

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO
Judge Christine M. Arguello**

Civil Action No. 10-cv-00178-CMA-KLM

UNITED STATES OF AMERICA,

Petitioner,

v.

DAN HINTON, President,
COLORADO POS SYSTEMS, INC.,

Respondent.

ORDER

As set forth on the record at the show cause hearing held on June 10, 2010, the Court finds, concludes and orders as follows:

A. FINDINGS OF FACT

1. On October 6, 2009, the Internal Revenue Service (“IRS”) served Respondent with a summons in order to obtain information regarding collection of Respondent’s federal income tax liability for quarterly tax periods ending December 31, 2007, March 31, 2008, June 30, 3008, September 30, 2008, and December 31, 2008.

2. Respondent failed to comply with the IRS summons.

3. On January 29, 2010, the Court issued an Order to Show Cause, which ordered Respondent to appear before the Court on March 4, 2010 and show cause why he should not be compelled to comply with the IRS summons.

4. Respondent appeared at the March 4, 2010 show cause hearing.

5. At the conclusion of the March 4, 2010 hearing, the Court entered a Final Enforcement Order, which ordered Respondent to comply with the IRS summons on or before April 5, 2010.

6. Respondent failed to comply with the IRS summons on or before April 5, 2010.

7. In accordance with the Final Enforcement Order, judgment was entered against Respondent on March 8, 2010.

8. On May 14, 2010, the United States filed a Motion to Enforce Final Enforcement Order and advised that Respondent had still not complied with the IRS summons.

9. On May 20, 2010, the Court issued an Order to Show Cause, ordering Respondent to appear before the Court on June 10, 2010 and show cause why he should not be held in civil contempt for failure to comply with the Final Enforcement Order.

10. Respondent was served with the May 20, 2010 Order to Show Cause on May 24, 2010 via Federal Express at his last known residence and via regular U.S. mail at his last known post office box address, but he failed to appear at the June 10, 2010 show cause hearing or otherwise respond to the Order to Show Cause.

B. CONCLUSIONS OF LAW AND ORDER

Petitioner has demonstrated by clear and convincing evidence that: (1) valid court orders existed, specifically the March 4, 2010 Order to Show Cause and the May 20, 2010 Order to Show Cause; (2) Respondent was served with and had knowledge of

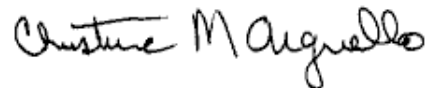
the Orders; and (3) Respondent disobeyed the Orders. *See FTC v. Kuykendall*, 371 F.3d 745, 756-7 (10th Cir. 2004). I therefore conclude that Respondent is in civil contempt for failure to comply with the Orders and that sanctions are appropriate. Accordingly, IT IS HEREBY ORDERED that Respondent is in civil contempt for failure to comply with the Court's March 4, 2010 Order to Show Cause and May 20, 2010 Order to Show Cause. It is hereby

ORDERED that a warrant for Respondent's arrest shall be issued and served upon Respondent by the U.S. Marshal Service.

Further proceedings will be scheduled in this case if and when appropriate.

DATED: June 14, 2010

BY THE COURT:



CHRISTINE M. ARGUELLO
United States District Judge