

UNITED STATES DISTRICT COURT FOR THE
NORTHERN DISTRICT OF INDIANA

THE UNITED STATES OF AMERICA)
)
Plaintiff,)
)
v.)
)
JOHN NEWLIN, and)
WORLD CHANGERS INCORPORATED)
d/b/a QUICK SAM TAX REFUND)
)
Defendants.)

Civil No. 2 12 CV 131

COMPLAINT FOR PERMANENT INJUNCTION AND OTHER RELIEF

Plaintiff, United States of America, for its complaint against Defendants John Newlin and World Changers Incorporated d/b/a Quick Sam Tax Refund, states as follows:

Nature of the Action

1. John Newlin (“Newlin”) is a Gary, Indiana area tax return preparer who has prepared and filed, and continues to prepare and file, fraudulent income tax returns for his customers through his tax preparation business World Changers Incorporated d/b/a Quick Sam Tax Refund (“Quick Sam”). Newlin and Quick Sam’s fraudulent scheme involves fabricating expenses, deductions and other adjustments for their customers. To ensure that their customers can receive “the largest refund guaranteed,” Newlin and Quick Sam illegally fabricate, among other things, losses, expenses, education credits, dependent exemptions, child tax credits, employee business expenses and charitable contributions on their customers’ tax returns. Newlin and Quick Sam

manipulate their customers' deductions, losses, expenses and/or dependents with no justification to fraudulently obtain tax refunds for their customers, and to maintain their profit stream.

2. The United States brings this complaint pursuant to 26 U.S.C. (the Internal Revenue Code ("I.R.C.)) §§ 7401, 7402(a), 7407 and 7408 to enjoin John Newlin and World Changers Incorporated d/b/a Quick Sam Tax Refunds, and all those in active concert or participation with them, from directly or indirectly:

- a. Acting as a federal tax return preparer or requesting, assisting in, or directing the preparation or filing of federal tax returns or amended returns for any person or entity other than preparing Newlin's own personal tax return;
- b. Preparing or filing, or assisting in the preparation or filing of tax returns or other related tax forms or documents for others;
- c. Appearing as a representative on behalf of any person or entity before the IRS;
- d. Owning, managing, controlling, working for, or volunteering for a tax-return-preparation business;
- e. Seeking permission or authorization (or helping or soliciting others to seek permission or authorization) to file tax returns with an IRS Preparer Tax Identification Number ("PTIN") and/or IRS Electronic Filing Identification Number ("EFIN"), or any other IRS service or program by which one prepares or files tax returns;
- f. Engaging in conduct subject to penalty under I.R.C. § 6701, including preparing or assisting in the preparation of, or advising with respect to, a document related to a material matter under the internal revenue laws that includes a position that Newlin and World Changers Incorporated d/b/a Quick Sam Tax Refunds knows will, if used, result in an understatement of tax liability;
- g. Engaging in conduct subject to penalty under any provision of the Internal Revenue Code;
- h. Engaging in conduct designed or intended to, or having the effect of, obstructing or delaying an IRS investigation or audit; and

- i. Engaging in any other conduct that interferes with the proper administration and enforcement of the internal revenue laws.

Authorization

3. This action for injunctive relief is brought at the request of the Chief Counsel of the Internal Revenue Service (“IRS”), 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. §§ 7401, 7402, 7407 and 7408.

Jurisdiction and Venue

4. Jurisdiction exists under 28 U.S.C. §§ 1340 and 1345, and 26 U.S.C. § 7402(a).

5. Venue is proper in this Court under 28 U.S.C. § 1391 because Newlin resides in this judicial district and a substantial portion of the events giving rise to this action took place in this judicial district. In addition, World Changers d/b/a Quick Sam conducts business in this judicial district at 3812 Broadway, Gary, Indiana 46408.

The Defendants

6. John Newlin is a paid tax return preparer who prepares and files federal income tax returns for customers in Gary, Indiana. Newlin has been preparing tax returns since at least 2004, and also has employed numerous tax return preparers at Quick Sam since at least 2008. Newlin is not a Certified Public Accountant, nor does he hold any other professional licenses.

7. Newlin has no formal education in the preparation of tax returns. He learned to prepare tax returns through his parents, Ray and Barbara Newlin, while working at their one-time tax preparation business, New Line Products, Inc. d/b/a/Quick Sam Tax Refund. John Newlin

worked as a “manager” at New Line Products d/b/a Quick Sam Tax Refund, where he, among other things, oversaw and supervised Quick Sam’s tax return preparers.

8. John Newlin created World Changers Incorporated (“World Changers”) on August 13, 2008. John Newlin formed World Changers so that it could purchase Quick Sam Tax Refund from an entity owned by his parents, New Line Products, Inc. Quick Sam was operated by Ray and Barbara Newlin as a tax return preparation business in Gary, Indiana since at least the mid-1990’s.

9. On or about October 2008, John Newlin’s new corporation, World Changers, purchased Quick Sam for a purported \$1.7 million. World Changers purchased Quick Sam because, among other reasons, the Newlins wanted the Quick Sam business to remain in the family. The sale of Quick Sam to John Newlin accomplished this goal and allowed the business to keep operating under John Newlin’s ownership. The \$1.7 million dollar Quick Sam purchase price apparently was based on the purported “goodwill” attributed to the business. John Newlin currently operates Quick Sam at 3812 Broadway, Gary, Indiana 46408.

10. As detailed more fully below, since at least 2008, John Newlin and Quick Sam have employed several blatantly fraudulent tax schemes to understate their customers’ true tax liability, and to obtain significant refunds for their customers. These fraudulent schemes include, but are not limited to, illegally manipulating the amount of their customers’ income, fabricating education credits, dependent exemptions, child tax credits, charitable deductions, as well as concocting Schedule C “business expenses.” These frivolous claims have resulted in understated tax liabilities on their customers’ tax returns.

The Defendants' Fraudulent Tax Preparation Activities

11. The IRS examined over one hundred federal income tax returns prepared under John Newlin's leadership at Quick Sam. The examination revealed a pattern and practice of non-compliance with the federal tax laws. Indeed, the IRS examined 146 returns for tax years 2008 through 2011, when Quick Sam was under John Newlin's ownership, control and direction. Of the returns examined for these years, nearly all, or an astounding 96.6% of the tax returns contained deficiencies that required IRS adjustments. The IRS calculated the average tax deficiency per return since John Newlin became the owner and director of Quick Sam to be approximately \$3,417 per tax return.

12. Quick Sam's own advertising campaign reveals that it was "business as usual" after Newlin purchased Quick Sam from his parents. A January 2012 advertisement mailed to Gary, Indiana residents boasts that Quick Sam is "celebrating 20 years in business!" That same advertisement encourages potential customers to "Get it BIG! Get it FAST! Get it within 24 Hrs!" (emphasis in original):

Get it BIG!
Get it FAST!
Get it within 24 Hrs!

- Get Every Deduction You Deserve
- Largest Refund (by Law)
- FREE Electronic Filing
- Professional Service
- Fast, Accurate

Sam Smith
 \$1,500.00

**CELEBRATING 20 YEARS
 IN BUSINESS!**

**COME WIN OVER
 \$25,000
 IN CASH AND PRIZES!**
 Only at Quick Sam
 219-981-1040 | www.QuickSam.com

Quick Sam Tax Return
 3812 Broadway | Gary, IN 46408
 QuickSam@QuickSam.com

PERMIT STD
 US POSTAGE PAID
 PHOENIX, AZ
 PERMIT # 5558

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13. Other Quick Sam advertisements promise potential customers that they will receive the “LARGEST REFUNDS GUARANTEED. Get The Largest Refund or Your Taxes Are FREE.” (emphasis in original).



14. Still more 2012 advertisements promise potential customers with children that “3 KIDS Can Get You \$5751 In Earned Income Credit.” And, potential customers do not even have to bring a copy of their Form W-2 in order to have their income taxes prepared because, at Quick Sam, they can supposedly “print it today!!”

"WE'RE BACK and BETTER THAN EVER"

Don't wait
for your W2
We can print it
today!!

Quick Sam
tax refund

Save \$20
Save \$30
Save \$75
Even
\$100 Off

Scratch off discount not
to be combined with any
other discount coupon

**3 KIDS
Can Get You
\$5751
In Earned Income Credit**
*Source: IRS Gov.

(219) 981-1040
3812 Broadway
Gary

15. Other advertisements promised “FREE MONEY,” “WE GUARANTEE YOU MORE MONEY” and “\$1,000 INSTANTLY WITH YOUR W2.” (emphasis in original).

16. Quick Sam’s advertisements clearly are designed to draw potential customers into the business with the promise of “free money,” “fast cash” and the guarantee of a large refund. These types of advertisements are misleading at best. Indeed, advertisements that guarantee potential customers the payment of a tax refund violate I.R.C. § 7407(b)(1)(C). Moreover, as shown below, once potential customers are lured into Quick Sam with these grandiose promises, Newlin and Quick Sam attempt to deliver on the extravagant promises by falsifying customers’ income tax returns to increase their income tax refund.

17. The IRS investigation confirmed that Newlin and Quick Sam engage in a pattern and practice of filing federal income tax returns that contain patently false information. This false information includes, among other things, manipulating a customer’s income, fabricating bogus

“expenses” and manufacturing false “losses” to illegally obtain tax refunds. Newlin, as the owner and manager of the business, ultimately is responsible for this illegal activity. Indeed, he hires, trains and supervises his tax return preparing employees, as well as approves the tax returns at Quick Sam and completes the “final processing” of the returns before they are submitted to the IRS. Newlin encourages his employees to illegally manipulate the amount of his customers’ income, create bogus education credits, manufacture false dependents, create non-existent charitable contributions, as well as fabricate bogus “expenses” and manufacture false “losses” to illegally obtain a refund for his customers without his customers’ full knowledge and understanding. Indeed, Newlin rewards his employees with cash bonuses for this illegal conduct.

18. Newlin and Quick Sam repeatedly prepared and filed, including as recently as January 2012, erroneous federal income tax returns on behalf of their customers claiming false deductions and illegally manipulated income amounts, even though Newlin was aware that: (a) his customers were being audited by the IRS; and (b) his business was under criminal investigation and had been searched pursuant to a search warrant by IRS special agents.

19. Newlin directs and coordinates all aspects of the preparation and filing of Quick Sam’s customers’ tax returns and ultimately is responsible for the fraudulent schemes described in this complaint.

The Mechanics of Defendants’ Tax-Fraud Schemes

20. The Defendants’ tax-fraud schemes have a simple goal: to ensure that Quick Sam delivers on the oft repeated advertising slogan that its customers will receive the “largest refund guaranteed” and, concomitantly, to increase the amount of fees that Quick Sam receives for preparing customers’ income tax returns. To implement this guarantee to Quick Sam’s

customers and to increase profits, Newlin and Quick Sam prepare tax returns for customers claiming false Schedule A deductions, bogus Schedule C income and expenses, improper tax credits and fictitious dependents.

21. To prepare tax returns, Quick Sam uses a two-tiered system of tax return preparers. The first tier of tax return preparers at Quick Sam is called the “front row.” When a customer enters Quick Sam to have his or her tax return prepared, the customer typically is first sent to the “front row.” The “front row” consists of approximately five income tax return preparers. These income tax preparers on the “front row” are the Quick Sam employees who typically first interact and speak with customers, as well as prepare bogus Schedule C’s for customers before all of the customer’s tax forms are submitted to John Newlin for review and approval.

22. The second tier of Quick Sam tax return preparers are typically referred to as the “inputters.” These tax return preparers are typically in the back of the Quick Sam office and perform basic data entry functions as directed by Newlin or the “front row.”

23. John Newlin trains the income tax preparers on the “front row” to ask customers a series of questions designed to elicit information that will help the tax return preparers gin up bogus deductions, expenses and credits, among other things. One common question asked by the “front row” is whether a customer has any “side jobs” or “hobbies.” If the customer indicates that he or she likes to fix motorcycles as a hobby, for example, Quick Sam tax preparers on the “front row” will then fabricate expenses supposedly incurred as a result of this “job” as a motorcycle mechanic. The sole purpose of the fabricated expenses is to increase the customer’s refund and, simultaneously, the amount of profits that Quick Sam receives in fees. It is

understood by the “front row” that the preparation of false Schedule C’s with fake businesses can generate “quick money” for customers.

24. Similarly, Newlin also trains Quick Sam income tax return preparers on the “front row” to ask customers whether they went to school “in the past ten years.” If the customers indicate that they have attended school in the past ten years, Quick Sam tax return preparers then fabricate bogus education expenses. The sole purpose of the fabricated expenses is to increase the customer’s refund and, simultaneously, Quick Sam’s profits from commissions.

25. The current “front row” of income tax return preparers includes Sherece Moore, Sheresa Randall, Gwendolyn Randall, Lawandia Randall and Mareya Randall. The second tier tax return preparers at Quick Sam include Renee McLin, Ebony Miller, Mattie Daniels, Shamika Mitchell, Deshelia Burks and Anon Burnett.

26. Newlin, as owner, manager and operator of Quick Sam is solely responsible for training Quick Sam employees and for encouraging them to prepare income tax returns in a fraudulent manner. Additionally, Newlin reviews and approves all income tax returns before he submits them to the IRS.

27. Indeed, Newlin’s name typically is listed as the “Third Party Designee” on Quick Sam’s customers’ income tax returns, which allows him to discuss the specifics of a particular customer’s income tax return with the IRS:

You Owe 75 Estimated tax penalty (see page 65)		76	
Do you want to allow another person to discuss this return with the IRS (see page 66)? <input checked="" type="checkbox"/> Yes. Complete the following. <input type="checkbox"/> No			
Third Party Designee	Designee's name ▶ JOHN MEWLIN	Phone no. ▶ (219) 9811048	Personal identification number (PIN) ▶
Sign Here Joint return? See page 15. Keep a copy for your records.	Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.		
	Your signature	Date	Your occupation
	Spouse's signature. If a joint return, both must sign.	Date	Spouse's occupation
	Daytime phone number		
Paid Preparer's Use Only	Preparer's signature ▶ SHERECE MOORE	Date	Check if self-employed <input type="checkbox"/>
	Firm's name (or yours if self-employed), address, and ZIP code ▶ QUICK SAM TAX REFUND GARY IN 46408	Preparer's SSN or PTIN	
	EIN	Phone no. (219) 9811048 1	

Form 1040 (2008)

28. The crux of Defendants' scheme is to obtain – without regard for accuracy or veracity – the “largest refund guaranteed” for their customers, and to increase their profits. To do this, defendants' illegally manipulate the amount of their customers' income, fabricate bogus “expenses” and manufacture false “losses.” Some examples of Defendants' fraudulent tax preparation activities are as follows:

Andrew S. Thieken

29. Quick Sam prepared the 2008 and 2009 federal income tax returns for school teacher Andrew S. Thieken of East Chicago, Indiana.

- a. When preparing Mr. Thieken's 2008 and 2009 returns, Quick Sam preparers Charles Standifer (2008) and Sherece Moore (2009) falsely claimed that Mr. Thieken's principal business was an “Asst Coach.” Quick Sam preparers fabricated bogus Schedule C losses of \$3,521 in 2008 and \$3,133 in 2009 supposedly incurred by Mr. Thieken's business as an “Asst Coach” so that Mr. Thieken would obtain a larger tax refund. Mr. Thieken does not own a business and the losses on his Schedule C were fabricated entirely by Quick Sam preparers unbeknownst to him.

- b. Additionally, Quick Sam preparers falsely claimed an education credit of \$1,528 in 2008 and \$2,000 in 2009. Mr. Thielen did not attend college or incur education expenses in either 2008 or 2009 and the education credits were manufactured entirely by Quick Sam preparers.
- c. Newlin reviewed, approved and submitted these false tax returns to the IRS. The IRS disallowed the bogus Schedule C losses and education credits and Mr. Thielen was required to pay the government \$4,150 in tax deficiencies.

Adam Guajardo

30. Quick Sam prepared the 2008 and 2009 federal income tax returns for steel worker Adam Guajardo of Chicago, Indiana.

- a. When Mr. Guajardo indicated that he had no dependents to claim on his tax return he was told by Quick Sam preparer Sherece "Reese" Moore that if he wanted a larger tax refund, he could purchase dependents for \$600 apiece from Quick Sam, and that this would greatly increase his refund. Ms. Moore told Mr. Guajardo that he could claim her sister's two kids, and that this was legal because Ms. Moore's sister could not claim her kids as dependents. Quick Sam prepared Mr. Guajardo's 2008 return with 2 bogus dependents and his 2009 return with 1 bogus dependent, which illegally inflated his income tax refund for those years because Mr. Guajardo is not entitled to claim as a dependent someone else's children and the dependents were completely fabricated by Quick Sam.

- b. Mr. Guajardo also was asked by a Quick Sam preparer whether he attended school “in the last 10 years.” When Mr. Guajardo indicated that he had attended school several years ago, Quick Sam claimed false education credits on his 2009 income tax return. Quick Sam also claimed false Schedule C expenses for “coaching” and false head-of-household filing status to increase Mr. Guajardo’s income tax refund.
- c. Newlin reviewed, approved and submitted these false tax returns to the IRS. The IRS disallowed the bogus Schedule C losses and education credits and Mr. Guajardo was required to pay the government \$5,044 in tax deficiencies.

Thomas J. Castillo

31. Quick Sam prepared 2008, 2009 and 2010 federal income tax returns for Thomas J. Castillo of Whiting, Indiana.

- a. When Quick Sam prepared Mr. Castillo’s 2008, 2009 and 2010 income tax returns, Quick Sam preparer Sheresa Randall falsely claimed several thousand dollars in bogus Schedule C expenses and education credits to illegally increase Mr. Castillo’s tax refund. Specifically, Quick Sam claimed \$2,250 in Schedule C business expenses on Mr. Castillo’s 2008 tax return, when Mr. Castillo did not own a business or have any business-related expenses.
- b. Additionally, although Mr. Castillo did not have any qualifying education expenses, Quick Sam nevertheless falsely claimed \$2,400 in 2008, \$3,223 in

2009 and \$2,922 in 2010. These bogus expenses were manufactured solely by Quick Sam in order to increase the tax refund that Mr. Castillo received.

- c. Newlin reviewed, approved and submitted these false tax returns to the IRS. The IRS disallowed the bogus expenses, deductions and credits and Mr. Castillo was required to pay the government \$5,955 in tax deficiencies.

Kevin Robinson

32. Quick Sam prepared the 2008, 2009 and 2010 federal income tax returns for Kevin Robinson of Gary, Indiana.

- a. On Mr. Robinson's 2008 tax return, Quick Sam preparer Sherece Moore manufactured \$5,912 in bogus Schedule C business expenses for a supposed "engineer" business in order to offset Mr. Robinson's income and illegally generate a larger tax refund. Mr. Robinson did not own or operate a business in 2008, is not an "engineer" and did not have any deductible business expenses in 2008. Mr. Robinson was unaware that Quick Sam had included these supposed "business expenses" on his 2008 income tax return.
- b. Additionally, unbeknownst to Mr. Robinson, Quick Sam also included \$6,800 in child care expenses purportedly paid to "Elka Child Education" on Mr. Robinson's 2008 income tax return. Mr. Robinson never made any payments for child care and did not even recognize the name of this entity when he was audited.
- c. In tax years 2009 and 2010, Quick Sam preparer Sherece Moore also fabricated child and dependent care expenses and false education credits to

increase Mr. Robinson's income tax refund for those tax years. For 2009, Quick Sam falsely listed \$4,800 in child care expenses purportedly paid to "Elka Child Education." As before, Mr. Robinson incurred no such expenses. For 2010, Quick Sam included a bogus dependent and fabricated education expenses totaling \$2,500. Mr. Robinson had no dependents or education expenses for 2010.

- d. Newlin reviewed, approved and submitted these false tax returns to the IRS. The IRS disallowed the bogus deductions, expenses and credits and Mr. Robinson was required to pay the government \$21,646 in tax deficiencies.

33. Because Quick Sam is responsible for preparing and filing all aspects of customers' tax returns, it is able to, among other things, illegally manipulate the amount of a customer's income, fabricate bogus "expenses," manufacture false "losses," concoct "education credits," and make up dependents to obtain a larger refund for customers.

Several Quick Sam Former Employees Have Pled Guilty To Aiding and Assisting In The Preparation and Presentation of False and Fraudulent Tax Returns

34. Quick Sam is no stranger to the fraudulent preparation of income tax returns. Indeed, several Quick Sam former employees have pled guilty to tax preparation crimes.

35. Former Quick Sam tax return preparer Charles K. Standifer was charged with preparing a fraudulent 2009 tax return for a customer that included fictitious Schedule C income of \$11,930 and a false Earned Income Tax Credit of \$4,430. *See U.S. v. Standifer*, Case No. 2:11-CR-102 (N.D. Ind.). The customer did not earn the \$11,930 of income and consequently was not eligible for the EITC. Standifer pled guilty on July 8, 2011 to one count of aiding and

assisting in the preparation and presentation of a false and fraudulent tax return. Standifer's sentencing currently is scheduled for May 22, 2012. John Newlin oversaw Standifer's work and reviewed and approved the tax returns that he prepared.

36. Former Quick Sam tax return preparer Rhonda Murphy was charged with preparing a fraudulent 2009 income tax return for a customer that included a false education credit of \$4,572 and false Schedule A itemized deductions totaling \$14,646. *See U.S. v. Murphy*, Case No. 2:11-CR-103 (N.D. Ind.). The customer was not eligible for the education credit and did not incur the itemized deductions claimed. Murphy pled guilty on July 8, 2011 to one count of aiding and assisting in the preparation and presentation of a false and fraudulent tax return. John Newlin oversaw Murphy's work and reviewed and approved the tax returns that she prepared.

37. Former Quick Sam tax return preparer Chanel Bandy was indicted on nine counts of preparing false income tax returns including, among other things, false education credits and false Schedule C deductions for supposed business losses that didn't exist. *See U.S. v. Bandy*, Case No. 2:11-CR-101 (N.D. Ind.). Bandy pled guilty on October 21, 2011 to two counts of aiding and assisting in the preparation and presentation of a false and fraudulent tax return. John Newlin oversaw Bandy's work and reviewed and approved the tax returns that she prepared.

38. Former Quick Sam tax return preparer Brittney Walker-Lipseley was indicted on eight counts of preparing false income tax returns including, among other things, false Schedule A deductions for supposed medical and dental expenses and false deductions for charitable gifts. *See U.S. v. Walker-Lipseley*, 2:11-CR-100 (N.D. Ind.). Walker-Lipseley pled guilty on October 21, 2011 to two counts of aiding and assisting in the preparation and presentation of false and fraudulent tax returns. Walker-Lipseley's sentencing currently is scheduled for July 19, 2012.

John Newlin oversaw Walker-Lipseys work and reviewed and approved the tax returns that she prepared.

39. As the above facts demonstrate, the culture of fraud at Quick Sam is pervasive and long-standing. That culture existed when John Newlin oversaw and managed the tax return preparers and continues today at Quick Sam with John Newlin at the helm of the business. Absent an injunction, Newlin and Quick Sam are likely to continue to prepare and file fraudulent income tax returns.

Continual and Repeated Nature of Defendants' Fraudulent Conduct

I. Defendants' Conduct Continues Despite IRS Scrutiny of Their Activities

40. The scope of Defendants' brazen misconduct is longstanding, wide-ranging and pervasive. The IRS conservatively estimates that over the past three years alone, Newlin and Quick Sam have filed over 14,000 income tax returns on behalf of customers. Indeed, Quick Sam's fraudulent conduct has continued unabated since Newlin became the owner, manager and director of the business until at least this tax season, beginning in January 2012.

41. In 2011, the IRS conducted an Earned Income Tax Credit ("EITC") audit on tax year 2008 returns prepared by Quick Sam in calendar year 2009. The audit revealed that Quick Sam repeatedly failed to adhere to the due-diligence requirements of 26 C.F.R. § 1.6695-2 (2010), which requires tax return preparers to, among other things, conduct "reasonable inquiries" to ensure that their customers are entitled to claim the EITC, and to maintain documentation of their compliance with the due diligence requirements of the EITC. Of the 515 tax returns prepared by four Quick Sam preparers, the IRS found that, 503, or 97.7%, of the tax returns prepared by

Quick Sam lacked adequate documentation to support the EITC claimed on the tax returns. As a result, \$50,300 in penalties were asserted against Quick Sam.

42. Quick Sam and Newlin have not meaningfully curtailed their improper conduct, even with increased IRS scrutiny of their activities over the past two years. Defendants have brazenly continued to prepare fraudulent income tax returns even though they were aware that: (1) the IRS has been actively auditing Quick Sam and its customers; (2) Newlin and Quick Sam are subjects of a criminal investigation; (3) a search warrant was executed on Quick Sam's business pursuant to that investigation; and (4) four Quick Sam former employees pled guilty to tax preparation crimes. Yet, Newlin and Quick Sam still continue to prepare fraudulent income tax returns for customers so that customers can receive "the largest refund guaranteed," and so that Newlin and Quick Sam can maintain their profit stream.

II. Defendants Attempted To Mislead This Court About Their Fraudulent Activities During Recent Litigation With The Government

43. On January 18, 2012, John Newlin and World Changers Incorporated d/b/a Quick Sam Tax Refunds filed a Verified Complaint for Temporary Restraining Order and Preliminary Injunction against the United States. *See World Changes, et al. v. United States*, Case No. 2:12-CV-00026-PPS-PRC (N.D. Ill.) (Dkt. No. 1.). Newlin and Quick Sam filed an amended complaint on January 23, 2012 ("Complaint") (Dkt. No. 10.).

44. The Complaint and accompanying motion sought to enjoin the United States from suspending Newlin and Quick Sam's participation in the IRS e-file program as a preparer of federal income tax returns. The Complaint asked the Court to issue an injunction against the United States and lift the suspension on Newlin and Quick Sam's e-filing privileges so that they

could continue to electronically file income tax returns. (Compl. ¶ 62.) The Complaint alleged, among other things, that Newlin and Quick Sam's right to due process was being violated because they were suspended from the IRS e-file program without receiving proper notice of the suspension. (Compl. ¶¶ 41-50.)

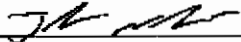
45. Newlin and Quick Sam alleged that their tax preparation business was suffering "immediate, serious, and irreparable damages, including the loss of customers, income and goodwill" because they were unable to participate in the IRS e-file program and, consequently, could not electronically file income tax returns for customers. (Compl. ¶¶ 56-60.)

46. Newlin and Quick Sam further alleged that they "had no adequate remedy at law if a temporary restraining order and injunction are not issued, as Quick Sam cannot maintain its business or customer base without having an active electronic filing identification number." (Compl. ¶ 61.) The Complaint also stated that Newlin and Quick Sam "have suffered and will continue to suffer serious and irreparable loss of business and profits if [the United States] does not reinstate [their] EFIN." (Compl. ¶ 62.)

47. John Newlin, individually and as Principal of World Changers Incorporated d/b/a Quick Sam Tax Refunds, signed the Verified Complaint "*under the pains and penalties for perjury*, that the foregoing statements are true and accurate to the best of my knowledge and belief." (emphasis added) (Compl. pg. 10.) An excerpt from the Verification page of the Complaint follows:

VERIFICATION

I swear and affirm, under the pains and penalties for perjury, that the foregoing statements are true and accurate to the best of my knowledge and belief.



John Newlin
Individually and as Principal of World Changers Incorporated d/b/a
Quick Sam Tax Refunds

48. In fact, however, at the time the Complaint was filed on January 18, 2012, John Newlin already had signed a contract with Advance Tax Preparation in Grayson, Georgia to provide e-filing services for Newlin and Quick Sam. Newlin's signature on the contract is dated January 15, 2012 (three days before he filed the Complaint with this Court), and it enabled Newlin and Quick Sam to continue to prepare income tax returns for customers and then send them to Advance Tax Preparation for e-filing, notwithstanding Newlin and Quick Sam's suspension from the IRS e-file program.

49. Contrary to what Newlin and Quick Sam told this Court in the Complaint (and subsequently at the hearing in the case) Newlin and Quick Sam were indeed preparing and filing a tremendous amount of income tax returns for their customers. In fact, during the pendency of the injunction case before this Court, Newlin and Quick Sam filed at least 782 income tax returns for customers. Neither Newlin nor Quick Sam ever informed the Court of this fact.

50. Numerous statements contained in Newlin and Quick Sam's Complaint, including that they "have suffered and will continue to suffer serious and irreparable loss of business and profits if [the United States] does not reinstate [their] EFIN," (among other statements), were thus false. Newlin and Quick Sam were preparing hundreds of income tax returns for profit during the pendency of the entire litigation before this Court.

51. This conduct, as well as the other fraudulent conduct described in this complaint, demonstrates that Newlin and Quick Sam will not stop preparing and filing false and fraudulent income tax returns for customers unless they are enjoined.

Harm to the United States

52. John Newlin and Quick Sam have been preparing tax returns for approximately 8 years.

53. The fraudulent returns prepared and filed by Newlin and Quick Sam have caused and continue to cause substantial harm to the Government by fraudulently reducing customers' reported tax liabilities, helping taxpayers evade taxes, and by obstructing the IRS's efforts to administer the federal tax laws.

54. The magnitude of lost tax revenue caused by Newlin and Quick Sam's fraudulent conduct is enormous. The IRS calculated an average tax deficiency of \$3,417 per tax return for the returns that the IRS was able to review for tax years 2008 through 2011. Based on their calculations, the IRS estimates that the total harm to the government could exceed \$35 million in lost tax revenue.

55. The United States also is harmed because the IRS must devote limited resources to detecting and examining inaccurate returns filed by Newlin and Quick Sam, and to attempting to assess and collect unpaid taxes, and to investigating their conduct.

56. Defendants' conduct described in this complaint establishes that: (1) Newlin and Quick Sam's fraudulent returns have caused and continue to cause harm to the public fisc; (2) Newlin and Quick Sam are responsible for the preparation and filing of their customers' income tax returns; (3) Newlin and Quick Sam prepare, procure, or advise with respect to the preparation

of documents knowing (or having reason to believe) that they will be used in connection with material tax matters, and knowing that if they are so used they will result in understatement of customers' federal tax liabilities; (4) Newlin and Quick Sam's fraudulent deductions, exemptions and credits continue despite the IRS's investigation of their improper conduct; (5) Newlin and Quick Sam insist that they are doing nothing wrong; and (6) based on Newlin and Quick Sam's extensive prior fraudulent filings and unabashed lies in the injunction case in this Court, Newlin and Quick Sam are likely to continue the fraudulent conduct described in this complaint or other similar conduction unless they are permanently enjoined from preparing tax returns.

57. Newlin and Quick Sam have made a career of preparing returns by claiming fabricated deductions, exemptions and/or credits, and thereby reducing his customers' tax liabilities and/or increasing their refunds.

58. Newlin and Quick Sam's customers have been harmed because they paid Newlin and Quick Sam fees to prepare tax returns that substantially understate their correct tax liabilities. Many customers now face large income tax deficiencies and may be liable for sizeable penalties and interest as a result.

59. In addition to the direct monetary harm caused by preparing returns that understate customers' liabilities, Newlin and Quick Sam's illegal activities undermine public confidence in the administration of the federal tax system and encourage noncompliance with the internal revenue laws.

60. Newlin and Quick Sam's conduct results in the IRS having to devote scarce resources to identifying their customers, ascertaining their correct tax liabilities, recovering any refunds erroneously issued, and collecting any additional taxes and penalties.

COUNT I: Injunction Under I.R.C. § 7407 For Violation of I.R.C. § 6694

61. The United States incorporates by reference the allegations in paragraphs 1-60.

62. Section 7407 of the Internal Revenue Code authorizes a district court to enjoin a tax return preparer from specified misconduct (which is described in I.R.C. §§ 6694 and 6695, and I.R.C. § 7407 itself) if the court finds that the preparer has engaged in such conduct and injunctive relief is appropriate to prevent the recurrence of such conduct. Additionally, if the court finds that a preparer has continually or repeatedly engaged in such conduct, and the court finds that a narrower injunction (i.e., prohibiting only 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 acting as a federal income tax return preparer.

63. I.R.C. § 6694(a) provides that a tax return preparer is subject to penalty if he prepares a return or claim for refund understating a customer's tax liability based on a position for which there was not a reasonable belief that the position would more likely than not be sustained on the merits, and the preparer knew or should have known of the position.

64. I.R.C. § 6694(b) penalizes a tax return preparer for a willful attempt in any manner to understate the liability for tax on the return or claim, and for a reckless or intentional disregard of internal revenue rules or regulations.

65. I.R.C. § 7701(a)(36) defines a "tax return preparer" as a person who prepares for compensation or who employs one or more persons to prepare for compensation, any return or a substantial portion thereof.

66. Newlin and Quick Sam are tax return preparers. They have guaranteed the payment of tax refunds to customers.

67. Newlin and Quick Sam willfully prepared tax returns for customers that they knew contained false deductions, losses, exemptions and expenses. Newlin and Quick Sam knew that these false deductions, losses, and expenses would understate their customers' tax liabilities.

68. Newlin and Quick Sam knew or should have known that the returns they prepared for customers contained claims for which they could not have reasonably believed that the position would more likely than not be sustained on the merits. Newlin and Quick Sam fabricated these claims and their supporting documentation. There could be no possibility that these false deductions, losses, exemptions and expenses would be sustained on the merits because they were fabricated.

69. Preparing federal income tax returns that willfully understate the taxpayer's liability and that contain unrealistic or unreasonable and frivolous positions subjects Newlin and Quick Sam to penalties under I.R.C. § 6694.

70. Anything less than a complete bar on the preparation of tax returns is unlikely to stop Newlin and Quick Sam. Newlin and Quick Sam's long record of deceit, fraud and no remorse shows there is a high likelihood that they will continue their schemes if they are merely barred from filing improper returns.

COUNT II: Injunction Under I.R.C. § 7408 For Engaging in Conduct Subject to Penalty Under I.R.C. § 6701

71. The United States incorporates by reference the allegations contained in paragraphs 1 through 70.

72. I.R.C. § 7408(a) authorizes a district court to enjoin persons who have engaged in conduct subject to penalty under I.R.C. § 6701.

73. Section 6701 imposes a penalty: (1) on a person who aids, assists, procures, or advises with respect to the preparation or presentation of any portion of a tax return, claim, or other document ("portion"); (2) when that person knows or has reason to know that such portion will be used in connection with a material matter arising under federal tax law; and (3) that person knows that such portion (if used) would result in an understatement of the liability for the tax of another person.

74. Newlin and Quick Sam's conduct is subject to penalty under I.R.C. § 6701. Newlin and Quick Sam prepare and file tax returns on behalf of customers who illegally obtain increased refunds as a result of their fraudulent tax returns.

75. As tax return preparers, Newlin and Quick Sam knew or had reason to know that the tax returns that they prepared would be used as to material matters under federal tax law. Additionally, as tax return preparers, Newlin and Quick Sam knew that the returns they prepared would result in understatements of customers' tax liability because Newlin and Quick Sam knew that the deductions, losses, exemptions and expenses on the returns they prepared were fabricated.

76. Accordingly, Newlin and Quick Sam's conduct in connection with their preparation and filing of false income tax returns is subject to penalty under I.R.C. § 6701.

77. These schemes have caused and continue to cause substantial harm to the Government by fraudulently reducing customers' reported tax liabilities, obtaining fraudulent refunds, and by obstructing the IRS's efforts to administer the federal tax laws.

78. The magnitude of lost tax revenue caused by Newlin and Quick Sam's fraudulent conduct is significant. The IRS estimates that the harm to the government could exceed \$35 million in lost tax revenue.

79. The United States also is harmed because the IRS must continually devote limited resources to detecting and examining inaccurate returns filed by Newlin and Quick Sam, and to attempting to assess and collect unpaid taxes.

80. An injunction against Newlin and Quick Sam is necessary and appropriate to prevent the recurrence of their conduct, subjecting them to penalty under I.R.C. § 6701, and for engaging in any other conduct subject to penalty under the Internal Revenue Code.

**COUNT III: Injunction Under I.R.C. § 7402 for Unlawful Interference
With the Enforcement of the Internal Revenue Laws**

81. The United States incorporates by reference the allegations contained in paragraphs 1 through 80.

82. I.R.C. §7402(a) authorizes a court to issue orders of injunction as may be necessary or appropriate for the enforcement of the internal revenue laws, even if the United States has other remedies available for enforcing those laws.

83. Newlin and Quick Sam's activities described above substantially interfere with the enforcement of the internal revenue laws because their preparation and filing of numerous fraudulent tax returns resulted in customers not paying their true federal income tax liabilities.

84. An injunction prohibiting Newlin and Quick Sam from preparing or assisting in the preparation of tax returns is needed to stop them from preparing or filing fraudulent tax returns

and to prohibit them from otherwise interfering with the proper administration and enforcement of the internal revenue laws now and in the future.

85. Given the continual, repeated, broad and brazen nature of Newlin and Quick Sam's conduct and their lack of remorse, unless enjoined by this Court, Newlin and Quick Sam are likely to continue to engage in illegal conduct in the future.

86. If Newlin and Quick Sam are not enjoined, the United States will suffer irreparable harm from the underpayment of taxes, the exhaustion of resources to enforce the internal revenue laws, and the losses caused by Newlin and Quick Sam's conduct.

87. While the United States will suffer substantial, irreparable injury if Newlin and Quick Sam are not enjoined, Newlin and Quick Sam will not be harmed by being compelled to obey the law.

88. The public interest would be advanced by enjoining Newlin and Quick Sam because an injunction will stop their illegal conduct and the harm that conduct is causing the United States Treasury and the public.

89. An injunction under I.R.C. § 7402 is necessary and appropriate, and the United States is entitled to injunctive relief under I.R.C. § 7402. The injunction, as detailed below, should bar Newlin and Quick Sam, and anyone acting in concert with them, from preparing or filing tax returns for others, representing customers before the IRS, and from otherwise engaging in conduct that interferes with the proper administration of the internal revenue laws.

Relief Sought

WHEREFORE, plaintiff, the United States of America, respectfully prays the following:

A. That this Court find that Newlin and Quick Sam 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.

B. That this Court find that Newlin and Quick Sam continually and repeatedly engaged in conduct subject to penalty under 26 U.S.C. § 6694, and that they guaranteed the payment of refunds to customers, and that injunctive relief under 26 U.S.C. § 7407 is appropriate to prevent recurrence of that conduct.

C. That this Court find that Newlin and Quick Sam engaged in conduct substantially interfering with the administration and enforcement of the internal revenue laws and that injunctive relief under 26 U.S.C. § 7402(a) is appropriate to prevent a recurrence of that conduct.

D. That this Court, pursuant to 26 U.S.C. §§ 7402 and 7408, enter a permanent injunction prohibiting Newlin and Quick Sam, individually and through any other name or entity, and their representatives, agents, servants, employees, attorneys, accountants and those persons in active concert or participation with them, from directly or indirectly:

- a. Acting as a federal tax return preparer or requesting, assisting in, or directing the preparation or filing of federal tax returns or amended returns for any person or entity other than preparing their own personal tax return;
- b. Preparing or filing, or assisting in the preparation or filing of tax returns or other related tax forms or documents for others;
- c. Appearing as a representative on behalf of any person or entity before the IRS;

- d. Owning, managing, controlling, working for, or volunteering for a tax-return-preparation business;
- e. Seeking permission or authorization (or helping or soliciting others to seek permission or authorization) to file tax returns with an IRS Preparer Tax Identification Number (“PTIN”) and/or IRS Electronic Filing Identification Number (“EFIN”), or any other IRS service or program by which one prepares or files tax returns;
- f. Engaging in conduct subject to penalty under I.R.C. § 6701, including preparing or assisting in the preparation of, or advising with respect to, a document related to a material matter under the internal revenue laws that includes a position that Newlin and Quick Sam knows will, if used, result in an understatement of tax liability;
- g. Engaging in conduct subject to penalty under any provision of the Internal Revenue Code;
- h. Engaging in conduct designed or intended to, or having the effect of, obstructing or delaying an IRS investigation or audit; and
- i. Engaging in any other conduct that interferes with the proper administration and enforcement of the internal revenue laws.

E. That the Court, pursuant to I.R.C. § 7402, enter an injunction requiring Newlin to produce to counsel for the United States a list identifying (by name, address, e-mail address, phone number, and Social Security or other tax identification number) all of the customers who, for any of the tax years 2008 to the present, have used the services of Newlin or his business as it is known under any of its names, including *but not limited to* World Changers Incorporated and Quick Sam Tax Refunds;

F. That the Court, pursuant to I.R.C. § 7402, enter an injunction requiring Newlin and Quick Sam at their own expense to contact by mail all of their customers related to any of their tax preparation services and inform those individuals of the Court’s findings concerning the falsity of the returns that they prepared and attach a copy of the permanent injunction, and to file

with the Court, within 20 days of the date on which the permanent injunction is entered, a certification signed under penalty of perjury that they have done so;

G. That the Court allow the United States full post-judgment discovery to monitor compliance with the injunction;

H. That the Court retain jurisdiction over this action for purpose of implementing and enforcing the final judgment and any additional orders necessary and appropriate to the public interest; and

I. That the Court grant the United States such other and further relief as the Court deems appropriate.

Dated this 29th day of March, 2012.

Respectfully submitted,

JOHN A. DiCICCO
Principal Deputy Assistant Attorney General



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Attorneys for United States of America

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JS 44 (Rev. 12/07)

CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON THE REVERSE OF THE FORM.)

I. (a) PLAINTIFFS
 THE UNITED STATES OF AMERICA

(b) County of Residence of First Listed Plaintiff _____
 (EXCEPT IN U.S. PLAINTIFF CASES)

(c) Attorney's (Firm Name, Address, and Telephone Number)
 Gregory S. Seador, U.S. Department of Justice, Tax Division, P.O. Box 7238, Washington, D.C. 20044. (202) 307-2182

DEFENDANTS
 JOHN NEWLIN, and WORLD CHANGERS INCORPORATED
 d/b/a QUICK SAM TAX REFUND

County of Residence of First Listed Defendant Lake County
 (IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE LAND INVOLVED.

Attorneys (If Known)
 Rodger Heaton, Hinshaw & Culbertson LLP, 400 S. Ninth St., Suite 200, Springfield, IL 62701-1908

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)

1 U.S. Government Plaintiff
 2 U.S. Government Defendant

3 Federal Question (U.S. Government Not a Party)
 4 Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)

	PTF	DEF		PTF	DEF
Citizen of This State	<input type="checkbox"/> 1	<input type="checkbox"/> 1	Incorporated or Principal Place of Business In This State	<input type="checkbox"/> 4	<input type="checkbox"/> 4
Citizen of Another State	<input type="checkbox"/> 2	<input type="checkbox"/> 2	Incorporated and Principal Place of Business In Another State	<input type="checkbox"/> 5	<input type="checkbox"/> 5
Citizen or Subject of a Foreign Country	<input type="checkbox"/> 3	<input type="checkbox"/> 3	Foreign Nation	<input type="checkbox"/> 6	<input type="checkbox"/> 6

IV. NATURE OF SUIT (Place an "X" in One Box Only)

CONTRACT	TORTS	FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES	
<input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excl. Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability <input type="checkbox"/> 196 Franchise	PERSONAL INJURY <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Federal Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury	PERSONAL INJURY <input type="checkbox"/> 362 Personal Injury - Med. Malpractice <input type="checkbox"/> 365 Personal Injury - Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability PERSONAL PROPERTY <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability	<input type="checkbox"/> 610 Agriculture <input type="checkbox"/> 620 Other Food & Drug <input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 <input type="checkbox"/> 630 Liquor Laws <input type="checkbox"/> 640 R.R. & Truck <input type="checkbox"/> 650 Airline Regs. <input type="checkbox"/> 660 Occupational Safety/Health <input type="checkbox"/> 690 Other LABOR <input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Mgmt. Relations <input type="checkbox"/> 730 Labor/Mgmt. Reporting & Disclosure Act <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 790 Other Labor Litigation <input type="checkbox"/> 791 Empl. Ret. Inc. Security Act IMMIGRATION <input type="checkbox"/> 462 Naturalization Application <input type="checkbox"/> 463 Habeas Corpus - Alien Detainee <input type="checkbox"/> 465 Other Immigration Actions	<input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 PROPERTY RIGHTS <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 840 Trademark SOCIAL SECURITY <input type="checkbox"/> 861 HIA (1395ff) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g)) FEDERAL TAXES <input checked="" type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS—Third Party 26 USC 7609	<input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 810 Selective Service <input type="checkbox"/> 850 Securities/Commodities' Exchange <input type="checkbox"/> 875 Customer Challenge 12 USC 3410 <input type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 892 Economic Stabilization Act <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 894 Energy Allocation Act <input type="checkbox"/> 895 Freedom of Information Act <input type="checkbox"/> 900 Appeal of Fee Determination Under Equal Access to Justice <input type="checkbox"/> 950 Constitutionality of State Statutes
REAL PROPERTY <input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property	CIVIL RIGHTS <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 444 Welfare <input type="checkbox"/> 445 Amer. w/Disabilities - Employment <input type="checkbox"/> 446 Amer. w/Disabilities - Other <input type="checkbox"/> 440 Other Civil Rights	PROCEEDINGS <input type="checkbox"/> 510 Motions to Vacate Sentence Habeas Corpus: <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty <input type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition			

V. ORIGIN (Place an "X" in One Box Only)

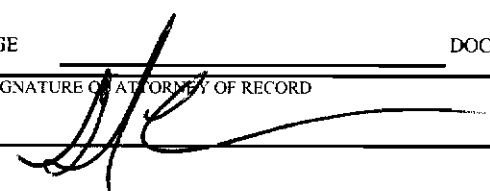
1 Original Proceeding
 2 Removed from State Court
 3 Remanded from Appellate Court
 4 Reinstated or Reopened
 5 Transferred from another district (specify) _____
 6 Multidistrict Litigation
 7 Appeal to District Judge from Magistrate Judgment

VI. CAUSE OF ACTION
 Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity):
26 U.S.C. §§ 6694, 6701 and 7402.

Brief description of cause:
 Complaint for permanent injunction and other relief for violations of the above statutes.

VII. REQUESTED IN COMPLAINT:
 CHECK IF THIS IS A CLASS ACTION UNDER F.R.C.P. 23 DEMAND \$ _____ CHECK YES only if demanded in complaint:
 JURY DEMAND: Yes No

VIII. RELATED CASE(S) IF ANY (See instructions):
 JUDGE _____ DOCKET NUMBER _____

DATE: 03/29/2012
 SIGNATURE OF ATTORNEY OF RECORD: 

FOR OFFICE USE ONLY
 RECEIPT # _____ AMOUNT _____ APPLYING IFP _____ JUDGE _____ MAG. JUDGE _____