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JS-6

10 UNITED STATES DISTRICT COURT
 11 FOR THE CENTRAL DISTRICT OF CALIFORNIA
 12 WESTERN DIVISION

13 UNITED STATES OF AMERICA,
 14 Plaintiff,
 15 v.
 16 INDEX INVESTMENTS, INC., et al.,
 17 Defendants.
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Case No. 2:14-cv-05880-DDP-JEM

**FINAL JUDGMENT OF PERMANENT
 INJUNCTION AGAINST
 DEFENDANTS INDEX
 INVESTMENTS, INC., D/B/A
 FULLERTON RESIDENTIAL MANOR,
 SANFORD DEUTSCH, AND MARK
 DEUTSCH**

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 20 Plaintiff, the United States of America, has filed a complaint seeking a permanent
 21 injunction against Defendants Index Investments, Inc., d/b/a Fullerton Residential Manor
 22 (“Index Investments”), Sanford Deutsch, and Mark Deutsch (the “Deutsch Defendants”).
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24 The parties have now filed a joint stipulation for the entry of a final judgment of
 25 permanent injunction executed by the United States and each of the Defendants. For
 26 good cause shown, upon the joint stipulation and agreement of the parties, after
 27 reviewing the entirety of the record and in accordance with 26 U.S.C. § 7402(a), it is:
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1 ORDERED and ADJUDGED that the Joint Stipulation for Entry of Permanent
2 Injunction is ADOPTED and the Court enters a Final Judgment of Permanent Injunction
3 in favor of the United States and against Index Investments and the Deutsch Defendants.
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5 IT IS FURTHER ORDERED and ADJUDGED that the terms of the Permanent
6 Injunction are as follows:
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8 (1) Index Investments and the Deutsch Defendants (individually and doing
9 business under any other name or using any other entity that either Deutsch
10 Defendant may come to own or control, either directly or indirectly, including
11 resuming any previous company that is now dormant), are prohibited from
12 failing to withhold and pay over to the IRS all employment taxes, including
13 federal income and FICA (Federal Insurance Contributions Act) taxes, required
14 by law that are required to be deposited and/or owed after the date of this
15 permanent injunction (hereinafter the “Future Withheld Taxes”), as well as pay
16 over any employer’s share of future FICA taxes and FUTA (Federal
17 Unemployment Tax Act) taxes that are owed and become due after the date of
18 this permanent injunction.
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20 (2) Index Investments and the Deutsch Defendants shall segregate and hold
21 separate and apart from all other funds all Future Withheld Taxes and to
22 deposit the monies so withheld and collected, as well as the employer’s share
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1 of future FICA taxes, in an appropriate federal depository bank in accordance
2 with the federal deposit regulations.
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4 (3) Index Investments and the Deutsch Defendants shall deposit future FUTA
5 taxes in an appropriate federal depository bank each quarter in accordance with
6 the federal deposit regulations.
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8 (4) Index Investments and the Deutsch Defendants, and any other individuals who
9 are responsible for carrying out the duties established by this Permanent
10 Injunction with regards to Index Investments, shall, for a period of five years,
11 sign and deliver affidavits to Internal Revenue Service Revenue Officer B.
12 Huerta at 222 N. Sepulveda Blvd STE 800, El Segundo, CA 90245, or to such
13 other specific location as directed by the IRS, no later than the twentieth day of
14 each month, stating that the requisite deposits or payments of Future Withheld
15 Taxes, employer's share of FICA taxes, and FUTA taxes that accrue after the
16 date of this permanent injunction were timely made.
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18 (5) Index Investments and the Deutsch Defendants shall timely file all Form 941
19 and Form 940 tax returns due after the date of this permanent injunction with
20 the IRS in care of Revenue Officer Huerta, or to such other specific location as
21 directed by the IRS.
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23 (6) Index Investments and the Deutsch Defendants shall timely pay all Future
24 Withheld Taxes, all future employer's share of FICA taxes, and all future
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1 FUTA taxes due from Index Investments (or any new company that either
2 Deutsch Defendant may come to own or control, either directly or indirectly,
3 including resuming any company that is now dormant), including all liabilities
4 reported as owed on any Form 940 or Form 941 filed by Index Investments (or
5 any new company that either Deutsch Defendant may come to own or control,
6 either directly or indirectly, including resuming any company that is now
7 dormant).
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11 (7) In the event all required Future Withheld Taxes, future employer's share of the
12 FICA taxes and future FUTA taxes due from Index Investments' (or any new
13 company or resuming any previous company that is now dormant that either
14 Deutsch Defendant may come to own or control, either directly or indirectly in
15 the next five years), regardless of whether the liabilities are reported on a Form
16 940 or 941 return, are not timely paid, Index Investments and the Deutsch
17 Defendants shall not assign any property or rights to property or make any
18 disbursements before paying such taxes.
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22 (8) Each Deutsch Defendants shall notify the IRS of his future employment tax
23 conduct with respect to any new or presently unknown company, including the
24 imposition of an affirmative duty upon either Deutsch Defendant, as principal
25 officer, to notify Internal Revenue Service Revenue Officer Huerta (or to such
26 other person as directed by the IRS) in the future of any new company that
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either Deutsch Defendant may come to own, manage, or work for in the next five years.

IT IS FURTHER ORDERED and ADJUDGED that this Court retains jurisdiction over this case to ensure compliance with this permanent injunction and that the United States is authorized to take post judgment discovery to ensure compliance with this Permanent Injunction.

IT IS SO ORDERED.

Dated: February 19, 2015

DEAN D. PREGERSON
United States District Judge

Respectfully Submitted,

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SANDRA R. BROWN
Assistant United States Attorney
Chief, Tax Division

/s/
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