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IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA,)	
)	
Plaintiff)	
)	
v.)	Case No. 1:06-CV-01140-AWI-WMW
)	
DAVID MEALS,)	
)	
Defendants)	

STIPULATED JUDGMENT OF PERMANENT INJUNCTION
AGAINST DEFENDANT DAVID MEALS

Plaintiff United States of America and defendant David Meals (“defendant”) stipulate as follows:

- A. The United States has filed a complaint alleging that defendant (and people acting under his supervision), when he was a manager at a Jackson Hewitt tax preparation franchise in Hanford, California in 2005, prepared federal income tax returns that understated customers’ tax liabilities by asserting the frivolous and unrealistic position that per capita distributions of gaming proceeds paid to Native Americans are exempt from federal income taxes;
- B. Defendant admits the allegations in paragraphs 1–6, 8–18, 20–24, and 27 of the complaint.
- C. Defendant waives the entry of findings of fact and conclusions of law.
- D. Defendant understands that this Stipulated Judgment of Permanent Injunction constitutes the final judgment in this matter, and waives any and all right to file an appeal from this judgment.

1 E. Defendant consents to the entry of this Stipulated Judgment of Permanent Injunction
2 without further notice and agrees to be bound by its terms. Defendant further
3 understands and agrees that the Court will retain jurisdiction over this matter for the
4 purpose of implementing and enforcing this injunction, and understands that if he violates
5 this injunction, he may be found to be in contempt of court and may be sanctioned or
6 imprisoned.

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9 Consented and Agreed to:

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13 McGREGOR W. SCOTT
United States Attorney

14
15 /s/ David Meals
DAVID MEALS
333 W. Franklin Way
16 Dinuba, California 93618

17 /s/ Grayson A. Hoffman
GRAYSON A. HOFFMAN
18 Trial Attorney, Tax Division
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Grayson.A.Hoffman@usdoj.gov
VA Bar # 73726

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20
21 Attorneys for Plaintiff,
United States of America

22
23 **ORDER**

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

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

- 1 2. The defendant has consented to the entry of this Stipulated Judgment of Permanent
2 Injunction and agrees to be bound by its terms;
- 3 3. Pursuant to 26 U.S.C. §§ 7402(a), 7407, and 7408, defendant is permanently enjoined
4 from preparing (or supervising or assisting others who prepare) federal income tax returns
5 that assert that per capita distributions of gaming proceeds paid to Native Americans is
6 exempt from federal income taxes;
- 7 4. Defendant is further permanently enjoined from asserting any other frivolous or
8 unrealistic position on a tax return that results in the understatement of a customer's tax
9 liability, and from engaging in any other conduct subject to penalty under 26 U.S.C. §§
10 6694 or 6701;
- 11 5. The Court shall retain jurisdiction over this matter and defendant for the purpose of
12 enforcing this permanent injunction;
- 13 6. The United States is granted the right to conduct discovery for the purpose of monitoring
14 defendant's compliance with this injunction.

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16 IT IS SO ORDERED.

17 **Dated:** June 5, 2007

18 /s/ Anthony W. Ishii
19 UNITED STATES DISTRICT JUDGE
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