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**IN THE UNITED STATES DISTRICT COURT FOR THE
EASTERN DISTRICT OF CALIFORNIA
Sacramento Division**

UNITED STATES OF AMERICA

Plaintiff,

V.

**SARAD CHAND, individually and
doing business as S. Chand Tax &
Accounting Services, Inc.**

Defendant.

Case No. 2:15-CV-00518-GEB-DAD

Stipulation to Permanent Injunction

Plaintiff, the United States of America, and Defendant Sarad Chand (d/b/a S. Chand Tax & Accounting Services, Inc.), stipulate as follows:

1. The United States filed a complaint alleging that defendant prepared tax returns which understated his customers' tax liabilities by claiming, *inter alia*, false and exaggerated business and personal deductions, false or exaggerated education and energy tax credits, and improper miscellaneous itemized deductions to which his customers are not entitled.

2. Defendant admits that this Court has jurisdiction over him and over the subject matter of this action.

3. Defendant waives the entry of findings of fact and conclusions of law under Federal Rule of Civil Procedure 52 and 26 U.S.C. § 7402, 7407 and 7408.

4. Defendant enters into this Stipulated Order of Permanent Injunction voluntarily.

5. Defendant waives any right they may have to appeal from the Stipulated Order of Permanent Injunction.

6. Defendant acknowledges that entry of this Stipulated Order of Permanent Injunction neither precludes liability (e.g. the assessment of taxes, interest, or penalties) against him for asserted violations of the Internal Revenue Code, nor precludes defendant from contesting any such liability.

7. Defendant consents to the entry of this Stipulated Order of Permanent Injunction without further notice and agrees that this Court shall retain jurisdiction over him for the purpose of implementing and enforcing this Stipulated Order of Permanent Injunction. Defendant further understands that if he violates this Stipulated Order of Permanent Injunction, he may be found to be in contempt of court and may be sanctioned for that.

8. Entry of this Stipulated Order of Permanent Injunction resolves only the government's civil injunction claim, and neither precludes the government from pursuing any other current or future civil or criminal matters or proceedings against Defendant, nor precludes him from contesting his liability in any other matter or proceeding.

9. If the Defendant violates the Injunction, he may be subject to civil and criminal sanctions for contempt of court.

WHEREFORE, the Court hereby FINDS, ORDERS, and DECREES:

A. The Court has jurisdiction over this action under 28 U.S.C. § 1340 and 1345 and under 26 U.S.C. § 7402, 7407 and 7408.

B. Defendant consents to the entry of this injunction and agrees to be bound by its terms.

C. Sarad Chand, in his own capacity and doing business under any other name, including defendant S. Chand Tax & Accounting Services, Inc., or using any other entity, and all persons in active concert or participation with him, are permanently enjoined under 26 U.S.C. § 7402, 7407 and 7408 from, directly or indirectly:

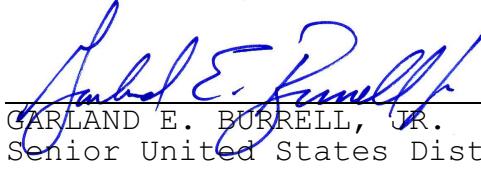
- i. Acting as a federal tax return preparer or assisting in, directing or advising others with the preparation or filing of any federal tax returns, amended returns, or other related documents or forms for any person or entity other than himself, or appearing as a representative on behalf of any person or organization before the Internal Revenue Service, either individually or through an entity, inclusive of S. Chand Tax & Accounting Services, Inc.;
- ii. Assisting or advising anyone in connection with any tax matter;
- iii. Having an ownership interest in or working for (either as an employee or independent contractor) or profiting from any entity that prepares tax returns or represents clients before the Internal Revenue Service;
- iv. Misrepresenting any of the terms of this Order;
- v. Organizing or selling plans, or arrangements that advise or encourage taxpayers to attempt to evade the assessment or collection of their correct federal tax;
- vi. Engaging in any other activity subject to penalty under I.R.C. § 6694, 6695, 6700, or 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 Defendant know will (if so used) result in an understatement of another person's tax liability; and
- vii. Engaging in conduct that substantially interferes with the proper administration and enforcement of the internal revenue laws and from promoting any false tax scheme.

D. IT IS FURTHER ORDERED that defendant produce to counsel for the United States within 20 days of the date of this order a list that identifies by name, social security number, address, e-mail address, telephone number, and tax period(s) all persons from for whom they prepared federal tax returns, forms, or claims for refund since January 1, 2012.

1 E. IT IS FURTHER ORDERED that defendant Sarad Chand, within 90 days of this
2 Order, shall send a letter (approved by counsel for the United States) to customers for whom he
3 prepared federal tax returns since January 1, 2007, informing them that he has agreed to this
4 permanent injunction and is no longer permitted to prepare tax returns for others. Chand shall
5 provide certification to counsel for the United States, within 100 days of this Order, that he has
6 complied with this provision.

7 F. IT IS FURTHER ORDERED that the Court shall retain jurisdiction to enforce this
8 injunction and the United States may conduct discovery using the procedures prescribed by Fed.
9 R. Civ. P. 30, 31, 33, 34, 36, and 45 or as otherwise provided in the Federal Rules of Civil
10 Procedure to ensure compliance with this permanent injunction.

11 Dated: May 18, 2015

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14 GARLAND E. BURRELL, JR.
15 Senior United States District Judge

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1 *Stipulated Permanent Injunction*
2 *against Sarad Chand (individually*
3 *and d/b/a S. Chand Tax & Accounting Services, Inc.)*

4 Dated: _____, 2015.

5 *Prepared by:*

6 CAROLINE D. CIRAOLO
7 Acting Assistant Attorney General

8

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19 United States Attorney

20 *Reviewed and Agreed:*

21

22 SARAD CHAND (*individually and d/b/a S. Chand*
23 *Tax & Accounting Services, Inc.)*

24

25 *Counsel for Sarad Chand & S. Chand Tax &*
26 *Accounting Services, Inc.*