

ORIGINAL
IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION

U. S. DISTRICT COURT
NORTHERN DISTRICT OF TEXAS
FILED MP
APR - 9 1992
NANCY DOHERTY, CLERK
By Deputy

UNITED STATES OF AMERICA §
VS. §
CLEM BAILEY, a/k/a/ CLEM §
BAILEY, JEWELENE BAILEY, KRISTI §
SHELTON, and KATHY ZEEB, all §
d/b/a CLEM BAILEY & ASSOCIATES §

CIVIL ACTION NO. 4-91-058-Y

FINAL JUDGMENT

Pursuant to the Memorandum Opinion and Order issued this same day and FED. R. CIV. P. 58, this Court hereby enters the following Final Judgment in the above-styled and numbered cause. Accordingly, it is hereby, ORDERED, ADJUDGED, and DECREED, that under the express terms of section 7402(a), this Court shall issue a permanent injunction to ensure the proper enforcement of the Internal Revenue Service rules and regulations.

It is hereby ORDERED that Clem Bailey, Jewelene Bailey, Kristi Shelton, and Kathy Zeeb, individually, and doing business as Clem Bailey & Associates, and all of their officers, agents, servants, employees, and attorneys, and persons in active concert or participation with them, directly or indirectly, by the use of any means or instrumentality, be, and they each are hereby, jointly and severally enjoined permanently from engaging in conduct subject to penalty under 26 U.S.C. § 6694, engaging in conduct subject to penalty under 26 U.S.C. § 6701, and engaging in conduct which substantially interferes with the proper administration of the

internal revenue laws of the United States of America.

It is further ORDERED that Clem Bailey, Jewelene Bailey, Kristi Shelton, and Kathy Zeeb be, and they are, hereby permanently enjoined from acting as an "income tax return preparer" as that term is defined in 26 U.S.C. § 7701(a)(36) including, but not limited to: 1) taking any action in furtherance of aiding, assisting, advising, or preparing for compensation federal tax returns of third-party taxpayers; and 2) aiding or assisting in, or procuring or advising with respect to, the preparation or presentation of any portion of a return, affidavit, claim or other document for a third party in connection with any matter arising under the internal revenue laws.

It is further ORDERED that Kristi Shelton and Kathy Zeeb each may act as an income tax return preparer as that term is defined in 26 U.S.C. § 7701(a)(36) on or after January 1, 1995, provided that they, or each of them: 1) become and remain an active enrolled agent authorized by the Director of Practice of the Internal Revenue Service to practice before the Internal Revenue Service, and 2) refrain from soliciting or accepting any tax-related advice from, or consultation with, Clem Bailey or Jewelene Bailey and from sharing office space or clerical personnel with either of them or with each other.

The Court shall retain jurisdiction over this action for the purpose of implementing and enforcing the final judgment and

all additional decrees and orders necessary and appropriate to the public interest.

SO ORDERED.

SIGNED this 8th day of April, 1992.


TERRY R. MEANS
UNITED STATES DISTRICT JUDGE