

1 UNITED STATES DISTRICT COURT
2 DISTRICT OF NEVADA

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4 UNITED STATES OF AMERICA,

5 Plaintiff,

6 vs.

7 GREGORY C. DIEDRICH and SAGINAW
FINANCIAL,

8 Defendants.

2:19-cv-02134-GMN-VCF

REPORT AND RECOMMENDATION

9 Before the Court is the United States' Motion for Default Judgment and Permanent Injunction.
10 (ECF Nos. 12 and 16). The Complaint for permanent injunction and other relief (ECF NO. 1) was filed
11 on December 12, 2021. Summons were served on defendants Saginaw Financial and Gregory C.
12 Diedrich on March 24, 2020. (ECF Nos. 7 and 8). No appearances have been made by Defendants
13 Saginaw Financial and Gregory C. Diedrich. Defendants have not filed a response or answer to the
14 complaint.

15 The Court have considered the United States' Motion, the supporting declarations, and the
16 complaint,

17 Accordingly,

18 IT IS HEREBY RECOMMENDED that the United States' Motion for Default Judgment and
19 Permanent Injunction (ECF Nos. 12 and 16), be GRANTED, and that Default judgment be entered under
20 Fed. R. Civ. P. 55(b)(2) in favor of the United States.

21 IT IS FURTHER RECOMMENDED that the United States' Motion for Permanent Injunction be
22 GRANTED, and that the injunction be detailed as follows:
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PERMANENT INJUNCTION ORDER

IT IS HEREBY ORDERED that Defendants Gregory C. Diedrich and Saginaw Financial are PERMANENTLY ENJOINED, pursuant to 26 U.S.C. §§ 7402(a), 7407, and 7408, effective from the date of entry of this Order, from directly or indirectly:

A. Acting as a federal tax return preparer or requesting, assisting in, or directing the preparation or filing of federal tax returns for any person or entity other than themselves or a legal spouse;

B. Representing, or assisting in the representation of, any person or entity, other than themselves or a legal spouse, before the IRS;

C. Instructing, advising, or assisting, directly or indirectly, others to violate the tax laws, including to evade the payment of taxes;

D. Engaging in activity subject to penalty under 26 U.S.C. § 6694, such as preparing federal income tax returns that understate tax liabilities;

E. Engaging in activity subject to penalty under 26 U.S.C. § 6701, such as assisting in, procuring, or advising with respect to the preparation of any portion of a return, affidavit, claim, or other document, when knowing or having reason to believe that the relevant portion will be used in connection with a material matter arising under the internal revenue laws, and knowing that the relevant portion will result in the material understatement of another person's tax liability;

F. Owning, controlling, or managing any business involving tax return preparation and/or tax advice, or from maintaining a professional presence in any premises, whether an office, place of business, dwelling, or other location, where tax returns are being prepared for a fee or professional tax services are being provided;

G. Engaging in any other conduct that interferes with the administration and enforcement of the internal revenue laws.

IT IS FURTHER ORDERED that Gregory C. Diedrich and Saginaw Financial shall:

1 H. Contact by mail and by email, if an email address is known, the persons and entities who, since
2 January 1, 2016, have paid or otherwise retained them to prepare tax returns, and inform these customers
3 of the Court's Order of Permanent Injunction, attaching a copy of this Order;

4 I. File with the Court, within 30 days of the entry of this Order, a certification signed under penalty
5 of perjury stating that they have done so;

6 J. The mailings shall include a cover letter in a form either agreed to by counsel for the United
7 States or approved by the Court, and shall not include any other documents or enclosures apart from this
8 Order; and

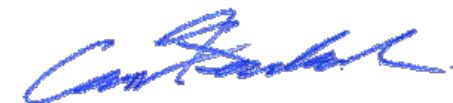
9 K. Gregory C. Diedrich and Saginaw financial must produce to counsel for the United States,
10 within 30 days of entry of this Order, a list that identifies by name, social security number, address, email
11 address, telephone number, and relevant tax periods all persons for whom they prepared federal tax returns
12 or claims for refund for the 2015 tax year through the present.

13 IT IS FURTHER ORDERED that:

14 L. The United States may engage in post-judgment discovery to monitor compliance with this
15 injunction; and

16 M. This Court shall retain jurisdiction over this action for purposes of implementing and enforcing
17 the final judgment and any additional orders necessary and appropriate to the public interest.

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19 DATED this 23rd day of December, 2020.



20 CAM FERENBACH
21 UNITED STATES MAGISTRATE JUDGE
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