

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

CASE NO. 0:24-cv-60495-LEIBOWITZ/AUGUSTIN-BIRCH

UNITED STATES OF AMERICA,

Plaintiff,

v.

**DEXTER BATAILLE, d/b/a
CAPITAL FINANCIAL GROUP
HOLDINGS LLC,**

Defendant.

PERMANENT INJUNCTION BY STIPULATION AND ORDER OF DISGORGEMENT

THIS CAUSE is before the Court on the parties' Joint Motion for Entry of Stipulated Injunction Against Defendant Dexter Bataille (the "Motion") [ECF No. 14], filed on September 26, 2024. Upon due consideration, it is **ORDERED AND ADJUDGED** the Motion [ECF No. 14] is **GRANTED**. A Permanent Injunction against Defendant Dexter Bataille, d/b/a Capital Financial Group Holdings LLC, is entered as follows.

Having considered the Stipulation for Entry of Permanent Injunction against Dexter Bataille, individually and doing business as Capital Financial Group Holdings LLC, ("Capital Financial"), and good cause being shown, the Court finds:

1. The United States of America filed a complaint for permanent injunction under 26 U.S.C. §§ 7402(a), 7407, and 7408(a), against Dexter Bataille, individually and doing business as Capital Financial.

2. Dexter Bataille admits that, for purposes of this Permanent Injunction, the Court has jurisdiction pursuant to 28 U.S.C. §§ 1340 and 1345 and 26 U.S.C. § 7402(a).

3. Dexter Bataille, without admitting any allegations in the United States' complaint, waives the entry of findings of fact and conclusions of law under Rules 52 and 65 of the Federal Rules of Civil Procedure, consents to the entry of this Permanent Injunction, and agrees to be bound by its terms.

4. Dexter Bataille further understands and agrees that:

- A. The attached Permanent Injunction will be entered under Rule 65 of the Federal Rule of Civil Procedure and will result in the entry, without further notice, of a final judgment in this matter;
- B. Dexter Bataille waives the right to appeal from the Permanent Injunction;
- C. The parties will bear their own costs, including any attorneys' fees or other expenses of this litigation;
- D. The Court will retain jurisdiction over this matter for the purpose of implementing and enforcing the Permanent Injunction;
- E. If Dexter Bataille, Capital Financial, or any persons employed, contracted, or acting in concert with Dexter Bataille or Capital Financial violate the Permanent Injunction, they may be subject to civil and criminal sanctions for contempt of court;
- F. If Dexter Bataille fails to timely pay the disgorgement required by this order, they may be subject to civil and criminal sanctions for contempt of court;
- G. In addition to the specific directives in the Permanent Injunction, Dexter Bataille and Capital Financial have an obligation to preserve all pertinent

documents in their possession, including tax returns, informational returns, correspondence, working papers, or any other documents connected to their tax preparation activities, whether stored electronically or on paper, as required by the Internal Revenue Code;

- H. The United States may conduct full post-judgment discovery to monitor compliance with the Permanent Injunction;
- I. Entry of the Permanent Injunction resolves only this civil action, and neither precludes the government from pursuing any other current or future civil or criminal matters or proceedings, nor precludes Dexter Bataille from contesting their liability in any matter or proceeding.

I. It is hereby **ORDERED AND ADJUDGED**, pursuant 26 U.S.C. §§ 7402(a), 7407, and 7408, that Dexter Bataille, Capital Financial, and any entity through which Dexter Bataille conducts business, and all persons and entities in active concert or participation with Dexter Bataille, are **PERMANENTLY ENJOINED** from directly or indirectly:

- A. Preparing, assisting in the preparation of, or directing the preparation of federal tax returns, amended returns, or other tax-related documents or forms, including any electronically submitted tax returns or tax-related documents, for any entity or person other than himself;
- B. Filing, assisting in the filing of, or directing the filing of federal tax returns, amended returns, or other tax-related documents or forms, including any electronically submitted tax returns or tax-related documents, for any entity or person other than himself;

- C. Using, maintaining, renewing, obtaining, transferring, selling, or assigning any PTIN or EFIN;
 - D. Owning, operating, managing, profiting from, working in, investing in, providing capital or loans to, receiving fees or remuneration from, controlling, licensing, consulting with, franchising, or volunteering at a business that prepares or assists in the preparation of tax returns, amended returns, or other tax-related documents or forms, including any electronically submitted tax returns or tax-related documents;
 - E. Transferring, selling, or assigning his customer lists and/or customer information;
 - F. Training, instructing, teaching, creating, or providing guides, memoranda, directions, instructions, or manuals, pertaining to the preparation of federal tax returns;
 - G. Engaging in activity subject to penalty under 26 U.S.C. §§ 6694, 6695, and/or 6701; and
 - H. Engaging in conduct that substantially interferes with the proper administration and enforcement of the tax laws.
- II. It is **FURTHER ORDERED** that Dexter Bataille, at his own expense, is required:
- A. To prominently post, within ten (10) days of entry of the final Permanent Injunction in this action, a copy of the Permanent Injunction at his and Capital Financial's places of business, including where tax returns were prepared by himself or his and/or Capital Financial's employees, contractors, or franchisees;

B. To post, within ten (10) days and in a prominent location, on all social media accounts and websites used to advertise Dexter Bataille or Capital Financial's tax preparation services, a statement that they have been permanently enjoined from the preparation of tax returns and a hyperlink to any press release regarding the Permanent Injunction that the Department of Justice may issue; to set all business email addresses used by Dexter Bataille or Capital Financial for tax preparation services to auto-reply to all received emails with a statement that they have been permanently enjoined from the preparation of tax returns and a hyperlink to any press release regarding the Permanent Injunction that the Department of Justice may issue; and to change the voicemail message on all business phones used by Dexter Bataille and Capital Financial's tax preparation services to a statement that Dexter Bataille and Capital Financial have been permanently enjoined from the preparation of tax returns. Dexter Bataille and Capital Financial will maintain the posts required by this paragraph on their social media accounts for one year, after which they will close the accounts. Dexter Bataille and Capital Financial will close their websites, business phones, and email addresses used for their tax preparation services within 30 days of entry of the final Permanent Injunction in this action. Once closed, the websites, social media accounts, business phones, and emails of both Dexter Bataille and Capital Financial are no longer required to carry the posts and messages described in this paragraph. In the alternative, Dexter Bataille and Capital Financial may immediately close all business websites, social media accounts, business phones, offices, and email accounts. Once closed, the

business websites, social media accounts, business phones, offices, and email accounts shall no longer be required to carry the posts and messages described herein. With regard to the offices, Dexter Bataille and Capital Financial shall keep the Permanent Injunction posted as described in paragraph II.A of the stipulated Permanent Injunction until all business signage has been removed and the lease has been terminated;

- C. To file a sworn statement with the Court evidencing Dexter Bataille and Capital Financial's compliance with the foregoing directives within forty-five (45) days of entry of the final Permanent Injunction in this action; and
- D. To keep records of Dexter Bataille and Capital Financials' compliance with the foregoing directives, which may be produced to the Court, if requested, or the United States, *infra*.

III. It is **FURTHER ORDERED** that:

- A. Any and all PTINs held by, assigned to, or used by Dexter Bataille or any persons employed, contracted, or acting in concert with Dexter Bataille or Capital Financial pursuant to 26 U.S.C. § 6109, as well as any and all EFINs held by, assigned to, or used by the Dexter Bataille, Capital Financials or any of its employee, contractors or associates, are hereby revoked without further proceedings;
- B. Pursuant to 26 U.S.C. § 7402(a) and 7407, Dexter Bataille, individually and doing business as Capital Financial, shall permanently close within 30 days all tax return preparation stores, tax preparation training businesses, and tax preparation software businesses that he currently owns directly or through any

entity, and shall not thereafter open or reopen any tax return preparation stores, tax preparation training businesses, or tax preparation software businesses;

C. Pursuant to 26 U.S.C. § 7402(a), Dexter Bataille and Capital Financial are prohibited from assigning, transferring, or selling a list of tax preparation or tax preparation software customers or any other customer information pertaining to any business through which Dexter Bataille or those acting at his direction have prepared a tax return;

IV. It is **FURTHER ORDERED** that, pursuant to 26 U.S.C. § 7402(a), Dexter Bataille shall disgorge to the United States One Hundred Thirty-Four Thousand Four Hundred Dollars (\$134,400.00) of the ill-gotten profits that he has obtained (in the form of fees charged to customers) for the preparation of federal tax returns that make grossly incompetent, negligent, reckless, and/or fraudulent claims. If Dexter Bataille fails to timely pay any amount due in accordance with the terms of the parties' agreement, the United States may take post-judgment discovery under Rule 69 of the Federal Rules of Civil Procedure regarding Dexter Bataille's income and assets and any other potential sources of payment. Furthermore, if Mr. Bataille fails to comply with these payment terms, he may face sanctions for contempt of court. The United States may invoke the Court's inherent equitable authority to enforce the disgorgement amount in the event of contempt.

V. It is **FURTHER ORDERED** that the United States may monitor Dexter Bataille and Capital Financial's compliance with this Permanent Injunction through formal and informal discovery, including but not limited to requests for the production of documents, interrogatories, and depositions in accordance with the Federal Rules of Civil Procedure;

VI. It is **FURTHER ORDERED** that the Court shall retain jurisdiction over Dexter Bataille and this action to enforce the Permanent Injunction and any other injunction entered.

VII. The **Clerk of Court** is directed to **CLOSE** this case.

DONE AND ORDERED in the Southern District of Florida on September 26, 2024.


DAVID S. LEIBOWITZ
UNITED STATES DISTRICT JUDGE

cc: counsel of record