

IN THE UNITED STATES DISTRICT COURT FOR THE  
EASTERN DISTRICT OF VIRGINIA  
ALEXANDRIA DIVISION

UNITED STATES OF AMERICA )  
)  
Plaintiff, )  
)  
v. )  
)  
JOHN THANH HOANG; TAX-SMART )  
TECHNOLOGY SERVICES, )  
)  
Defendants. )

Civil No. 1:08 cv 451  
LD/TCB

**STIPULATED JUDGMENT OF PERMANENT INJUNCTION  
AGAINST DEFENDANTS**

Plaintiff United States of America and defendants John Thanh Hoang and Tax-Smart Technology Services (“defendants”) stipulate as follows:

1. The United States filed a complaint against defendants alleging that Hoang operated Tax-Smart Technology Services (“Tax Smart”) in a fashion that aided taxpayers to fraudulently reduce their federal income tax liability.
2. Defendants waive the entry of findings of fact and conclusions of law.
3. Defendants understand that this Stipulated Judgment of Permanent Injunction constitutes the final judgment in this matter, and defendants waive any and all right to file an appeal from this judgment.
4. Defendants consent to the entry of this Stipulated Judgment of Permanent Injunction without further notice and agree to be bound by its terms. Defendants further understand and agree that the Court will retain jurisdiction over this matter for the purpose of implementing and

enforcing this injunction, and understand that if they violate this injunction, they may be found to be in contempt of court and may be sanctioned or imprisoned.

Accordingly, in light of the foregoing, the Court hereby FINDS, ORDERS, and DECREES:

1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 1340 and 1345 and 26 U.S.C. (“I.R.C.”) §§ 7402(a), 7407(a), and 7408(a);

2. Defendants have consented to the entry of this Stipulated Judgment of Permanent Injunction and agree to be bound by its terms;

3. Pursuant to I.R.C. §§ 7402(a), 7407, and 7408, defendants, individually and through any other name or entity, their representatives, agents, servants, employees, attorneys, and anyone in active concert or participation with them, are permanently enjoined from directly or indirectly:

A. Organizing, promoting, or selling business or tax services that facilitate or promote noncompliance with federal tax laws or understatement of federal tax liability;

B. Making false representations that:

(i) Customers or prospective customers may take business tax deductions without regard to whether the customer is engaged in a *bona fide* business activity;

(ii) Customers may claim a tax deduction for software depreciation under I.R.C. §§ 167(a), 167(f) or 197 without regard to the true value of the software or whether the software is used in a legitimate business venture;

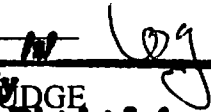
- C. Engaging in any activity subject to penalty under I.R.C. § 6700, which penalizes persons who make gross valuation overstatements regarding a material matter in connection with the organization, sale, or promotion of a plan or arrangement;
- D. Engaging in any activity subject to penalty under I.R.C. § 6700, which penalizes making or causing another to make, in connection with the organization, sale, or promotion of a plan or arrangement, a statement regarding the allowability of a deduction or credit, the excludability of income, or the securing of a tax benefit by reason of holding an interest or participating in a plan or arrangement, which statement the person knows or has reason to know is false as to a material matter;
- E. Preparing, or filing, or assisting in the preparation or filing of federal income tax returns for any person or entity other than themselves;
- F. Practicing or appearing as a representative on behalf of any person or organization whose tax liabilities are under examination or investigation by the IRS;
- G. Engaging in conduct subject to any penalty in the Internal Revenue Code or any other conduct that substantially interferes with the proper administration and enforcement of the internal revenue laws.

4. Defendants will cause a copy of this Stipulated Judgment of Permanent Injunction to appear on Tax Smart's website ([www. taxsmart.info](http://www.taxsmart.info)), in particular on its "Home" page (i.e., the first page visible when accessing the website), prominently featured at the top so it is visible.

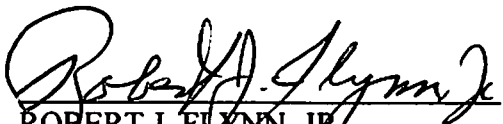
5. The United States shall be entitled to conduct discovery to monitor defendants' compliance with the terms of this Stipulated Judgment of Permanent Injunction. By April 30, 2008, Hoang will participate in an interview with representatives of the IRS and/or the Department of Justice to provide sworn testimony concerning persons promoting the same or similar tax strategies.

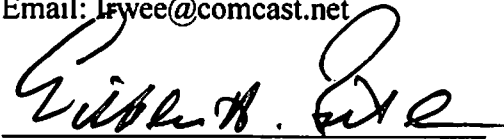
6. This Court shall retain jurisdiction over this matter and defendants for the purpose of enforcing this permanent injunction.

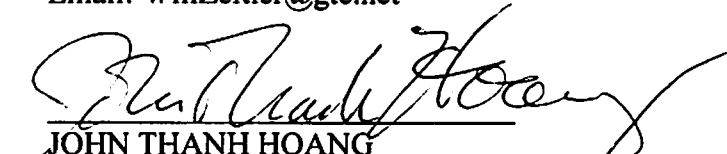
SO ORDERED, this 12<sup>th</sup> day of May, 2008.

  
UNITED STATES DISTRICT JUDGE  
**Liam O'Grady**  
**United States District Judge**

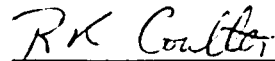
Consented and Agreed to:

  
ROBERT J. FLYNN, JR.  
Attorney for Defendant  
1629 K Street, N.W., Ste. 300  
Washington D.C. 20036  
Telephone: (202) 463-0662 ext. 13596  
Facsimile: (202) 331-3759  
Email: lrwee@comcast.net

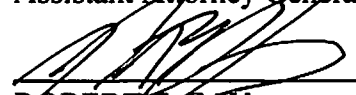
  
WILHELM A. ZEITLER  
Attorney for Defendant  
Virginia State Bar No. 06334  
8200 Greensboro Drive, #900  
McLean, Virginia 22103  
Telephone: (703) 943-6653  
Facsimile: (703) 462-5459  
Email: WillZeitler@gte.net

  
JOHN THANH HOANG  
Defendant, individually and on behalf  
of Tax-Smart Technology Services

CHUCK ROSENBERG  
United States Attorney

  
ROBERT K. COULTER  
Virginia State Bar No. 42512  
Attorney for the United States  
Assistant United States Attorney  
2100 Jamieson Avenue  
Alexandria, Virginia 22314-5794  
Telephone: (703) 299-3700  
Facsimile: (703) 549-5202  
Email: Robert.Coulter@usdoj.gov

NATHAN J. HOCHMAN  
Assistant Attorney General

  
ROBERT E. FAY  
Virginia State Bar No. 74871  
Attorney for the United States  
Trial Attorney, Tax Division  
U.S. Department of Justice  
PO Box 7238  
Ben Franklin Station  
Washington, D.C. 20044  
Telephone: (202) 305-9209  
Facsimile: (202) 514-6770  
Email: Robert.E.Fay@usdoj.gov