, reckless, and/or fraudulent tax return preparation. Because Salmon deducts her high fees, sometimes \$1,000 or more, directly from the refund, 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 Salmon. 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.

45. Salmon, and her employees acting at her direction and with her knowledge and consent, also routinely and intentionally fails to disclose to customers all fees charged. Salmon, and her employees acting at her direction and with her knowledge and consent, presents 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, Salmon, and her employees acting at her direction and with her knowledge and consent, tells customers one amount for fees and then later increases 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.

46. Salmon's 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, Salmon is 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 Salmon has subtracted her high fees.

47. Salmon's 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)**

48. Salmon, and her employees acting at her direction and with her knowledge and consent, fails to provide customers with copies of their completed tax returns. The completed tax return, filed with the IRS, shows the refund that Salmon is 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 Salmon charged by subtracting the amount of the refund that the customer actually receives from the amount of the refund claimed on the tax return. Salmon's failure to provide a copy of a customer's completed tax return is part of the strategy to conceal the actual fees from her customers.

49. Failing to provide a customer with a copy of the completed tax return also 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.”

50. 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 such as Forms Schedule C, Forms Schedule A, and Forms 2106, “Employee Business Expenses.” This is because Salmon, and her employees acting at her direction and with her knowledge and consent, makes fraudulent claims on these forms and, to conceal the fraud from customers, does not provide them with copies of these completed forms.

Examples of the Defendant's False and Fraudulent Tax Return Preparation

51. Salmon prepared the 2012, 2013, and 2014 federal income tax returns of married Customers 1 and 2 of Fayetteville, North Carolina.

52. Customer 2 worked at JC Penney in 2014, and occasionally baked and sold cakes for additional income. Customer 2 may have had net receipts of \$200 to \$300 from selling 6 or 7 cakes in 2014, after taking into account her expenses, and told Salmon that this was how much she made. Salmon falsely reported that Customer 1, not Customer 2, had a cupcake business that had gross receipts of \$536 and expenses totaling \$13,694. These phony expenses included a fabricated car and truck expense of \$10,290, resulting from a purported 18,375 business miles driven. This resulted in a phony \$13,158 business loss on Customer 1's and Customer 2's 2014 tax return, thereby fraudulently reducing the claimed taxable income and resulting in them claiming the EITC in the amount of \$1,643 and a bogus refund of \$5,861.

53. Salmon charged Customers 1 and 2 over \$800 to prepare their 2014 federal tax return. Salmon did not tell Customers 1 and 2 how much they were being charged to have the tax return prepared before preparing it, and Customers 1 and 2 only discovered how much they

were charged when looking at their tax return before appearing for a deposition (in the lawsuit against Demesmin and Tonya Chambers).

54. Similarly, on Customer 1's and Customer 2's 2013 tax return, Salmon falsely reported that Customer 2's business incurred expenses totaling \$16,701, including phony car and truck expenses of \$11,298 based on a purported \$19,996 business miles driven. Customer 2 testified at a deposition that she would have "walked out" if she knew that Salmon was reporting these expenses on her tax return. The resulting phony \$15,720 business loss on Customer 1's and Customer 2's 2013 tax return fraudulently reduced their claimed taxable income and resulted in them claiming the EITC in the amount of \$3,578 and a bogus refund of \$9,513. Salmon also had Customer 2 sign a form purportedly attesting to the income and expenses that she earned through her business in 2013; however, Customer 2 did not fill out the form and believes that the handwriting on the form is Salmon's.

55. On Customer 1's and Customer 2's 2012 tax return, Salmon falsely reported that Customer 2's cake business received gross receipts totaling precisely \$1,501, a fabricated number that Tonya Chambers and her employees commonly reported on customers' tax returns, particularly on 2012 tax returns. Salmon falsely claimed that Customer 2 incurred expenses totaling \$19,531, including phony car and truck expenses of \$11,098 based on a purported \$19,997 business miles driven (nearly matching the expense and mileage amounts reported on Customer 1's and Customer 2's 2013 tax return). The resulting phony \$18,030 business loss on Customer 1's and Customer 2's 2012 tax return fraudulently reduced their claimed taxable income and resulted in them claiming the EITC in the amount of \$2,916 and a bogus refund of \$9,596.

56. Salmon prepared the 2012, 2013, and 2014 federal income tax returns of Customer 3 of Fayetteville, North Carolina. Customer 3 was employed full time doing car detailing all of these years, and also did some car detailing work outside of his full-time job for additional income.

57. When Salmon prepared Customer 3's tax returns for 2012, 2013, and 2014, she did not ask Customer 3 how much money he made doing detailing work outside of his full-time job, and he did not provide her with an amount of his income or expenses. Customer 3 makes roughly \$6,000 each year doing detailing work outside of his full-time job.

58. On Customer 3's 2014 tax return, Salmon falsely reported that Customer 3 received gross receipts of \$903 and incurred expenses totaling \$15,244 for his detailing work outside of his full-time job. These phony expenses included a fabricated car and truck expense of \$11,199, resulting from a purported 19,999 business miles driven. This resulted in a phony \$14,341 business loss on Customer 3's 2014 tax return.

59. On the Schedule A attached to Customer 3's 2014 tax return, Salmon falsely reported that Customer 3 donated \$2,395 to charity, when Customer 3 did not make any donations to charity and did not tell Salmon that he made any donations to charity.

60. These false claims thereby fraudulently reduced the claimed taxable income on Customer 3's 2014 tax return and resulted in a bogus refund of \$3,975.

61. Similarly, on Customer 3's 2013 tax return, Salmon falsely claimed that Customer 3, through his detailing side business, received gross receipts of \$1,307, but incurred expenses of \$13,590 (including \$11,299 for a purported 19,999 business miles driven – mileage identical to his 2014 tax return), resulting in a fabricated \$12,283 business loss. Salmon also falsely claimed on the Schedule A attached to the return that Customer 3 had unreimbursed employee expenses

in the amount of \$6,656, when he had no such expenses and did not tell Salmon that he had any such expenses. Salmon's false claims resulted in a bogus refund of \$4,685 claimed on Customer 3's 2013 tax return.

62. On Customer 3's 2012 tax return, Salmon falsely claimed that Customer 3, through his detailing side business, received gross receipts of \$1,601 (like the commonly used phony \$1,501 number, \$1,601 was another false gross receipts amount claimed on several 2012 tax returns), but incurred expenses of \$12,541 (including \$11,099 for a purported 19,999 business miles driven – mileage identical to his 2013 and 2014 tax returns), resulting in a fabricated \$11,437 business loss and a bogus refund of \$3,815 claimed on Customer 3's 2013 tax return.

63. A preparer at a Salmon-managed tax preparation store prepared the 2012 and 2013 federal income tax returns of Customer 4 of Hope Mills, North Carolina (Salmon is identified on Customer 4's 2012 tax return as the paid preparer). Customer 4 was employed at a grocery store, and did not have any other job or business through which he received income in 2012 and 2013. Customer 4 provided the preparer with his Form W-2 when his return was prepared.

64. On Customer 4's 2012 and 2013 tax returns, the preparer falsely claimed on the Schedules C attached to the returns that Customer 4 had a mechanic business, when he was not a mechanic, owned no such business, and did not tell the preparer that he owned any business. The preparer only asked Customer 4 about his job, his social security number, and his phone number.

65. The preparer falsely reported on Customer 4's 2012 tax return that he received \$1,501 in gross receipts (the fabricated amount commonly reported as gross receipts) and

incurred expenses totaling \$9,714, including \$8,664 for car and truck expenses based on a purported 15,611 business miles driven. As a result of the phony business loss of \$8,213, the preparer claimed a bogus refund of \$475 on Customer 4's 2012 tax return.

66. The preparer falsely reported on Customer 4's 2013 tax return that he received \$75 in gross receipts and incurred expenses totaling \$5,246. As a result of the phony business loss of \$5,171, the preparer claimed a bogus refund of \$487 on Customer 4's 2013 tax return.

67. Salmon prepared the 2015 federal income tax return of customer 5 of Fayetteville, North Carolina. Customer 5 provided Salmon with a copy of the IRS Form 1098-T issued by the college that his daughter attended in 2015. The Form 1098-T showed that his daughter had approximately \$1,057 in out-of-pocket expenses for school. Salmon did not ask Customer 5 any other questions about his daughter's expenses for school. Salmon falsely reported on Customer 5's tax return that his daughter incurred \$2,557 in out-of-pocket expenses, and falsely claimed an education credit in the amount of \$1,283 and an American Opportunity education credit in the amount of \$856 on Customer 5's tax return. These falsely inflated education credits resulted in Customer 5 receiving a bogus refund in the amount of \$2,277.

Harm Caused by the Defendant

68. Salmon's preparation of tax returns making grossly incompetent, negligent, reckless, and/or fraudulent claims, knowledge and encouragement of negligent or reckless conduct and fraud at her 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 Salmon and many of her preparers prepare false or fraudulent tax

returns that understate her customers' correct income tax liabilities and illegally cause customers to incorrectly report their federal tax liabilities and underpay their taxes.

69. The grossly incompetent, negligent, reckless, and fraudulent practices of Salmon and many of her preparers harm the United States Treasury by causing lost tax revenue.

70. Salmon's customers have also been harmed because they relied on Salmon 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.

71. 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 fraudulent tax return preparation perpetrated by Salmon. 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 Salmon's greed at others' expense, but customers may also have to repay the portion of the refund that Salmon subtracted in fees. Customers may also have to pay additional fees to other tax return preparers to file amended tax returns to correct the fraudulent tax returns prepared and filed by Salmon.

72. Salmon's misconduct further harms the United States and the public by requiring the IRS to devote scarce resources to detecting her false and fraudulent claims on tax returns and assessing and collecting lost tax revenues from Salmon's customers. Consequently, identifying and recovering all lost tax revenues resulting from Salmon's negligent, reckless, fraudulent, and illegal activities may be impossible.

73. Salmon's conduct also harms honest tax return preparers who unfairly lose business to Salmon due to her willingness to break the law. Customers often have their returns prepared at Salmon's tax preparation stores because she promises the maximum refund, and delivers by fabricating claims and deductions on customers' tax returns.

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

75. The harm to the government and the public will continue, and likely increase, unless Salmon is enjoined because—given the seriousness and pervasiveness of her illegal conduct—without an injunction, Salmon is 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 Salmon's illegal conduct and the harm that such conduct causes the United States and its citizens.

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

76. 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.

77. 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.

78. Salmon, as shown above in paragraphs 1 through 75, is a tax return preparer who, individually and through her business, Q A Tax Service, Inc., has 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. Salmon also advises, instructs, directs, and causes her managers, preparers, and employees to engage in tax fraud, and to prepare federal income tax returns asserting unreasonable, unrealistic, frivolous and fraudulent positions. Accordingly, Salmon knew (or should have known) of the unreasonable, unrealistic, frivolous and fraudulent positions.

79. Salmon, and those acting in concert with her and at her direction, have continually and repeatedly engaged in conduct subject to penalty under 26 U.S.C. § 6694 by preparing federal tax returns that understate her customers' liabilities based on unrealistic, frivolous and reckless positions. Salmon, through the actions described above, also recklessly or intentionally disregards IRS rules or regulations.

80. Salmon, and those acting in concert with her and at her direction, has 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 does Salmon fail to conduct proper due diligence or comply with the due diligence requirements, but she also advises, encourages, and causes her managers, preparers, and employees to circumvent the due diligence requirements and to ignore or disregard the information provided by customers.

81. Salmon's failure to comply with the due diligence requirements for the EITC violates Treasury Regulations and her willingness to falsify information to obtain the EITC for her customers shows a reckless and/or intentional disregard of IRS rules and regulations.

82. Salmon, and those acting in concert with her and at her direction, have continually and repeatedly prepared federal income tax returns that claim the EITC for customers, where Salmon, and those acting in concert with her and at her direction, have not conducted, let alone documented, the required due diligence procedures.

83. Salmon also fails 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.

84. Salmon also fails to comply with 26 U.S.C. § 6695(c), which requires that a tax return preparer identify his or herself as the preparer of the tax return using their proper identifying number.

85. Salmon'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.

86. Salmon'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.

87. Salmon, and those acting in concert with her and at her direction, has 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.

88. If Salmon is not enjoined from all tax preparation, she and those acting in concert with her and at her direction are likely to continue to prepare and file false and fraudulent tax returns.

89. Salmon's continual and repeated conduct subject to an injunction under 26 U.S.C. § 7407, including her 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 Salmon's interference with the proper administration of the internal revenue laws. Accordingly, Salmon should be permanently barred from acting as a federal tax return preparer, 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

90. 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.

91. 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."

92. Salmon, through the actions detailed above in paragraphs 1 through 75, caused the presentation and preparation of false, fraudulent, and abusive tax returns and other documents. Salmon prepares, assists, and/or advises with respect to the presentation and preparation of federal tax returns for customers that she knows will understate their correct tax liabilities, because Salmon knowingly prepares, assists, and/or advises with respect to the presentation and preparation of returns claiming bogus expenses and deductions. Salmon procured and assisted the preparation of false and fraudulent tax returns by filing and encouraging the filing of tax returns she knew were false or fraudulent, and by employing, training, and supervising tax return preparers engaging in tax fraud. Salmon has thus engaged in conduct subject to a penalty under 26 U.S.C. § 6701.

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

94. If the Court does not enjoin Salmon, she is 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 Salmon, and those acting in concert with her and at her 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

95. 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.

96. Salmon, through the actions described above in paragraphs 1 through 75, including, but not limited to, preparing tax returns that negligently, recklessly, and/or fraudulently understate her customers' tax liabilities and charging unconscionable and undisclosed fees for the preparation of federal tax returns that understate her customers' tax liabilities, has engaged in conduct that substantially interferes with the enforcement of the internal revenue laws.

97. Unless enjoined, Salmon, and those acting in concert with her and at her direction, is likely to continue to engage in such improper conduct and interfere with the enforcement of the internal revenue laws. If Salmon is 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.

98. While the United States will suffer irreparable injury if Salmon is not enjoined, Salmon, will not be harmed by being compelled to obey the law.

99. Enjoining Salmon is in the public interest because an injunction, backed by the Court's contempt powers if needed, will stop Salmon's illegal conduct and the harm it causes the United States and Salmon's customers.

100. 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

101. 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.

102. Salmon's conduct, described above in paragraphs 1 through 75, 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. Salmon has unjustly profited at the expense of the United States by subtracting her exorbitant fees from those refunds.

103. Salmon is not entitled to these ill-gotten gains. But for Salmon's conduct, these bogus refunds would not have been issued. The Court should enter an order under 26 U.S.C. § 7402(a) requiring Salmon to disgorge to the United States the gross receipts (in the form of

fees subtracted from customers' tax refunds) that Salmon received for the preparation of federal tax returns making grossly incompetent, negligent, reckless, and/or fraudulent claims.

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

A. That the Court find that Tanisha Salmon has 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 Tanisha Salmon from acting as a federal tax return preparer;

C. That the Court find that Tanisha Salmon has 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 Tanisha Salmon has 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 Tanisha Salmon, and all those in active concert or participation with her, from:

- (1) acting as a federal tax return preparer or requesting, assisting in, or directing the preparation or filing of federal tax returns, amended returns, or other related documents or forms for any person or entity other than herself;

- (2) preparing or assisting in preparing federal tax returns that she knows or reasonably should know would result in an understatement of tax liability or the overstatement of federal tax refund(s) as penalized by 26 U.S.C. § 6694;
- (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 Tanisha Salmon to immediately and permanently close, because of the pervasive fraud, all tax return preparation stores that she owns directly or through any entity, and whether those stores do business as Q A Tax Service 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 Tanisha Salmon owns directly or through any entity, and whether those stores do business as Q A Tax Service or under any other name;

H. That the Court, pursuant to 26 U.S.C. § 7402(a), enter an order prohibiting Tanisha Salmon, directly or through any entity, from assigning, transferring, or selling any

franchise agreement, independent contractor agreement, or employment contract related to Q A Tax Service or any other tax return preparation business to which she or any entity under her control is a party;

I. That the Court, pursuant to 26 U.S.C. § 7402(a), enter an order barring Tanisha Salmon, directly or through any entity, from: (1) selling to any individual or entity a list of customers, or any other customer information, for whom Tanisha Salmon and any entity or name through which Tanisha Salmon, or those acting at her direction, have at any time since 2012 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 Tanisha Salmon, or any entity through which Tanisha Salmon prepares tax returns or owns or franchises a tax return preparation business, a list of customers or any other customer information for customers for whom Tanisha Salmon and any entity or name through which Tanisha Salmon, or those acting at her direction, have at any time since 2012 prepared a tax return; and (3) selling to any individual or entity any proprietary information pertaining to any business or name through which Tanisha Salmon, or those acting at her direction, have at any time since 2012 prepared a tax return;

J. That the Court, pursuant to 26 U.S.C. § 7402, enter an order requiring Tanisha Salmon to disgorge to the United States the gross receipts (the amount of which is to be determined by the Court) that Tanisha Salmon 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 2012 by Tanisha Salmon and at any tax preparation store franchised, owned, or managed by Tanisha Salmon;

K. That the Court, pursuant to 26 U.S.C. §§ 7402(a) and 7407, enter an order requiring Tanisha Salmon 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 Tanisha Salmon and her managers, employees, and tax return preparers prepared federal tax returns or claims for a refund for tax years beginning in 2012 and continuing through this litigation to inform them of the permanent injunction entered against her, 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 Tanisha Salmon 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 Tanisha Salmon and her managers, employees, and tax return preparers prepared federal tax returns or claims for a refund for tax years beginning in 2012 and continuing through this litigation;

M. That the Court, pursuant to 26 U.S.C. §§ 7402(a), 7407, and 7408, enter an order requiring Tanisha Salmon 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 Tanisha Salmon from 2012 to the present;

N. That the Court, pursuant to 26 U.S.C. §§ 7402(a), 7407, and 7408, enter an injunction requiring Tanisha Salmon to provide a copy of the Court's order to all principals, officers, managers, franchisees, employees, and independent contractors of Tanisha Salmon 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 Tanisha Salmon provided a copy of the Court's order;

O. That the Court retain jurisdiction over Tanisha Salmon and over this action to enforce any permanent injunction entered against her;

P. That the United States be entitled to conduct discovery to monitor Tanisha Salmon's compliance with the terms of any permanent injunction entered against her; and

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

Dated: January 10, 2017

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