

1 BENJAMIN B. WAGNER
 United States Attorney

2

3 G. PATRICK JENNINGS
 Trial Attorney, Tax Division
 U.S. Department of Justice
 4 P.O. Box 683, Ben Franklin Station
 Washington, D.C. 20044-0683
 5 Telephone: (202) 307-6648
 E-mail: guy.p.jennings@usdoj.gov

6 Attorneys for the United States of America

7

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

10 UNITED STATES OF AMERICA,

11 Plaintiff,

12 v.

13 JIRI V. PRUSA; ELANY A. PRUSA;
 14 DIGGER HILL (TRUST), BY
 DENNIS MacPHAEDDON, TRUSTEE;
 15 SHENANDOAH LAND TRUST; STATE OF
 CALIFORNIA FRANCHISE TAX BOARD;

16 Defendants.

)
 Civil No. 2:09-CV-00601 WBS KJN

)
 Civil No. 2:11-CV-00830 WBS KJN

)
JUDGMENT IN A CIVIL CASE

17

18 The Court has determined that judgment should be entered consistent with the
 19 agreement of the plaintiff, United States, and defendants Jiri V. Prusa, Elany A. Prusa, Digger
 20 Hill Trust, and the Shenandoah Land Trust,¹ which resolves the United States' Complaint in the
 21 consolidated matter captioned above. Accordingly,

22 **IT IS ORDERED THAT**

23 1. Jiri V. Prusa and Elany A. Prusa are jointly and severally indebted to the United
 24 States in the amount of \$247,996.90 for individual income tax for the taxable periods ending
 25 December 31, 1997, through and including December 31, 2008 plus interest according to 28

26 _____
 27 ¹The California Franchise Tax Board disclaimed any interest in the subject property on or
 about May 11, 2009. (Doc. No. 19.)

1 U.S.C. § 1961(c) and 26 U.S.C. §§ 6601, 6621(a)(2), from August 31, 2010, until the judgment
2 is paid.

3 2. Jiri V. Prusa and Elany A. Prusa are jointly and severally indebted to the United
4 States in the amount of \$3,208.00 of attorney's fees pursuant to the order entered in *United*
5 *States v. Jiri V. Prusa, et al.*, Civil No. 2:06-CV-0263-FCD-KJM (E.D. Cal. 2006 – Doc. 25).

6 3. Defendants Digger Hill (Trust) and Shenandoah Land Trust were created by Jiri V.
7 Prusa and Elany A. Prusa and the Prusas' property was transferred to the Trusts for no
8 consideration.

9 4. Defendants Digger Hill (Trust) and Shenandoah Land Trust are sham trusts which
10 may be disregarded for the purposes of collection of the federal tax liabilities in this judgment.

11 5. Defendants Digger Hill (Trust) and Shenandoah Land Trust are grantor trusts,
12 nominees, and alter egos of defendants Jiri V. Prusa and Elany A. Prusa.

13 6. The real property that is the subject of this action is located at 15455 East Digger
14 Hill Way, Rough and Ready, California 95975 (herein referred to as "15455 East Digger Hill
15 Way"), in the County of Nevada, State of California, and is more particularly described as
16 follows:

17 Parcel 1, as shown on the Parcel Map for V. Johnson et al, being a portion of Lot
18 2, of Wildwood Acres, located in the Northeast quarter of Section 23, Township 16
19 North, Range 7 East, M.D.B. & M., as filed in the office of the County Recorder of
the County of Nevada, State of California, on January 8, 1973, in Book 4 of Parcel
Maps, at Page 16.

20 APN: 523-305-4000 (52-330-54)

21 7. On or about March 29, 1985, Jiri V. Prusa and Elany A. Prusa purchased 15455
22 East Digger Hill Way, taking title as "husband and wife as joint tenants." The Prusas have
23 occupied 15455 East Digger Hill Way as their residence from 1985 to the present.

24 8. On or about November 2, 1992, a Grant Deed was recorded with the County
25 Recorder of Nevada County (Doc. 92-38536) which purported to transfer title to 15455 East
26 Digger Hill Way from Jiri V. Prusa and Elany A. Prusa to "Digger Hill, David Niedziejko,
27 Trustee."

1 9. On or about June 28, 1999, a "Notice of Appointment of Successor Trustee" was
2 filed with the County Recorder of Nevada County (Doc. 99822626) which purported to appoint
3 Dennis MacPhaeddon as successor trustee of Digger Hill (Trust) in place of David Niedziejko.

4 10. On or about October 9, 2002, a Grant Deed was filed with the County Recorder of
5 Nevada County (Doc. 2002-0040671-00) which purported to transfer 15455 East Digger Hill
6 Way from "Darrell Manning, As Trustee" to "Shenandoah Land Trust."

7 11. The transfers of 15455 East Digger Hill Way described in paragraphs 8, 9, and 10,
8 above, are hereby set aside. Title to 15455 East Digger Hill Way is hereby returned to "Jiri V.
9 Prusa and Elany A. Prusa, husband and wife, as joint tenants."

10 12. The federal tax lien under 26 U.S.C. Section 6321 attaches to all property and
11 rights to property of Jiri V. Prusa and Elany A. Prusa, including but not limited to 15455 East
12 Digger Hill Way.

13 13. The United States is entitled to foreclose its liens against 15455 East Digger Hill
14 Way and that property will be sold, if necessary, pursuant to further order of this Court.


15 14. The parties have an agreement as to the enforcement of this judgment, one term
16 of which is that 15455 East Digger Hill Way will not be sold by judicial sale for one year from the
17 date of entry of this judgment.

18 15. The California Franchise Tax Board disclaimed any interest in 15455 East Digger
19 Hill Way on or about May 11, 2009. (Doc. No. 19.)

20 16. Each party shall be liable for its own costs of litigation and attorneys' fees.

21 **IT IS SO ORDERED.**

22 Dated: June 28, 2011

23 
24 WILLIAM B. SHUBB
25 UNITED STATES DISTRICT JUDGE
26
27