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Attorneys for Plaintiff, United States

IN THE UNITED STATES DISTRICT COURT FOR THE  
CENTRAL DISTRICT OF CALIFORNIA  
SOUTHERN DIVISION

UNITED STATES OF AMERICA,

Plaintiff,

v.

THANH VIET JEREMY CAO,  
individually and  
d/b/a Phoenix Financial  
Management Group,

Defendant.

) SACV 09-1245-JVS (ANx)

) **ORDER  
GRANTING MOTION FOR  
SUMMARY JUDGMENT**

**ORDER**

**IT IS HEREBY ORDERED** pursuant to 26 U.S.C. §§ 7402, 7407, and 7408 that defendant Thanh Viet Jeremy Cao and his representatives, agents, servants, employees, attorneys, independent contractors, anyone in active concert or participation with him, are **PERMANENTLY ENJOINED** from directly or indirectly;

- (1) Preparing or filing, or assisting in, or directing the preparation or filing of any federal tax return, amended return, IRS Form 1099, 1099-OID, 1096, Schedule B, or any other tax-related documents or forms for any other person or entity;
- (2) Engaging in any other activity subject to penalty under the Internal Revenue Code;
- (3) Engaging in other conduct that substantially interferes with the proper administration and enforcement of the internal revenue laws;
- (4) Organizing or selling tax shelters, plans or arrangements that advise or assist taxpayers to attempt to evade the assessment or collection of such taxpayers' correct federal tax;
- (5) Engaging in any other activity subject to penalty under 26 U.S.C. § 6700, including organizing or selling a plan or arrangement and making a statement regarding the excludability of income or securing of any other tax benefit by participating in the plan that defendant knows or has reason to know is false or fraudulent as to any material matter;
- (6) Engaging in any other activity subject to penalty under 26 U.S.C. § 6701;
- (7) Directly or indirectly organizing, promoting, marketing, or selling any plan or arrangement that advises or encourages taxpayers to attempt to violate internal revenue laws or unlawfully evade the assessment or collection of their federal tax liabilities, including promoting, selling, or advocating the use of the "commercial redemption" theory and false Forms 1099-OID based on the false claims that:
  - i. Taxpayers can draw on the Treasury of the United States to pay their tax debt or other debt using IRS Forms 1099, 1099-OID, Schedule B, tax returns, or other false IRS documents;
  - ii. Taxpayers can issue false Forms 1099-OID on behalf of a creditor and report the amount on the false Form 1099 as federal income taxes withheld on their behalf; and

1 iii. Taxpayers have an account with the Treasury Department  
2 from which they can draw funds through a process that is  
often called “redemption” or “commercial redemption”;

3 (8) Preparing his own federal income tax returns or amended  
4 returns claiming false income tax withholding and refunds,  
5 whether or not they are based on amounts shown in false Forms  
1099-OID issued to creditors, false Forms Schedule B, or other  
IRS forms or documents;


6 (9) Otherwise aiding and abetting the filing of frivolous Forms  
7 1040, 1040X, 1099, 1099-OID, and Schedules B for himself or  
others; and,

8 (10) Representing anyone before the IRS.

9  
10 **IT IS FURTHER ORDERED** that within 30 days defendant contact by  
11 mail (and also by e-mail, if an address is known) all persons for whom he has  
12 prepared returns since January 1, 2005, or who have purchased any products,  
13 services or advice associated with the false or fraudulent tax scheme described in  
14 this order, enclosing a copy of the injunction against defendant, and file a  
15 certificate with the Court within 45 days stating under penalty of perjury that he  
16 has done so.

17 **IT IS FURTHER ORDERED** that defendant provide to counsel for the  
18 United States within 30 days a list of all persons for whom he has prepared federal  
19 income tax returns, amended returns, or other tax-related documents, and all  
20 persons who have purchased any products, services or advice from defendant,  
21 since January 1, 2005.

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23 **SO ORDERED** this 26th day of July, 2010.

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27 JAMES V. SELNA  
28 UNITED STATES DISTRICT JUDGE

1 Respectfully submitted,

2 ANDRE BIROTTE, JR.  
United States Attorney

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