

IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF KANSAS

UNITED STATES OF AMERICA,	)	
	)	
Plaintiff,	)	
	)	
v.	)	Civil No. 2:17-cv-2164
	)	
EVERETT BIAS and	)	
INTEGRITY SOLUTIONS TAX	)	
CONSULTANTS, INC.,	)	
	)	
Defendants.	)	

**COMPLAINT FOR PERMANENT INJUNCTION AND OTHER RELIEF**

Plaintiff, the United States of America, for its complaint against Everett Bias and Integrity Solutions Tax Consultants, Inc., states as follows:

1. The United States brings this complaint pursuant to 26 U.S.C. (the Internal Revenue Code (“I.R.C.”)) §§ 7402(a), 7407, and 7408 to enjoin Everett Bias (“Bias”) and Integrity Solutions Tax Consultants, Inc. (“ISTC”), and anyone in active concert or participation with them, from:

- a. Acting as a federal tax return preparer or requesting, assisting in, or directing the preparation or filing of federal tax returns, amended returns, or other related documents or forms for any person or entity other than themselves;
- b. Preparing or assisting in preparing federal tax returns that they know or reasonably should know would result in an understatement of tax liability or the overstatement of federal tax refund(s) as penalized by 26 U.S.C. § 6694;
- c. Owning, operating, managing, working in, investing in, providing capital or loans to, receiving fees or remuneration from, controlling, licensing, consulting with, or franchising a tax return preparation business;

- d. Maintaining, assigning, holding, using, or obtaining a Preparer Tax Identification Number (PTIN) or an Electronic Filing Identification Number (EFIN);
- e. Engaging in any other activity subject to penalty under 26 U.S.C. §§ 6694, 6701, or any other penalty provision in the Internal Revenue Code; and
- f. Engaging in any conduct that substantially interferes with the proper administration and enforcement of the internal revenue laws.

#### **Authorization**

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

#### **Jurisdiction And Venue**

3. Jurisdiction is conferred on this Court by 28 U.S.C. §§ 1340 and 1345 and I.R.C. § 7402.

4. Venue is proper in this Court under 28 U.S.C. §§ 1391(b)(1) and (2) because Bias resides in this district and a substantial portion of the activities occurred within this district.

#### **Background**

5. Bias is a tax return preparer and owner of Integrity Solutions Tax Consultants, Inc., and uses a Preparer Tax Identification Number (“PTIN”) in Bias’ name and Electronic Filing Identification Number (“EFIN”) in the name of ISTC, with Bias listed as the contact person) to file tax returns for customers.

6. At all times mentioned in this complaint, Bias resided and currently resides in Olathe, Kansas.

7. ISTC is a tax return preparation business that was organized as a for profit corporation in the State of Kansas in December 2002. ISTC has a mailing address of 11234 S. Aminda St., Olathe, Kansas 66061.

8. The conduct alleged in this complaint concerning Bias is the same conduct imputed to ISTC because Bias acts through ISTC.

9. Bias prepares and files federal income tax returns for customers in the Kansas City, Kansas and Kansas City, Missouri metropolitan areas. Bias has been preparing tax returns since approximately 1993.

10. Bias has a bachelor's degree in Mechanical Engineering from Miami Dade College. Bias has no formal education in accounting or taxation.

11. Bias has generated business through word-of-mouth referrals from his church and community and has filed hundreds of false federal income tax returns for customers in the Kansas City, Kansas and Kansas City, Missouri metropolitan areas.

12. Since at least 2008, Bias has prepared and filed hundreds of false federal tax returns to understate his customers' true tax liabilities and/or obtain significant refunds for his customers. Bias profits from preparing and filing such fraudulent tax returns by charging his customers fees for his services.

### **S Corporation Scheme**

13. S corporations are small business corporations that are not taxed at the corporate level. (*See* I.R.C. §§ 1361-1362.) Rather, the S Corporation's items of income, deduction, loss, or credit ("income and deductions") retain their character and are taxed only at the shareholder level. Thus, for federal income tax purposes, S Corporations are taxed similarly to partnerships

in that there is only one level of taxation, and that the tax results of the S Corporation's operations "flow-through" to its shareholders' individual income tax returns (Forms 1040).

14. The S corporation reports its income and deductions on a Form 1120S ("U.S. Income Tax Return for an S Corporation"). The S Corporation reports each shareholder's share of its income and deductions on a form known as a Schedule K-1 (Form 1120S). This Schedule K-1 must be provided by the S Corporation to the shareholder and included with the shareholder's Form 1040 tax return as a component in determining the shareholder's Form 1040 tax liability.

15. Bias uses Forms 1120S returns in several different ways to perpetuate fraud on the United States. First, Bias records a customer's S Corporation's income on the Form 1120S, which is required to be reported to the customer on a Schedule K-1 as stated above. However, Bias does not attach the Schedule K-1 to the Form 1040 tax return and omits the S Corporation's income from the customer's Form 1040 return, thus understating the customer's federal income tax liability. Second, Bias falsely understates an S Corporation's income, after inflated deductions, on its Form 1120S. This false flow-through income is then reported on the shareholder's Form 1040 tax return so that the shareholder's Form 1040 tax liability is improperly understated. Third, Bias uses an S Corporation structure to execute a bogus "double dipping" tax scheme. For example, when a customer pays personal mortgage interest and property taxes, such personal expenses are generally permitted as itemized deductions and reported on a Schedule A (Form 1040, Schedule A, Itemized Deductions). Bias deducts personal expenses twice – once on the Form 1120S return to reduce income flowing through to the shareholder and again on the Form 1040 tax return to reduce taxable income. Fourth, Bias

prepares and files Form 1120S tax returns for a customer even when he or she does not own or operate a business. For example, if a customer has made a personal financial investment, Bias will concoct an S corporation and prepare and file a Form 1120S for that corporation. On the Form 1120S, Bias claims no corporate income and improperly deducts personal expenses as business expenses (*e.g.*, the use of a personal vehicle as a business vehicle), to reduce the flow-through income to the customer.

16. In summary, Bias, through ISTC, fraudulently prepares and files Form 1120S tax returns to either lower his customers' income tax liability or obtain tax refunds that they would not otherwise be entitled to receive. Bias thus understates customers' federal tax liabilities by using S corporations to either not report the flow-through income, misreport the flow-through income by improperly reducing it, or eliminate the flow-through income by claiming false deductions. Bias and ISTC personally profit from preparing and filing such tax returns by charging their customers fees for their services.

#### **Bogus Schedule A Deductions**

17. Bias, through ISTC, also claims bogus Schedule A (Form 1040, Schedule A, Itemized Deductions) deductions on his customers' returns to fraudulently reduce their taxable income.

18. Bias prepares tax returns for customers that include Schedules A making false claims for purported unreimbursed employee business expenses. Section 162 of the Internal Revenue Code governs trade or business expenses. Bias often claims deductions for fabricated, inflated, and/or non-qualifying business expenses.

19. Bias also makes false claims for medical and dental expenses on his customers' Schedules A.

### **Fabricated Schedule C Business Income and Expenses**

20. Individual taxpayers who operate a business as a sole proprietorship are required to report the profit or loss from that business on a Schedule C (Form 1040, Schedule C, "Profit or Loss from Business") included with their federal income tax return. When the gross income of a business exceeds its claimed expenses, the Schedule C will report a profit. The net figure, whether it is a profit or a loss, is a component of a taxpayer's adjusted gross income (along with wage income, interest income, dividends, gains or losses for property sales, etc.).

21. Bias, through ISTC, prepares returns that understate his customers' tax liabilities by fabricating Form 1040 Schedule C businesses and losses.

22. Bias prepares returns that fabricate Schedule C losses for his customers by simply concocting a business for a taxpayer who does not own or operate a business. He then fabricates income and expenses for the fictitious business.

### **Examples Of Bias' Widespread Penalty Conduct Committed Through ISTC**

#### **Customer 1**

23. Bias prepared Customer 1's ("C1") 2014 Form 1040 tax return and Form 1120S return. C1 is the owner of Business 1 ("B1"). Bias claimed on B1's 2014 Form 1120S return that it received ordinary business income of \$110,329. Bias, however, did not attach a corresponding Schedule K-1 to the Form 1040 tax return and did not report the \$110,329 flow-through income from B1 on C1's 2014 Form 1040 tax return. As a result of this failure to report

this income, Bias reduced C1's reported taxable income on his Form 1040 tax return, which allowed Bias to claim a bogus refund of \$5,153 for C1.

### **Customer 2**

24. Bias prepared Customer 2's ("C2") 2013 Form 1040 federal income tax return (with C2's spouse) and Form 1120S return. C2 is the owner of Business 2 ("B2"). C2 provided Bias with the Forms 1099 received by B2 that demonstrated the income received by B2 in 2013. Bias claimed on B2's 2013 Form 1120S return that it received ordinary business income of \$40,037. Bias, however, only reported flow-through income of \$33,141 from B2 on C2's 2013 1040 federal income tax return. As a result of this failure to report this income, Bias reduced C2's reported taxable income on his Form 1040 federal income tax return, which allowed Bias to claim a decreased tax liability for C2 and his spouse.

### **Customers 3 & 4**

25. Bias prepared Customer 3 ("C3") and Customer 4's ("C4") 2013 Form 1040 federal joint income tax return. Bias also prepared the Form 1120S return and Amended Form 1120S for Business 3 ("B3"), a company that C3 owns. For tax year 2013, B3 did not make any contributions for any employee under a qualified pension, profit-sharing, or any other deferred compensation plan, nor did B3 pay any deductible benefits to employees. However, Bias filed an Amended Form 1120S for B3 for 2013 that falsely claimed a \$3,000 deduction for a pension or profit sharing plan and a \$9,514 deduction for employee benefit programs. By reporting these fabricated deductions, Bias fraudulently reduced the amount of B3's ordinary income, which in turn reduced the amount of C3 and C4's taxable earned income reported on their Form 1040 tax return for the 2013 tax year. This allowed Bias to decrease the amount of C3 and C4's tax

liability for 2013. Furthermore, C3 and C4 did not incur any employee business expenses in 2013. Bias, however, falsely claimed on C3 and C4's Schedule A that that they incurred \$1,483 in unspecified unreimbursed employee business expenses in 2013. By reporting this fabricated deduction, Bias unlawfully reduced C3 and C4's reported taxable income, resulting in a decreased tax liability in 2013.

### **Customers 5 & 6**

26. Bias prepared Customers 5 ("C5") and Customer 6's ("C6") 2013 and 2014 federal joint income tax returns. C5 and C6 did not incur any employee business expenses in either 2013 or 2014. Bias, however, falsely claimed on their Schedule A that they incurred \$765 in unspecified unreimbursed employee business expenses in 2013, and \$1,031 in unspecified unreimbursed employee business expenses in 2014. Also, C5 and C6 made no more than \$23,000 in charitable contributions during the 2014 tax year, yet Bias falsely claimed that they gave \$29,119 to charity in 2014. By reporting these fabricated and inflated deductions, Bias fraudulently reduced C5 and C6's reported taxable income, resulting in a bogus refund of \$2,503 in 2013 and a decreased tax liability in 2014.

### **Customer 7**

27. Bias prepared Customer 7's ("C7") Form 1040 federal income tax returns (with C7's spouse) and Form 1120S returns for the 2011 and 2012 tax years. C7 is the 100% shareholder of Business 4 ("B4"), an S corporation that operates as a law firm. Bias improperly claimed deductions on B4's Form 1120S returns. For example, Bias concocted a "research fee" of \$10,285 that he claimed as a business loss on B4's Form 1120S return for 2011. Bias also claimed "bad debt" deductions for uncollectable money owed to B4 on B4's Forms 1120S for



both 2011 and 2012, despite the fact that B4 did not record the uncollected fees as unrealized gross income to her business. Furthermore, Bias deducted a rent expense of \$4,066 on B4's Form 1120S return for 2011, even though B4 had no rental expenses for that tax year. By reporting these fabricated deductions, Bias fraudulently reduced the amount of B4's ordinary income, which in turn fraudulently reduced the amount of C7's taxable earned income for both the 2011 and 2012 tax years. This allowed Bias to claim bogus refunds for C7 of \$4,670 for 2011 and \$3,724 for 2012.

### **Customers 8 & 9**

28. Bias prepared Customer 8 ("C8") and Customer 9's ("C9") 2010 and 2011 Form 1040 joint tax returns. C8 and had no medical and dental expenses in 2010 and 2011. Bias, however, falsely claimed on C8 and C9's returns that they incurred \$6,810 in medical and dental expenses in 2010, and \$7,508 in medical and dental expenses in 2011. These deductions fraudulently reduced C8 and C9's reported taxable income, resulting in a much smaller tax liability than should have been owed for 2010, and a bogus \$342 refund for 2011.

### **Customer 10**

29. Bias prepared Customer 10's ("C10") 2010 Federal Form 1040 tax return. C10 provided Bias with copies of her Form W-2 that she received from her employer. C10 also received income from oil royalties. Bias told C10 that if she had income from royalties, then she could report a Schedule C "energy business" ("B5"). But C10 did not run an energy business. For the 2010 tax year, Bias claimed gross income of \$3,772 for B5 and fraudulently concocted expenses totaling \$13,515, including advertising (\$283), car and truck expenses (\$2,582), depreciation (\$3,857), offices expenses (\$414), repairs and maintenance (\$217), supplies (\$117),

travel (\$3,725), meals and expenses (\$735), utilities (\$1,080), and “other” expenses (\$505), which resulted in a bogus \$10,884 loss claim for the non-existent business. C10 did not pay or incur any business expenses related to her phony Schedule C business for the 2010 tax year, and was not aware that Bias claimed such expenses. Bias also falsely reported on the Schedule A attached to C10’s 2010 income tax return that C10 incurred \$2,557 in unreimbursed employee business expenses for a home office, which she did not incur. C10 also made no cash or check charitable contributions in 2010, yet Bias fraudulently claimed that C10 donated \$8,717 in cash or check contributions to charity 2010. As a result of Bias’ false deductions, C10’s taxable income for 2010 was fraudulently lowered by over \$21,000, resulting in a much smaller tax liability than Bias should have reported.

#### **Harm to the United States**

30. Bias and ISTC harm the United States because the returns they prepare misreport their customers’ tax liabilities and claim refunds those customers are not entitled to receive.

31. The IRS has examined 200 tax returns prepared by or attributable to Bias and ISTC from tax years 2009-2013 and calculated a tax loss to the government of at least \$828,506. Out of these 200 tax returns, the IRS examined 130 Form 1040 tax returns. The IRS found that the defendants understated their customers’ liabilities or overstated their refund on 117 of the 130 Form 1040 tax returns (90%).

32. The scope of Bias’ and ISTC’s misconduct is longstanding. Bias has been preparing tax returns through ISTC continuously since 2008. The IRS estimates that since 2008 Bias and ISTC have filed more than 2,100 tax returns (income and corporate) on behalf of his customers. Over this time, Bias’ and ISTC’s fraudulent conduct has continued unabated.

33. Bias' and ISTC's customers have been harmed because they paid fees to prepare proper tax returns, but Bias and ISTC have prepared returns that substantially understated their customers' correct tax liabilities or created or inflated improper refunds. Many customers now face large income tax deficiencies and may be liable for sizable penalties and interest.

34. In addition to the direct harm caused by preparing tax returns that understate their customers' tax liabilities and/or overstate their refunds, Bias' and ISTC's misconduct harms the public at large by undermining public confidence in the federal tax system and encouraging widespread violations of the internal revenue laws.

35. As a result of Bias' and ISTC's activities, the United States is harmed because the IRS must devote some of its resources to identifying their customers, ascertaining their correct tax liabilities, pursuing refunds erroneously issued, and collecting additional taxes and penalties.

36. Bias' and ISTC's illegal conduct also causes intangible harm to honest tax return preparers, because by preparing returns that falsely or fraudulently inflate their customers' refunds, Bias and ISTC gain an unfair competitive advantage over tax return preparers who prepare returns in accordance with the law and who as a result may have fewer customers.

**COUNT I: Injunction Under 26 U.S.C. § 7407**

37. The United States incorporates by reference the allegations in paragraphs 1 through 36.

38. Section 7407 of the Internal Revenue Code authorizes a district court to enjoin a tax return preparer from specified misconduct (which is described in IRC §§ 6694 and 6695, and IRC § 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 the person's interference with the proper administration of the internal revenue laws, the court may enjoin the person from acting as a federal tax return preparer.

39. In order for a court to issue such an injunction, the court must find: (1) that the preparer has engaged in conduct subject to penalty under I.R.C. § 6694; and (2) that injunctive relief is appropriate to prevent the occurrence of the conduct.

40. Under I.R.C. § 6694(a), 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.

41. Under I.R.C. § 6694(b), a tax return preparer is subject to penalty 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.

42. Under I.R.C. § 7701(a)(36), a "tax return preparer" is defined 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.

43. Bias and ISTC are return preparers.

44. Bias and ISTC have continually and repeatedly engaged in conduct subject to penalty under I.R.C. § 6694 by preparing federal income tax returns that understate their customers' liabilities for which they knew or should have known there was no substantial authority, or willfully understated their customers' tax liabilities by claiming overstated refunds.

Bias and ISTC took unreasonable positions for which there was no substantial authority and willfully filed false tax returns (I.R.C. § 6694(a)) and/or filed in reckless disregard of the tax rules or regulations (I.R.C. § 6694(b)).

45. Bias' and ISTC's continual and repeated violations of I.R.C. § 6694 fall within I.R.C. § 7407(b)(1)(A) and (D). As explained above, Bias and ISTC prepare returns that understate tax liabilities and overstate of refunds based on items reported on customers' tax returns that are unreasonable, willful, reckless, and blatantly false. Thus, Bias' and ISTC's conduct is subject to an injunction under I.R.C. § 7407.

46. If they are not enjoined, Bias and ISTC are likely to continue to prepare and file false and fraudulent tax returns, causing economic loss to the United States, causing the United States to commit finite resources to the examination of his customers, and exposing his customers to large liabilities that include penalties and interest.

47. Bias' and ISTC's continual and repeated violations of I.R.C. § 6694 – including the audacious and repeated improper use of Form 1120S tax returns and bogus claims of business income/expenses, unreimbursed employee business expenses, and medical/dental expenses – demonstrate that a narrow injunction prohibiting only specific conduct would be insufficient to prevent Bias' and ISTC's interference with the proper administration of the internal revenue laws. Thus, they should be permanently barred from acting as a federal tax return preparer under I.R.C. § 7407.

#### **COUNT II: Injunction Under 26 U.S.C. § 7408**

48. The United States incorporates by reference the allegations in paragraphs 1 through 47.

49. Section 7408 of the Internal Revenue Code authorizes a district court to enjoin any person from engaging in conduct subject to penalty under I.R.C. § 6701 if injunctive relief is appropriate to prevent recurrence of such conduct. (I.R.C. § 7408(c)(1).)

50. Any person who advises or assists in the “preparation or presentation of any portion of a [federal tax] return . . . who knows (or has reason to believe) that such portion will be used in connection with any material matter arising under the internal revenue laws, and who knows that such portion (if it is so used) would result in an understatement of the liability for tax of another person,” is subject to penalty under I.R.C. § 6701(a).

51. Bias and ISTC prepare federal tax returns for customers that they know will understate their customers’ correct tax liabilities. Bias and ISTC knowingly prepare returns that omit their customers’ earned income. They knowingly prepare tax returns claiming false or inflated deductions or credits, such as Schedule C income and/or expenses, Schedule A medical/dental expenses, and unreimbursed employee business expenses. Bias’ and ISTC’s conduct is thus subject to penalty under I.R.C. § 6701(a).

52. If the Court does not enjoin Bias and ISTC, they are likely to continue to engage in conduct subject to penalty under I.R.C. § 6701. Bias’ and ISTC’s preparation of returns that do not report income and claim improper deductions and credits is widespread over many customers and tax years. Injunctive relief is therefore appropriate under I.R.C. § 7408.

**COUNT III: Injunction Under 26 U.S.C. § 7402(a)**

53. The United States hereby incorporates by reference the allegations in paragraphs 1 through 52.

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

55. As alleged above, Bias and ISTC have engaged in conduct that substantially interferes with the enforcement of the internal revenue laws.

56. Unless enjoined, Bias and ISTC are likely to continue to engage in such improper conduct and interfere with the enforcement of the internal revenue laws. If Bias and ISTC are not enjoined, the United States will suffer irreparable injury by wrongfully providing federal income tax refunds to individuals not entitled to receive them, much of which may never be discovered and recovered. The United States will also suffer irreparable injury because it will have to devote substantial time and resources auditing Bias' and ISTC's customers to detect future returns understating the customers' liability or overstating their refund.

57. While the United States will suffer irreparable injury if Bias are ISTC are not enjoined, they will not be harmed by being compelled to obey the law.

58. Enjoining Bias and ISTC is in the public interest because an injunction, backed by the Court's contempt powers if needed, will stop Bias' and ISTC's illegal conduct and the harm it causes the United States. The Court should therefore impose injunctive relief under I.R.C. § 7402(a).

**Relief Sought**

WHEREFORE, Plaintiff, the United States of America, prays for judgment on Counts I through III of the complaint as follows:

A. That the Court find that Bias and ISTC have continually and repeatedly engaged in conduct subject to penalty under I.R.C. § 6694 and have continually and repeatedly engaged in other fraudulent or deceptive conduct that substantially interferes with the administration of the tax laws, and that injunctive relief is appropriate under I.R.C. § 7407 to bar them from acting as a federal tax return preparer or operating a business that prepares federal tax returns to prevent recurrence of that conduct and that a narrower injunction prohibiting only this specific misconduct would be insufficient;

B. That the Court find that Bias and ISTC have engaged in conduct subject to penalty under I.R.C. § 6701, and that injunctive relief is appropriate under I.R.C. § 7408 to prevent recurrence of that conduct;

C. That the Court find that Bias and ISTC engaged in conduct that substantially interferes with the enforcement of the internal revenue laws, and that injunctive relief is appropriate to prevent the recurrence of that conduct pursuant to the Court's inherent equity powers and I.R.C. § 7402(a);

D. That the Court, pursuant to I.R.C. §§ 7402, 7407 and 7408, enter a permanent injunction prohibiting Bias and ISTC from:

1. Acting as a federal tax return preparer or requesting, assisting in, or directing the preparation or filing of federal tax returns, amended returns, or other related documents or forms for any person or entity other than themselves;
2. Preparing or assisting in preparing federal tax returns that they know or reasonably should know would result in an understatement of tax liability or the overstatement of federal tax refund(s) as penalized by 26 U.S.C. § 6694;
3. Owning, operating, managing, working in, investing in, providing capital or loans to, receiving fees or remuneration from, controlling,



licensing, consulting with, or franchising a tax return preparation business;

4. Maintaining, assigning, holding, using, or obtaining a Preparer Tax Identification Number (PTIN) or an Electronic Filing Identification Number (EFIN);
5. Engaging in any other activity subject to penalty under 26 U.S.C. §§ 6694, 6701, or any other penalty provision in the Internal Revenue Code; and
6. Engaging in any conduct that substantially interferes with the proper administration and enforcement of the internal revenue laws.

E. That the Court, pursuant to I.R.C. §§ 7402, 7407, and 7408, enter an injunction requiring Bias and ISTC to produce to counsel for the United States within 30 days a list that identifies by name, Social Security Number, address, e-mail address, telephone number, and tax period(s) all persons for whom Bias and ISTC prepared federal tax returns or claims for refund beginning in 2012 and continuing through this litigation;

F. That the Court, pursuant to I.R.C. §§ 7402, 7407, and 7408, enter an injunction requiring that Bias and ISTC, within 30 days and at their own expense, (i) contact by United States mail and, if an e-mail address is known, by e-mail, all persons for whom Bias and ISTC prepared a federal tax return beginning in 2012 and continuing through this litigation, to inform them of the permanent injunction entered against Bias and ISTC, including sending a copy of the order of permanent injunction but not enclosing any other documents or enclosures unless agreed to by counsel for the United States or approved by the Court, and (ii) file with the Court, within 30 days of the date on which the permanent injunction is entered, a sworn certificate stating that he has complied with this requirement;

G. That the Court, pursuant to I.R.C. §§ 7402, 7407, and 7408, enter an injunction requiring Bias and ISTC to produce to counsel for the United States within 30 days copies of all federal income tax returns that Bias and ISTC prepared beginning in 2012 and continuing through this litigation;

H. That the Court, without further proceedings, authorize the IRS to immediately revoke any PTIN and/or EFIN held by, assigned to, or used by Bias and/or ISTC;

I. That the Court allow the United States to conduct post-judgment discovery to monitor compliance with the terms of any permanent injunction;

J. That the Court retain jurisdiction over Defendants and over this action to enforce any permanent injunction entered; and

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

**DESIGNATION OF PLACE OF TRIAL**

The United States respectfully requests that trial of this action be held in Kansas City, Kansas.

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Dated: March 20, 2017

Respectfully submitted,

TOM BEALL  
United States Attorney

DAVID A. HUBBERT  
Acting Assistant Attorney General

*/s/ Jared S. Wiesner*

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