

UNITED STATES DISTRICT COURT  
MIDDLE DISTRICT OF TENNESSEE  
NASHVILLE DIVISION

UNITED STATES OF AMERICA,	)	
	)	
Plaintiff,	)	
	)	
v.	)	Civil No. 3:09-1030
	)	
KAREN LIANE MILLER,	)	Judge Trauger
	)	
Defendant.	)	

**STIPULATED ORDER OF PERMANENT INJUNCTION**

Plaintiff the United States of America has filed a Complaint for Permanent Injunction and other relief in this matter against Defendant Karen Liane Miller. Without admitting or denying the allegations in the Complaint, Defendant Miller has consented to entry of this Stipulated Order of Permanent Injunction, and waives the entry of findings of fact and conclusions of law. Miller further understands that this permanent injunction constitutes the final judgment in this matter, and waives any rights she may have to appeal from the this judgment.

NOW, THEREFORE, and for good cause shown, it is accordingly ORDERED, ADJUDGED, and DECREED that:

A. Pursuant to 26 U.S.C. §§ 7402 and 7407, Miller is permanently enjoined from acting as federal tax return preparer and from preparing or filing federal tax returns or forms for others, from representing others before the IRS, and from advising anyone concerning federal tax matters;

B. Pursuant to 26 U.S.C. §§ 7402 and 7407, Miller and her representatives, agents, servants, employees, attorneys, independent contractors, anyone in active concert or participation with them, are permanently enjoined from directly or indirectly;

- (1) Preparing or filing, or assisting in, or directing the preparation or filing of any federal tax return or amended return or other related documents or forms for any other person or entity;
- (2) Engaging in activity subject to penalty under 26 U.S.C. §§ 6694 or 6695;
- (3) Engaging in any other activity subject to penalty under the Internal Revenue Code; and
- (4) Engaging in other conduct that substantially interferes with the proper administration and enforcement of the internal revenue laws;

C. Pursuant to 26 U.S.C. §§ 7402 and 7408, Miller and her representatives, agents, servants, employees, and anyone in active concert or participation with her, are permanently enjoined from directly or indirectly by means of false, deceptive, or misleading commercial speech:

- (1) Organizing or selling tax shelters, plans or arrangements that advise or assist taxpayers to attempt to evade the assessment or collection of such taxpayers' correct federal tax;
- (2) Engaging in any other activity subject to penalty under 26 U.S.C. § 6700, including organizing or selling a plan or arrangement and making a statement regarding the excludability of income or securing of any other tax benefit by

participating in the plan that she knows or has reason to know is false or fraudulent as to any material matter;

- (3) Engaging in any activity subject to penalty under 26 U.S.C. § 6701; and
- (4) Directly or indirectly organizing, promoting, marketing, or selling any plan or arrangement that advises or encourages taxpayers to attempt to violate internal revenue laws or unlawfully evade the assessment or collection of their federal tax liabilities, including promoting, selling, or advocating the use of false Forms 1099 or other forms based on the false claims that:
  - i. Taxpayers have a secret account with the Treasury Department which they can use to pay their debts or which they can draw on for refunds through a process that is often called “redemption” or “commercial redemption”;
  - ii. Taxpayers can name the Secretary of the Treasury as their fiduciary and/or can draw on the Treasury of the United States to pay their tax debt or other debt using Forms 1099-OID, bonded promissory notes, sights drafts or other documents; and
  - iii. Taxpayers can issue false Forms 1099-OID to a creditor and report the amount on the false Form 1099 as income taxes withheld on their behalf;

D. Pursuant to 26 U.S.C. § 7402, Miller is permanently enjoined from preparing her own federal income tax returns claiming false income tax withholding and refunds based on amounts shown in false Forms 1099 or other IRS forms;

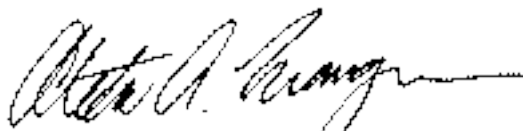
E. Pursuant to 26 U.S.C. § 7402, Miller is permanently enjoined from filing, providing forms for, or otherwise aiding and abetting the filing of frivolous Forms 1040 or Forms 1099 or other IRS forms for herself or others;

F. The United States is permitted to engage in post-judgment discovery to ensure compliance with the permanent injunction;

G. This Court shall retain jurisdiction over this action for purposes of implementing and enforcing this injunction; and

H. Miller shall obtain a copy of this Order from the Clerk's office within five (5) days of entry, and shall provide to counsel for the United States within 30 days a signed and dated acknowledgment of receipt of this Order. She shall also provide a copy of this Order to any principals, officers, managers, employees, and independent contractors within 15 days, and shall provide to counsel for the United States within 30 days a signed and dated acknowledgment of receipt of this Order for each person to whom she provided a copy of this Order in compliance with this paragraph.

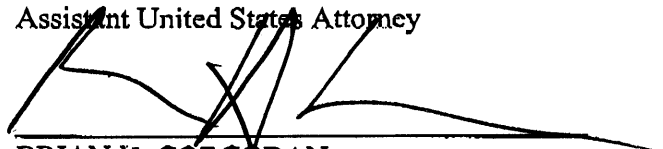
Dated: January <sup>27</sup> \_\_, 2010

  
UNITED STATES DISTRICT JUDGE

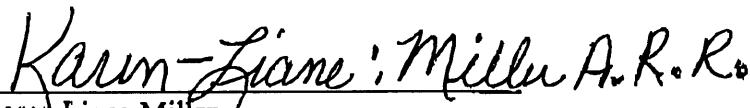
Consented to and submitted by:

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