



1 to prevent the defendant, and any business or entity through which he operates, and  
2 anyone acting in concert with them from engaging in further such conduct. The Court  
3 further finds that the defendant engaged in conduct that interferes with the enforcement of  
4 the internal revenue laws, and that injunctive relief is appropriate pursuant to the Court's  
5 inherent equity powers and 26 U.S.C. § 7402(a) to prevent the recurrence of that conduct.

6 Based on the foregoing and the record in this case, and for good cause shown,

7 **IT IS HEREBY ORDERED** that Defendant Dennis O. Poseley and his  
8 representatives, agents, servants, employees, attorneys, and those persons in active  
9 concert or participation with him, are enjoined from directly or indirectly:

10 (a) Making representations, in connection with the organization or sale of any tax  
11 shelter, plan, or arrangement, that:

12 (1) Pure Trusts have no tax return filing or payment requirements, and are  
13 tax-exempt regardless of their activities;

14 (2) individuals can assign their income to Pure Trusts and eliminate their  
15 income tax return filing and payment requirements while retaining control over the assets  
16 and income;

17 (3) Pure Trusts operate outside the jurisdiction of the United States; and

18 (4) individuals can voluntarily withdraw from filing income tax returns or  
19 paying federal taxes by rescinding their Social Security number;

20 (b) Selling services or products designed to assist customers to evade reporting,  
21 filing, and paying taxes, including:

22 (1) preparing or selling documents purporting to create Pure Trusts for  
23 individuals;

24 (2) obstructing or advising or assisting anyone to obstruct, IRS  
25 examinations, collection actions, or other IRS actions;

1 (3) advising anyone that he or she is not required to file federal tax returns  
2 or pay federal taxes;

3 (4) instructing, advising, or assisting anyone to stop withholding federal  
4 employment taxes from wages;

5 (5) selling or distributing any promotional materials containing false  
6 commercial speech regarding the internal revenue laws or speech likely to incite others  
7 imminently to violate the internal revenue laws;

8 (c) Organizing (or assisting in organizing) or participating, directly or indirectly, in  
9 the sale of any interest in any entity, plan, or arrangement, including but not limited to  
10 those discussed above, that incites or assists customers to attempt to violate the internal  
11 revenue laws or unlawfully evade the assessment or collection of their federal tax  
12 liabilities or unlawfully claim improper tax refunds;

13 (d) Engaging in activity subject to penalty under 26 U.S.C. § 6700, including  
14 making, in connection with the organization or sale of any plan or arrangement, any  
15 statement about the securing of any tax benefit that the defendant knows or has reason to  
16 know is false as to any material matter;

17 (e) Engaging in conduct subject to penalty under any provision of the Internal  
18 Revenue Code, or engaging in any other conduct that interferes with the administration  
19 and enforcement of the internal revenue laws;

20 (f) Engaging in any other activity subject to penalty under Code § 6701; and

21 (g) Misrepresenting the terms of this injunction.

22 **IT IS FURTHER ORDERED** that the United States is permitted to engage in  
23 post-judgment discovery to ensure compliance with this permanent injunction.

24 **IT IS FURTHER ORDERED** that this Court shall retain jurisdiction over this  
25 action for the purpose of implementing and enforcing this Final Judgment of Permanent  
26 Injunction.

1 DATED this 15<sup>th</sup> day of October, 2007.  
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6 Earl H. Carroll  
7 United States District Judge  
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