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8 **IN THE UNITED STATES DISTRICT COURT FOR THE**
 9 **NORTHERN DISTRICT OF CALIFORNIA**
 10 **SAN FRANCISCO DIVISION**

11 **UNITED STATES OF AMERICA,**)

12 **Plaintiff,**)

13 **v.**)

14 **DOUGLAS R. CARAWAY; FREMONT**)
BANK; STATE OF CALIFORNIA)
 15 **FRANCHISE TAX BOARD; STATE OF**)
CALIFORNIA EMPLOYMENT)
 16 **DEVELOPMENT DEPARTMENT; SAN**)
JOAQUIN COUNTY DISTRICT)
 17 **ATTORNEY’S OFFICE, FAMILY SUPPORT**)
DIVISION; CHESTER J. GILBERT;)
 18 **COLLECTRONICS, INC.; JOHN**)
EGGLI; COLLECTION BUREAU OF)
 19 **CALIFORNIA; AMANDA AND FRED**)
HUMMEL; STEPHEN CARAWAY;)
 20 **FLORENCE LINOR REGE; C. THOMAS**)
BISCARDI,)

21 **Defendants.**)

No. C-08-04371-MMC

STIPULATION AND REQUEST
FOR RESCHEDULING OF CASE
MANAGEMENT CONFERENCE
AND ORDER THEREON

23 Plaintiff United States of America and Defendants Douglas R. Caraway (“Caraway”),
 24 Franchise Tax Board (“FTB”), and Employment Development Department (“EDD”), through
 25 their respective counsel, stipulate and request that the case management conference, currently
 26 scheduled for October 9, 2009, at 10:30 a.m. in Courtroom 7, be rescheduled to January 15,
 27 2010, at 10:30 a.m. in Courtroom 7.

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1 Defendant Caraway previously failed to file income tax returns with the state of
2 California and with the Internal Revenue Service (“IRS”) for the years 1998 (FTB only), 1999
3 through and including 2004. Plaintiff United States prepared substitutes for returns (“SFR’s”)
4 with respect to each of those years based upon income information available to it, and made tax
5 assessments pursuant to the SFR’s. Defendants FTB and EDD have recorded state tax liens
6 against Defendant Caraway for tax liabilities believed to be due.

7 Defendant Caraway has delivered to the Franchise Tax Board and to Internal Revenue
8 Service California and federal income tax returns the years 1998 (FTB only), 1999 through 2004,
9 inclusive. These returns were prepared by a paid tax preparer and show a substantial reduction in
10 taxes potentially owed to both agencies. The returns have been assigned agents in examination
11 divisions of the FTB and the IRS.

12 The IRS issued an Information Document Request with respect to the newly filed returns
13 seeking the return preparer’s work papers and documentation substantiating the income,
14 expenses and deductions set forth on the returns. The return preparer’s work papers have been
15 provided, but no documentation substantiating the entries on the tax returns has been provided.
16 The government has been advised that Mr. Caraway is in the process of assembling the requested
17 documentation and that much of the documentation will have to be retrieved from banks. Once
18 Mr. Caraway has retrieved all of the documentation that he is able to retrieve, the parties intend
19 to arrange a meeting between Mr. Caraway and the agent examining the returns. After the agent
20 has completed his examination, it is hoped that the parties will be able to agree on Mr. Caraway’s
21 tax liabilities, a stipulated judgment will be entered, and Mr. Caraway will make arrangements
22 for payment of the tax liabilities.

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1 The reason for rescheduling the Case Management Conference is to allow additional time
2 for Mr. Caraway to obtain the documentation to support the filed returns and to allow the tax
3 agencies' examination personnel to complete their examinations.

4 JOSEPH P. RUSSONIELLO
5 United States Attorney

6 Dated: October 2, 2009

7 /s/
8 DAVID L. DENIER
9 Assistant United States Attorney
10 Tax Division
11 Attorneys for Plaintiff United States of America

12 Dated: October 1, 2009

13 /s/
14 WILLIAM E. TAGGART, JR.
15 Taggart & Hawkins P.C.
16 Attorneys for Defendant Douglas R. Caraway

17 EDMUND G. BROWN JR.
18 Attorney General of California
19 JOYCE E. HEE
20 Supervising Deputy Attorney General

21 Dated: October 2, 2009

22 /s/
23 KAREN W. YIU
24 Deputy Attorney General
25 Attorneys for Defendants Franchise Tax Board
26 And Employment Development Department

27 ORDER

28 Pursuant to stipulation, the case management conference in this case shall be rescheduled
for January 15, 2010, 10:30 a.m., in courtroom 7.

Dated: October 6, 2009


UNITED STATES DISTRICT JUDGE