

ENTERED

May 10, 2023

Nathan Ochsner, Clerk

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

UNITED STATES OF AMERICA,)	
)	
Plaintiff,)	Case No. 4:22-cv-4034
)	
v.)	
)	
HOLLINS RAY ALEXANDER,)	
)	
Defendant.)	
_____)	

ORDER OF PERMANENT INJUNCTION AND FINAL JUDGMENT

The plaintiff, the United States of America, filed motion seeking a permanent injunction and order of disgorgement against the defendant, Hollins Ray Alexander. He has not responded. The court finds that the record and applicable law support the government’s motion and grants the motion. The court enters the following findings and orders:

- 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. The defendant, Mr. Alexander, has continually and repeatedly engaged in conduct subject to penalty under I.R.C. § 6694, and in other fraudulent or deceptive conduct that substantially interferes with the proper administration of the tax laws. Under I.R.C. § 7407, an injunction merely prohibiting conduct subject to penalty under I.R.C. § 6694, or other fraudulent or deceptive conduct, would be insufficient to prevent his interference with the proper administration of the tax laws. Mr. Alexander should be permanently enjoined from acting as tax return preparer.
- C. Mr. Alexander has repeatedly engaged in conduct subject to penalty under I.R.C. § 6701. Under I.R.C. § 7408, an injunction merely prohibiting conduct subject to penalty under I.R.C.

§ 6701, or other fraudulent or deceptive conduct, would be insufficient to prevent his interference with the proper administration of the tax laws. Mr. Alexander, and anyone acting in active concert or participation with him, should be permanently enjoined from acting as tax return preparers.

D. Mr. Alexander has interfered with the enforcement of the internal revenue laws and injunctive relief is appropriate to prevent the recurrence of that conduct under I.R.C. § 7402(a).

E. Mr. Alexander, his agents, servants, employees, and anyone in active concert or participation with them are, under 26 U.S.C. §§ 7402, 7407, and 7408, permanently enjoined from directly or indirectly:

- (1) acting as a federal tax return preparer or requesting, assisting in, or directing, the preparation or filing of federal tax returns, amended returns, or other related documents or forms for any person or entity other than themselves unless the entity for which a return is being prepared is an entity for which he is legally obligated to file a tax return;
- (2) preparing, or assisting in preparing, or directing the preparation of federal tax returns, amended returns, and other federal tax documents and forms for anyone other than himself;
- (3) owning, operating, managing, working for, investing in, volunteering for, consulting for, providing capital or loans to, receiving fees or remuneration from, controlling, licensing, consulting with, or franchising a tax return preparation business;

- (4) training, instructing, teaching, and creating or providing cheat sheets, memoranda, directions, instructions, or manuals, pertaining to the preparation of federal tax returns;
- (5) maintaining, assigning, holding, using, leasing, or obtaining a Preparer Tax Identification Number (PTIN) or an Electronic Filing Identification Number (EFIN);
- (6) advising, counseling, or instructing anyone, for compensation or otherwise, regarding substantive tax law or the preparation of federal tax returns;
- (7) engaging in any other activity subject to penalty under I.R.C. §§ 6694, 6695, 6700, or 6701;
- (8) advertising tax return preparation services through any medium, including print, online, and social media;
- (9) referring any taxpayer to a tax preparation firm or to a tax return preparer, or otherwise suggesting that a taxpayer use any given tax preparation firm or any tax return preparer;
- (10) selling, providing access, or otherwise transferring to any person or entity other than the IRS or counsel for the United States a list of tax preparation customers, that Mr. Alexander generated by his tax return preparation activities;
- (11) using any business entity, to (a) assist in the preparation of a tax preparation business; or (b) receive federal tax refunds, whether directly from the IRS, or indirectly from Santa Barbara Tax Products Group, or any other tax refund processor;

- (12) collecting or gathering Forms W-2 and Forms 1099 from taxpayers or from customers who want to have a federal tax return prepared; and
- (13) working in the same office or office suite that also contains any part of a business whose activity at that office or office suite is to file, prepare, advise, or assist in the preparation of documents relating to a matter material to the internal revenue laws, including federal tax returns, amended federal tax returns and related documents, for any person for compensation.

F. Mr. Hollins must send, at his own expense, by certified mail, return receipt requested, within 45 days of the Court's order, and, if an email address is known, also by email, to (1) all persons for whom he has prepared federal tax returns, amended tax returns, or claims for refund since January 2020, and (2) all business partners, associates, landlords, employees or independent contractors that Defendant has had since January 2020, a copy of this order of permanent injunction, with no other enclosures, unless the enclosure(s) is approved by the Department of Justice.

G. Mr. Hollins must post, prominently and continuously from at least January 1 through April 16 of each year, a copy of the permanent injunction (with dimensions of at least 12 by 24 inches) at all the locations where Mr. Hollins conducts business, including, but not limited to, posting a copy at 7324 SW Freeway, Suite 155, Houston, TX 77074;

H. Mr. Hollins must post on all social media accounts and websites used to advertise his tax preparation services: "Hollins Ray Alexander, has been permanently enjoined from preparing federal income tax returns by the United States District Court for the Southern District of Texas. See the U.S. Department of Justice, Tax Division's website for further information." This statement must include a hyperlink, which will be provided by counsel for the United

States, to any press release regarding the injunction that the Department of Justice may issue.

Mr. Alexander, individually and d/b/a Tax Form, and d/b/a Speedy Title & Tax Service, must not deactivate any such social media accounts for at least one year after entry of judgment;

- I. Mr. Alexander must produce to counsel for the United States, no later than June 5, 2020, a list that identifies by name, social security number, address, email address, and telephone number and tax period(s) all persons for whom Mr. Alexander prepared federal tax returns or claims for a refund, for calendar years 2018–2022;
- J. Mr. Alexander must surrender to the Secretary of the Treasury or her delegate all PTINs held by, assigned to, or used by Department of the Treasury, under 26 U.S.C. § 6109, as well as any EFINs held by, assigned to, or used by the Department;
- K. Mr. Alexander is prohibited from applying for, and from directing others to apply for, an EFIN or a PTIN;
- L. Mr. Alexander must file, by July 10, 2020, a declaration, signed by him under penalty of perjury, confirming that he has received a copy of this order and has timely complied with the terms described in paragraphs (E)(1) to (E)(13) of this Order;
- M. Mr. Alexander must keep records of his compliance with the foregoing directives, which he may be required to produce to the Court, if requested, or to the United States;
- G. Mr. Alexander must disgorge \$165,940 to the United States in tax preparation fees.

The Court will retain jurisdiction to enforce this Order of Permanent Injunction and Final Judgment. The United States may seek post-judgment discovery in accordance with the Federal Rules of Civil Procedure to ensure compliance with this Order.

SIGNED on May 10, 2023, at Houston, Texas.

A handwritten signature in black ink, reading "Lee H. Rosenthal". The signature is written in a cursive style with a large, sweeping flourish at the end.

Lee H. Rosenthal
United States District Judge