

**UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

United States,	§	
Plaintiff,	§	
	§	
v.	§	Case No. 3:09-CV-0269-D
	§	
Tina Glover Preston et al.,	§	
Defendants.	§	

Permanent Injunction

Upon Motion for Default Judgment by the United States, the Court makes the following findings of fact and conclusions of law and enters this permanent injunction.

Standards for Injunctive Relief Against Return Preparers

Section 7407 of 26 U.S.C. authorizes a court to enjoin a return-preparer if that person has continually or repeatedly: (1) violated 26 U.S.C. § 6694, which prohibits the preparation or submission of a return containing an unrealistic position, or (3) engaged in any other fraudulent or deceptive conduct substantially interfering with the proper administration of the tax laws.

Section 7408 of 26 U.S.C. authorizes a court to enjoin persons who have engaged in conduct subject to penalty under 26 U.S.C. § 6701, which prohibits the preparation of returns

when the preparer knows the return will result in the understatement of tax liability.

In order to enjoin the conduct described above, three prerequisites must be met:

(1) the defendant must be tax preparer; (2) the conduct complained of must fall within one of four areas of proscribed conduct; and (3) the court must find an injunction is appropriate to prevent recurrence of proscribed conduct.

Findings of Fact and Conclusions of Law

Based on the well-pleaded allegations in the Complaint, the court makes the following findings of fact and conclusions of law:

1. Jason Jeroski is an income tax return preparer as that term is defined by 26 U.S.C. § 7407.

2. Jason Jeroski continually and repeatedly prepared federal income tax returns that contained unrealistic positions, including false or inflated Schedule C business losses, in violation of 26 U.S.C. § 6694.

3. Jason Jeroski continually and repeatedly prepared federal income tax returns will false or inflated Schedule C business losses that he knew would result in the understatement of tax liability, in violation of 26 U.S.C. § 6701.

Based on the findings of fact and conclusions of law above, this Court concludes that a permanent injunction is appropriate to prevent recurrence of the proscribed conduct discussed above.

THEREFORE, **IT IS ORDERED** that Jason Jeroski, his agents, servants, employees, independent contractors, and those persons in active concert or participation with him who receive actual notice of this Order are permanently enjoined from:

1. Preparing or filing, or assisting in the preparation or filing, of any federal tax return, amended return, or claim for refund, for any other person or entity;
2. Engaging in conduct subject to penalty under 26 U.S.C. § 6694, including preparing tax returns or claims for refund for others that include false or inflated Schedule C business losses;
3. Engaging in conduct subject to penalty under 26 U.S.C. § 6701, including preparing or assisting in the preparation of a document related to a matter material to the internal revenue laws that includes a position that they know will (if so used) result in an understatement of another person's tax liability, including preparing returns with false or inflated Schedule C business losses;
4. Engaging in any conduct that interferes with the proper administration and enforcement of the internal revenue laws, including preparing returns for others with false or inflated Schedule C business losses;
5. Instructing, advising, or assisting taxpayers to understate their federal income tax liabilities;
6. Misrepresenting any of the terms of this Order.

IT IS FURTHER ORDERED that Jason Jeroski produce to counsel for the United States within 15 days of the date of this Order a list that identifies by name, social security number, address, e-mail address, and telephone number and tax period(s) all persons for whom he prepared federal tax returns, forms, or claims for refund since January 1, 2005;

IT IS FURTHER ORDERED that Jason Jeroski, at his own expense, within 21 days


of entry of this Permanent Injunction, shall contact, in writing, all persons for whom he prepared or assisted in preparing any federal income tax return, amended return, or refund claim, from January 1, 2005 through the present, and provide each customer a copy of this Permanent Injunction

IT IS FURTHER ORDERED that the Court retains jurisdiction to enforce this injunction and the United States may engage in post-judgment discovery to monitor Jason Jeroski's compliance with this injunction.

Pursuant to Fed. R. Civ. P. 54(b), the court expressly determines that there is no just reason for delay and directs the clerk of court to enter this as a final judgment.

SO ORDERED.

May 7, 2009.



SIDNEY A. FITZWATER
CHIEF JUDGE