

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

FILED
ASHEVILLE, N.C.
FEB 22 2007
U.S. DISTRICT COURT
W. DIST. OF N.C.

UNITED STATES OF AMERICA)
)
Plaintiff,)
)
v.)
)
JERRY O. ADAMS, III)
)
Defendant.)

Civil No. 1:06-cv-00097-T

PERMANENT INJUNCTION BY CONSENT

Plaintiff, the United States of America, has filed a complaint for permanent injunction against the defendant, Jerry O. Adams, III. Adams, without admitting or denying any of the allegations in the complaint except admitting that the Court has jurisdiction, waives the entry of findings of fact and conclusions of law under Rule 52 of the Federal Rules of Civil Procedure and consents to the entry of this permanent injunction under 26 U.S.C. §§ 7402, 7407, and 7408. Adams further waives any right he may have to appeal from this permanent injunction. The parties agree that entry of this permanent injunction neither precludes the Internal Revenue Service from assessing penalties against Adams for asserted violations of the Internal Revenue Code nor precludes Adams from contesting any such penalties.

NOW, THEREFORE, it is accordingly ORDERED, ADJUDGED AND DECREED that:

1. The Court has jurisdiction over this action under 28 U.S.C. §§ 1340 and 1345 and under 26 U.S.C. §§ 7402, 7407, and 7408.
2. The Court finds that Adams has neither admitted nor denied the United

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States' allegations that he has engaged in conduct that is subject to penalty under §§ 6694, 6695, and 6701 of the Internal Revenue Code and that interferes with the enforcement of the internal revenue laws.

3. Adams and his representatives, agents, servants, employees, independent contractors, entities he controls, including First Choice Tax Service, attorneys, and all persons in active concert or participation with him who receive actual notice of this Order are enjoined under 26 U.S.C. §§ 7402, 7407, and 7408 from directly or indirectly:

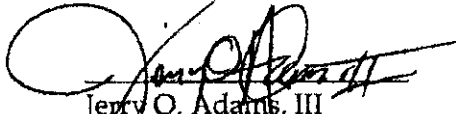
- a. Acting as a federal income tax return preparer or otherwise preparing or assisting in preparing any federal tax return, amended return, or claim for refund, for any person or entity other than himself (or his spouse, if filing a joint return);
- b. Engaging in any conduct subject to penalty under 26 U.S.C. § 6694, *i.e.*, preparing any part of a return or claim for refund that includes an unrealistic position;
- c. Engaging in any conduct that interferes with the proper administration or enforcement of the internal revenue laws;
- d. Providing any tax advice or services to any person or entity, including providing electronic filing or tax consulting services to customers or representing customers before the Internal Revenue Service;
- e. Engaging in conduct subject to penalty under 26 U.S.C. § 6701, including preparing, assisting, or advising in the preparation of a document related


to a matter material to the internal revenue laws that he knows will (if used) result in an understatement of another person's tax liability;

- f. Instructing, advising, or assisting other persons to understate their federal tax liabilities; and
- g. misrepresenting any of the terms of this Order.


4. Adams is ordered to mail, at his own expense, a copy of this injunction order within 14 days of the entry of this Order to all persons and entities for whom he prepared any federal income tax returns, amended returns, refund claim, or other federal tax-related documents since January 1, 2000. Adams shall file a certificate of compliance, signed under penalty of perjury, with the Court within 15 days of the entry of this Order.

5. The Court retains jurisdiction to enforce this injunction and the United States is permitted to engage in post-judgment discovery to ensure compliance with this permanent injunction.


Jerry O. Adams, III
P.O. Box 1417
Shelby, N. C. 28150
(704) 470-4388


Lawrence P. Blaskopf
Jonathan D. Carroll
Trial Attorneys, Tax Division
U.S. Department of Justice
P.O. Box 227, Ben Franklin Station
Washington, DC 20044
202-514-9642
Attorneys for the United States

SO ORDERED this 22 day of Feb, 2007.


Dennis L. Howell
United States Magistrate Judge