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UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT TACOMA

UNITED STATES OF AMERICA,)
)
 Plaintiff,)
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 v.)
)
 TIMOTHY L. PALMER, DEANNA M.)
 PALMER, THE LAND BOUNTIFUL ONE,)
)
 PIERCE COUNTY ,)
)
)
 Defendants.)
 _____)

Civil No. C-08-5249-FDB

ORDER GRANTING UNITED STATES' MOTION TO DISMISS DEFENDANTS PALMER'S COUNTERCLAIM

This matter comes before the Court on motion of United States to dismiss the counterclaim of the Defendants Timothy and Deanna Palmer. The Court, having reviewed the motion, Defendants' pleadings and the record herein, is fully informed and grants the motion to dismiss the counterclaim for the reasons that follow.

Introduction and Background

The United States initiated this action to reduce to judgment federal tax assessments against Timothy and Deanna Palmer and to foreclose on a parcel of real property. Neither the Palmers nor the other named Defendant, "The Land Bountiful" (an alleged sham entity of the Palmers that holds title to the real property at issue) have answered the factual allegations contained in the complaint. Instead, the Palmers have filed two petitions for stay, a request for an order to show cause why the record should not be corrected, and a request to hold counsel for the United States in contempt. Taken together, these pleadings (and the counterclaim) assert an argument that the Palmers are entitled to \$4 million from the

1 United States Treasury and that the Court should allow correction of the record to reflect this “reality”
2 and hold that the defendants may satisfy their tax debts with a promissory note drawn on these funds held
3 by the U.S. Treasury.

4 This Court has rejected the Palmers’ prior requests for relief, finding this tax protester theory
5 commonly known as “redemption” nonsensical and soundly rejected in this and all other jurisdictions. See
6 Bryant v. Wash. Mut. Bank, 524 F. Supp. 2d 753 (W.D. Va. 2007); United States v.Saldana, 427 F.3d
7 298 (5th Cir. 2005); United States v.Waalee, 133 Fed. Appx. 819 (3rd Cir. 2005); United States v. Allison,
8 264 Fed. Appx. 450 (5th Cir. 2008); United States v.Clapier, 40 Fed. Appx. 455, 457 (9th Cir. 2002).

9 **Counterclaim Fails to State a Claim**

10 The Palmers’ counterclaim is based upon a legal recognition of the “redemption” theory and
11 accordingly fails to state factual allegations that would support a cause of action. A counterclaim is
12 subject to dismissal for failure to state a claim upon which relief can be granted. The Palmers’ factual
13 allegations do not support a recognized legal claim upon which relief could be based. Accordingly, the
14 Palmers’ counterclaim is subject to dismissal.

15 **Conclusion**


16 For the above stated reasons the United States is entitled to dismissal of Defendants’ counterclaim.

17 ACCORDINGLY;

18 IT IS ORDERED:

19 The United States’ Motion to Dismiss Defendants Timothy and Deanna Palmer’s Counterclaim
20 [Dkt. # 48] is **GRANTED**. Defendants’ counterclaim [Dkt # 36] is **DISMISSED WITH**
21 **PREJUDICE**.

22 DATED this 22nd day of January, 2009

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26 FRANKLIN D. BURGESS
27 UNITED STATES DISTRICT JUDGE