

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
FORT LAUDERDALE DIVISION**

UNITED STATES OF AMERICA,)	Case No.
)	
Plaintiff,)	
)	
v.)	
)	
KEISHA STEWART and)	
PROFESSIONAL TAX SERVICES, INC.,)	
)	
Defendants.)	
_____)	

COMPLAINT FOR INJUNCTIVE RELIEF

The plaintiff, United States of America, alleges as follows for its complaint to enjoin Keisha Stewart, individually, and her company, Professional Tax Services, Inc., from preparing tax returns in violation of the internal revenue laws.

1. The United States of America seeks to permanently enjoin the defendants from:
 - (a) preparing, filing, or assisting in the preparation or filing of, or directing the preparation or filing of, federal tax returns, amended returns, or other tax-related documents and forms, including any electronically-submitted tax returns or tax-related documents, for any entity or person other than Stewart;
 - (b) preparing, filing, or assisting in the preparation or filing of, or directing the preparation or filing of, federal tax returns or amended returns that they know will result in an understatement of tax liability or the overstatement of federal tax refunds;
 - (c) engaging in activity subject to penalty under 26 U.S.C. §§ 6694, 6695 and 6701; and

(d) engaging in conduct that substantially interferes with the proper administration and enforcement of the tax laws.

2. This action is authorized and requested by the Chief Counsel of the Internal Revenue Service, a delegate of the Secretary of the Treasury of the United States, and is commenced at the direction of the Attorney General of the United States, pursuant to 26 U.S.C. §§ 7401, 7407, and 7408.

Jurisdiction and Venue

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

4. Venue is proper in this Court pursuant to 28 U.S.C. § 1391(b) and 26 U.S.C. § 7407(a) and 7408(a) because Stewart resides within this judicial district, defendants prepare tax returns within this judicial district, and a substantial part of the events giving rise to these claims occurred within this judicial district.

Summary of Stewart's Activities

5. Stewart is an unenrolled tax preparer who has been active in the preparation of tax returns for approximately 5 years. From 2009 through 2013, Stewart has owned and operated a tax return preparer business called Professional Tax Services, Inc. with her husband, Basil Moncrieffe. Professional Tax Services, Inc. is a Florida corporation with a principal place of business located in Plantation, Florida. According to the Florida Department of State's website, <http://sunbiz.org>, the company is currently inactive.

6. Stewart has little formal tax training and allegedly learned to prepare taxes by helping out in another local business. Stewart completed one year at John Jay College in New York before relocating to Florida around 2003. Prior to owning and operating Professional Tax

Services, Inc., Stewart owned and operated Comprehensive Financial Consultant, Inc. which was dissolved in 2011 according to the Florida Department of State's website, <http://sunbiz.org>.

7. According to documents downloaded from Professional Tax Services, Inc.'s currently inactive website, protaxesandmore.com, Stewart offered step-by-step guidance "for the biggest refund guaranteed" from the American Recovery and Reinvestment Act (ARRA) Provisions, Making Work Pay Credit, Additional Child Tax Credit, Expanded Earned Income Credit, American Opportunity Tax Credit (modified HOPE Credit), Residential Energy Efficient Property Credit Limitations, Homebuyer Credit for Current Homeowners and Adoption Credit.

8. For the 2010, 2011 and 2012 tax years, Stewart prepared and filed tax returns on her customers' behalf that contained fictitious or inflated income or Schedule C business income and false education and residential energy credits. Stewart also prepared and filed returns containing false filing statuses and exaggerated dependent exemptions to claim the child and additional child credits.

9. Stewart utilized a number of methods to improperly and unlawfully understate her customers' tax liability and/or increase her customers' tax refunds, including:

- (a) Manipulating income levels in order to maximize the Earned Income Tax Credit (EITC). The Internal Revenue Code allows a tax credit for a portion of the earned income of an eligible individual. To qualify for the EITC an individual must have earned income from sources such as wages or income from a trade or business. For customers that had insufficient earned income, Stewart typically added false amounts of income as wages, with a bogus explanation such as "household help," or included fictitious Schedule C self-employment income from babysitting or hair styling.

(b) Falsely including education credits including the American Opportunity Credit and Residential Energy Credits on customers' tax returns. The American Opportunity Credit can be claimed for qualified tuition and related expenses paid by a taxpayer during a taxable year. The Residential Energy Credit can be claimed by homeowners who make energy efficient improvements to their existing homes. Stewart used the American Opportunity Credit despite knowing that neither her customers nor any of their dependents attended an educational institution or incurred any educational expenses. Stewart also claimed false Residential Energy Credits on behalf of customers who did not pay or incur any residential energy expenses or pay for any energy efficient improvements to their homes.

(c) Reporting false filing statuses and dependents of their customers on returns. Stewart falsely claimed the filing status of "head of household" for customers who were only eligible for filing as "single" or "married filing separately" in order to increase the amount of the standard deduction for those customers and improperly decrease their reported tax liabilities. Stewart also claimed dependents for customers who could not properly be claimed as dependents in order to inflate those customers' deductions for dependent exemptions. Based on these false dependents, Stewart also claimed the child and additional child tax credits on behalf of these customers.

10. The falsely claimed deductions, credits and other false items described in paragraphs 9(a)-(c) above, Stewart submitted on behalf of her customers improperly understated the customers' tax liabilities, created refunds to which they were not entitled, and understated the amount of refunds to which they were entitled.

11. Stewart's customers were typically referred to her by friends and co-workers who knew Stewart had a reputation of knowing how to "get a refund." In addition to local customers, Stewart had customers from New York, Virginia, North Carolina, Maryland, Georgia and Washington, D.C.

12. Customers generally faxed their tax information, including W-2s, Form 1099s, social security cards and receipts to Stewart, who then used this information to prepare returns containing the false deductions, credits and other false items described in paragraph 9(a)-(c) above. Stewart typically e-filed tax returns using a PIN number instead of the customers' signatures. In interviews with IRS investigators, Stewart's customers who claimed the deductions and/or credits described above stated that they never received a copy of their tax returns. According to those customers, they were unaware of the fabricated or exaggerated deductions and did not ask Stewart to claim those deductions on their returns.

13. Stewart offered prepaid mastercards for customers who did not have an account with Professional Tax Services, Inc. Customers were also required to provide a copy of a voided check to facilitate refunds. Those with prepaid cards were directed to obtain direct deposits from the issuer to facilitate refunds.

14. During an interview with the IRS on May 22, 2012, when questioned about "household income" reported as wages without W-2 support, Stewart stated that she was aware that this information was incorrect. She also stated that the education credit was taken from customers who did not attend college. She claims that she learned how to manipulate deductions and credits to increase refund amounts from another tax preparer who worked at another company known as Trinity Taxes & Multi Services.

15. Defendants have prepared at least 592 federal individual income tax returns for the 2010 tax year, 909 returns for the 2011 tax year and 721 returns for the 2012 tax year. The IRS has audited 118 of those returns and has discovered tax understatements in nearly all of these returns totaling approximately \$750,000.00. IRS audits revealed that Stewart prepared a high volume of returns containing Household Help (HSH) income on line 7 of Form 1040. 66 percent of the returns she prepared for 2010 contained this item. Of the returns audited for 2010, 99 percent resulted in refunds and 78 percent of those returns claimed the earned income tax credit. Of the returns audited for 2011, 99 percent resulted in refunds and 76 percent claimed the earned income credit. Using a conservative average tax understatement of \$2,000.00 per return – compared to the \$6,356.00 deficiency per return already audited – multiplied by an average of 800 returns per filing season, the IRS estimates over \$1.6 million in annual revenue loss to the Government.

Specific Allegations Regarding Stewart's Conduct

16. The United States re-alleges the allegations of paragraphs 1-15.

17. The returns described below demonstrate the schemes employed by Stewart on returns they prepared for their customers.

Tax Returns Prepared on Behalf of A.C.

18. A.C. resides in East Chicago, Indiana and works at Dunkin Donuts. Stewart prepared and submitted individual returns on A.C.'s behalf for the 2010 and 2011 tax years.

19. Stewart reported nonexistent Schedule C business income from babysitting on A.C.'s returns for the 2010 and 2011 tax years. By adding this nonexistent income on A.C.'s

return for those years, A.C. improperly qualified for the maximum Earned Income Tax Credit (EITC).

20. Stewart also claimed false education credits on A.C.'s returns for the 2010 and 2011 tax years even though A.C. did not take college courses during those years. A.C. was unaware that education credits were included in her returns for the 2010 and 2011 tax years and did not tell Stewart to add the income or tax credits to her returns.

21. The false tax credits Stewart reported on behalf of A.C. for the 2010 and 2011 tax years described above resulted in an understatement of A.C.'s tax liability of \$5,669.00 for the 2010 tax year and of \$3,365 for the 2011 tax year.

Tax Returns Prepared on Behalf of R.G.

22. R.G. resides in Washington, D.C. Stewart prepared and submitted a Form 1040 individual tax return on R.G.'s behalf for the 2010 tax year.

23. Stewart claimed a false filing status of "Head of Household" on R.G.'s behalf for the 2010 tax year despite R.G.'s being married to his spouse, and not being legally separated or meeting any of the requirements to qualify as Head of Household.

24. Stewart falsely claimed R.G.'s wife and son as dependents on R.G.'s return for the 2010 tax year. Neither R.G.'s wife nor son qualified as a child or relative that can be claimed as a dependent on the return. Stewart also falsely claimed as a dependent on R.G.'s return an individual living with R.G. and his spouse who did not qualify as a child or relative or met any other requirements to qualify as a dependent on the return.

25. Stewart claimed false education credits on R.G.'s return for R.G.'s spouse and son for the 2010 tax year. No one in R.G.'s household attended college in 2010 and no one in that

household informed Stewart to include the education credits on the return. R.G.'s spouse did not know how Stewart arrived at the figures for qualifying educational expenses reported on the return on her behalf and on behalf of her son.

26. The false credits and/or deductions Stewart reported on R.G.'s behalf for the 2010 tax year described above resulted in an understatement of \$5,550.00 on R.G.'s return for the 2010 tax year.

Tax Returns Prepared on Behalf of V.M.

27. V.M. resides in Capital Heights, Maryland. Stewart prepared and submitted tax returns on V.M.'s behalf for the 2010-2011 tax years.

28. V.M. was referred to Stewart by a colleague. V.M. faxed her W-2, and ID and social security cards for her dependents to Stewart who then prepared the returns. V.M. also provided a voided check to Stewart to facilitate direct deposit of refunds.

29. Stewart claimed false education credits (the Refundable American Opportunity Credit) on V.M.'s behalf for the 2010 and 2011 tax years. V.M. was not enrolled in a qualified institution during the 2010 and 2011 tax years nor did she pay or incur any education expenses during those years. V.M. did not advise Stewart to claim this credit nor was she aware that Stewart had claimed this credit on her behalf.

30. Stewart claimed false Residential Energy Credits on V.M.'s behalf for the 2010 tax year. V.M. did not pay or incur any residential energy expenses for her home or make any energy efficient improvements to her home during that year. V.M. did not advise Stewart to claim this credit nor was she aware that Stewart had claimed this credit on her behalf.

31. Stewart also omitted distributions V.M. received from a Thrift Savings Plan during the 2010 tax year from V.M.'s return for that year. V.M. provided information about the distribution but did not provide any information to Stewart to establish that the distribution would not be taxable.

32. Stewart only provided a copy of the 2010 return to V.M. She did not provide a copy of the 2011 return to V.M.

33. The false credits and/or deductions Stewart reported on V.M.'s behalf for the 2010 and 2011 tax years described in paragraphs 29 through 31, above, resulted in a tax understatement of \$6,103.00 on V.C.'s return for the 2010 tax year and of \$2,340.00 on the return for the 2011 tax year.

Tax Return Prepared on Behalf of A.T.

34. A.T. is a resident of Upper Marlboro, Maryland. Stewart prepared and submitted tax returns on A.T.'s behalf for the 2010-2011 tax years.

35. A.T. was referred to Stewart by a friend. A.T. faxed her W-2's, and social security card to Stewart who then prepared the returns. There was little-to-no communication between A.T. and Stewart concerning the returns.

36. Stewart claimed the filing status of Head of Household on R.G.'s behalf for the 2010 and 2011 tax years. A.T. lived with her parents during the 2010 and 2011 tax years. A.T. did not provide more than half the cost of keeping up a home for either tax year or meet any of the requirements to qualify as Head of Household.

37. Stewart claimed false education credits (the Refundable American Opportunity Credit) on A.T.'s return for the 2010 and 2011 tax years. A.T. did not attend a university or

vocational school during the 2010 and 2011 tax years. A.T. did not provide any documentation to Stewart to support the claimed education credits or advise Stewart to claim the education credit on her behalf for those years and was not aware Stewart had claimed the credit on her behalf.

38. Stewart claimed a false Residential Energy Credit on A.T.'s return for the 2010 tax year. A.T. did not pay or incur any residential energy expenses or pay for any energy efficient improvements to the home during the 2010 tax year. A.T. did not advise Stewart to claim this deduction on her behalf and was not aware that Stewart had claimed this credit on her behalf.

39. Stewart did not provide A.T. with a copy of her returns for the 2010 and 2011 tax years.

40. The false credits and/or deductions Stewart reported on A.T.'s returns for the 2010 and 2011 tax years described above resulted in a tax understatement of \$4,124.00 for the 2010 tax year and of \$2,590.00 for the 2011 tax year.

Tax Return Prepared on Behalf of E.G.

41. E.G. resides in North Lauderdale, Florida. Stewart prepared and submitted tax returns on E.G.'s behalf for the 2010-2011 tax years. E.G. worked as an IT technician at the time Stewart prepared her returns.

42. E.G. provided her W-2 and social security cards and birth certificates for herself and her dependents to Stewart who then prepared the returns. E.G. referred several people to Stewart to have their returns prepared.

43. Stewart claimed false education credits (the Refundable American Opportunity Credit) on E.G.'s behalf for the 2010 and 2011 tax years. E.G. did not attend any college or university during the 2010 and 2011 tax years. E.G. specifically told Stewart that she did not attend college when Stewart asked whether she attended school.

44. Stewart did not review the 2010 and 2011 returns with E.G. or provide E.G. with copies of those returns.

45. The false credits and/or deductions Stewart reported on E.G.'s returns for the 2010 and 2011 tax years described above resulted in a tax understatement of \$2,159.00 for the 2010 tax year and \$2,099.00 for the 2011 tax year.

Harm to the United States

46. Stewart has engaged in a pattern of preparing returns with fictitious or inflated income - by making up wages and withholding them from "household help" income, or fabricating Schedule C trade or business income from babysitting or hair styling - to qualify her customers to receive or to maximize the amount of the earned income tax credit (EITC). Stewart also claimed tax credits that are refundable or decrease the amount of tax on her customer's returns, including false education credits (American Opportunity Credit) and the Residential Energy Credit. In addition, Stewart claimed false head of household status on behalf of customers who did not qualify in order to maximize the amount of the standard deduction and improperly decrease her customers' reported tax liabilities. Stewart also falsely exaggerated the dependent exemption on behalf of customers and claimed the child and additional child tax credits on behalf of customers based on these exemptions.

47. Stewart's actions have caused customers to understate their tax liabilities, receive refunds they were not entitled to receive or overstate refunds to which they were entitled. The United States estimates that it has lost over \$1.6 million dollars per year from the understatement of liabilities or overstatement of refunds on returns filed by Stewart. This estimate was calculated by reviewing 118 of the over 2000 returns Stewart filed for the 2010 and 2011 tax years and determining the tax loss to the United States based on those returns and taxpayer interviews. Although the average deficiency per return was over \$6,000.00, the IRS used a conservative average tax understatement of \$2,000.00 per return multiplied by an average of 800 returns per filing season to arrive at the estimated loss.

48. Aside from the immense financial loss to the Government from lost tax revenue or erroneous refunds resulting from defendants' schemes, the United States is also harmed by their improper conduct because the United States must devote scarce resources to detect and examine improper returns prepared and filed by Stewart on behalf of defendants' customers. The United States must also expend valuable resources in an attempt to assess and collect the unpaid taxes from or erroneous refunds issued to defendants' customers.

COUNT I
INJUNCTION UNDER 26 U.S.C. § 7407 FOR CONDUCT
SUBJECT TO PENALTY UNDER 26 U.S.C. §§ 6694 AND 6695

49. The United States incorporates by reference the allegations in paragraphs 1 through 48 as if fully set forth herein.

50. Section 7407 of the Internal Revenue Code authorizes a district court to enjoin a person who is a tax return preparer from engaging in certain prohibited conduct or from further

acting as a tax return preparer. The prohibited conduct justifying an injunction includes, inter alia, the following:

- (a) Engaging in conduct subject to penalty under 26 U.S.C. § 6694(a), which penalizes a tax return preparer who prepares a return that contains an understatement of tax liability or an overstatement of a refund due to an unreasonable position that the return preparer knew or should have known was unreasonable;
- (b) Engaging in conduct subject to penalty under 26 U.S.C. § 6694 (b), which penalizes a return preparer who prepares a return that contains an understatement of tax liability or overstatement of a credit or refund which is due to a willful attempt to understate the liability for tax or reckless or intentional disregard of rules or regulations;
- (c) Engaging in conduct subject to penalty under 26 U.S.C. § 6695(a), which penalizes a tax return preparer for failing to furnish the preparer's customer with a complete copy of the tax return or claim for refund not later than when the return or claim is presented for the customer's signature;
- (d) Engaging in conduct subject to penalty under 26 U.S.C. § 6695(g), which penalizes a tax provider for failing to exercise due diligence in determining eligibility for the Earned Income Tax Credit (EITC); and
- (e) Engaging in any other fraudulent or deceptive conduct which substantially interferes with the proper administrations of the Internal Revenue laws under 26 U.S.C. § 7407(b).

51. Under 26 U.S.C. § 7407(b), in order for a court to issue such an injunction, the court must find that:

- (a) The tax return preparer engaged in the prohibited conduct; and
- (b) Injunctive relief is appropriate to prevent the recurrence of such conduct.

52. If a tax return preparer's conduct is continual or repeated and the court finds that a narrower injunction (i.e., against only the conduct) would not be sufficient to prevent the preparer's interference with the proper administration of the internal revenue laws, the court may permanently enjoin the person from acting as a tax return preparer. *See* 26 U.S.C. § 7407(b).

53. As described above, defendants have continually and repeatedly engaged in conduct subject to penalty under 26 U.S.C. § 6694 by preparing returns that understate the filers' tax liabilities and overstate their refunds based on unreasonable and reckless positions. Stewart has prepared returns that have claimed false or inflated income in order to claim EITC credits to which her customers were not entitled or to maximize those credits. Stewart has also falsely claimed the American Opportunity Credit and the Residential Energy Credit on her customers' returns. And Stewart has reported false filing statuses and dependents on her customers' returns to claim inflated deductions, exemptions and credits. Stewart did so with the knowledge that the positions she took on the returns were unreasonable and lacked substantial authority. Stewart has thus engaged in conduct subject to penalty under 26 U.S.C. § 6694(a).

54. Additionally, defendants engaged in conduct subject to penalty under 26 U.S.C. § 6694(b) by willfully understating their customers' liability and acting with a reckless and intentional disregard of rules and regulations.

55. Defendants have also continually and repeatedly engaged in conduct subject to penalty under 26 U.S.C. § 6695(a) by failing to furnish copies of returns to the taxpayers as required by 26 U.S.C. § 6107(a).

56. Defendants have also engaged in conduct subject to penalty under 26 U.S.C. § 6695(g) by failing to exercise due diligence in determining eligibility for the EITC.

57. Defendants have continually and repeatedly engaged in conduct that violates 26 U.S.C. §§ 6694 and 6695 and which substantially interferes with the administration of the internal revenue laws. It is therefore necessary to enjoin defendants from continuing to prepare federal tax returns because, absent an injunction, defendants are likely to continue preparing false and fraudulent returns on behalf of their customers.

58. A narrower injunction only against defendants' conduct – as opposed to enjoining their activity as tax return preparers – would be insufficient to prevent defendants' interference with the administration of the federal tax laws. Stewart, through Professional Tax Services, Inc., has employed a number of schemes during an extended period of time that resulted in harm in excess of \$1.6 million per year. It is unlikely that a narrow injunction could encompass all of those schemes. Indeed, it is likely that the IRS has not yet identified all of the defendants' schemes used to understate their customers' liabilities or overstate tax refunds. Moreover, failure to permanently enjoin defendants will require the IRS to spend additional resources to uncover all of defendants' future schemes. Accordingly, only a permanent injunction is sufficient to prevent future harm. Stewart should be permanently enjoined from acting as a tax return preparer.

**COUNT II:
INJUNCTION UNDER 26 U.S.C. § 7408
FOR CONDUCT SUBJECT TO PENALTY UNDER 26 U.S.C. § 6701**

59. The United States incorporates by reference the allegations contained in paragraphs 1 through 58 as if fully set forth herein.

60. Section 7408 of the Internal Revenue Code authorizes a district court to enjoin any person from engaging in conduct subject to penalty under 26 U.S.C. § 6701 if it finds that the person has engaged in, and that injunctive relief is appropriate to prevent reoccurrence of, this conduct. Section 6701 penalizes a person who aids or assists in the preparation of any portion of a tax return when the person knows or has reason to believe that such portion will be used in connection with a material matter arising under the internal revenue laws and will result in a material understatement of the tax liability of another person.

61. Defendants have engaged in conduct subject to penalty under 26 U.S.C. § 6701 by preparing or directing the preparation of income tax returns that claim credits Stewart knew that the taxpayer was not eligible to take, and by preparing returns that claim items of income, deductions and exemptions she knew to be false or inflated.

62. Defendants' repeated actions such as those described in paragraphs 8 through 45, above, fall within 26 U.S.C. § 7408(c)(1), and injunctive relief is appropriate to prevent recurrence of this conduct.

63. Accordingly, defendants should be permanently enjoined from preparing any returns that improperly claim false or inflated deductions, exemptions and/or credits.

COUNT III
INJUNCTION UNDER 26 U.S.C. §7402 FOR UNLAWFUL INTERFERENCE
WITH THE ENFORCEMENT OF INTERNAL REVENUE LAWS

64. The United States incorporates by reference the allegations contained in paragraphs 1 through 63.

65. Section 7402(a) of the Internal Revenue Code authorizes a court to issue orders of injunction as may be necessary or appropriate for the enforcement of internal revenue laws.

66. As described above, defendants have repeatedly and continually engaged in conduct that interferes substantially with the administration and enforcement of internal revenue laws.

67. If Stewart continues to act as a tax return preparer, defendants' conduct will result in irreparable harm to the United States, and the United States has no adequate remedy at law.

68. Defendants' conduct has caused and will continue to cause substantial tax losses to the United States Treasury, much of which may be undiscovered and unrecoverable. Moreover unless defendants are enjoined from preparing returns, the IRS will have to devote substantial and unrecoverable time and resources auditing their customers individually to detect false, fraudulent, or overstated deductions, exemptions or credits in future returns, assessing any deficiencies against the customers, and collecting any deficiencies or recovering any erroneous refunds issued.

69. The United States has no other adequate remedy at law besides a permanent injunction to prevent the harm defendants will continue to cause through preparation of a large volume of erroneous returns which generate substantial tax losses. Much of these tax losses will never be discovered. Of those that are discovered, the United States will be unable to recover all

those losses through the typical notice and collection procedures available to it. In any event, none of the significant resources necessary to discover and recover these losses are themselves recoverable by the United States.

70. The irreparable harm to the United States without the injunction far outweighs any harm the injunction might cause defendants. Defendants' business and income are derived largely from the preparation of fraudulent income tax returns, which is not an interest that this Court should over weigh in deciding whether to issue a permanent injunction. Moreover, defendants will be able to pursue other financial endeavors to support themselves, but the United States cannot recover the additional moneys lost if defendants are allowed to continue preparing tax returns.

71. It will be strongly in the public interest to enjoin defendants from continuing to prepare tax returns so as to put a stop to their abusive schemes which have thus far generated potentially over \$1.6 million dollars annually in tax loss. The public is best served by having only ethical and honest tax return preparers in business. Permanently enjoining the defendants would also ensure that members of the public are not unknowingly subject to defendants' fraudulent return preparation practices, which in turn could subject them to audits by the IRS, liabilities for additional taxes, interest and penalties, and IRS collection actions.

72. The public interest is also served by having each person voluntarily pay the full amount of taxes that they owe and by having the government collect the full amount of taxes to which it is entitled. This prevents those people whose tax returns are correctly prepared from shouldering a greater portion of the tax burden at the expense of people whose tax returns were fraudulently prepared.

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

A. That the Court find that defendants have repeatedly and continually engaged in conduct subject to penalty under 26 U.S.C. §§ 6694 and 6695 and that injunctive relief is appropriate under 26 U.S.C. § 7407 to prevent recurrence of that conduct;

B. That the Court find that defendants have repeatedly and continually engaged in conduct subject to penalty under 26 U.S.C. § 6701 and that injunctive relief is appropriate under 26 U.S.C. § 7408 to prevent recurrence of that conduct;

C. That the Court find that defendants have repeatedly and continually engaged in conduct that substantially interferes with the proper enforcement and administration of the internal revenue laws, and that injunctive relief against them is appropriate to prevent the recurrence of that conduct pursuant to 26 U.S.C. § 7402(a);

D. That the Court enter a permanent injunction prohibiting defendants or any other person working in concert or participation with them from directly or indirectly:

(1) preparing, filing, or assisting in the preparation or filing of, or directing the preparation or filing of, federal tax returns, amended returns, or other tax-related documents and forms, including any electronically-submitted tax returns or tax-related documents, for any entity or person other than Stewart;

(2) preparing, filing, or assisting in the preparation or filing of, or directing the preparation or filing of, federal tax returns or amended returns that they know will result in an understatement of tax liability or the overstatement of federal tax refunds;

(3) engaging in activity subject to penalty under 26 U.S.C. §§ 6694, 6695, and 6701; and

(4) engaging in conduct that substantially interferes with the proper administration and enforcement of the tax laws;

E. That the Court enter an injunction requiring:

(1) Defendants, at their own expense, to send by United States mail, a copy of the final injunction entered against defendants in this action, as well as a copy of the Complaint setting forth the allegations as to how defendants fraudulently prepared federal income tax returns, to each person for whom they prepared federal income tax returns or any other federal tax forms after January 1, 2009;

(2) Defendants to turn over to the United States copies of all returns or claims for refund that they prepared after January 1, 2009;

(3) Defendants to turn over to the United States a list with the name, address, telephone number, email address, and social security number or other taxpayer identification number of all customers for whom she prepared returns after January 1, 2009;

(4) Stewart to file a sworn statement with the Court evidencing her compliance with the foregoing directives within forty-five (45) days of entry of the final injunction in this action; and

(5) Defendants to keep records of their compliance with the foregoing directives, which may be produced to the Court, if requested, or the United States pursuant to paragraph F, below;

F. That the Court enter an order allowing the United States to monitor defendants' compliance with the injunction and to engage in post-judgment discovery in accordance with the Federal Rules of Civil Procedure; and

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

Respectfully submitted,

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