UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS

DOCKETED
MAR 0 4 2002

UNITED STATES OF AMERICA Plaintiff v. MICHAEL D. RICHMOND and REX E. BLACK, d/b/a THE LIBERTY NETWORK, LIBERTY ESTATE PLANNING, THE LIBERTY INSTITUTE, FIDUCIARY MANAGEMENT GROUP, NATIONAL COUNCIL OF CERTIFIED ESTATE PLANNERS, ASSOCIATION FOR CERTIFIED ESTATE PLANNING ATTORNEYS, and EAGLE PUBLICATIONS TRUST Defendants	)	CIVIL NO. 1559 JUDGE KOCOLE MAGISTRATE JUDGE LEVIN

FILED: ED4
02 MAR -4 AM 9:09
CLERK
U.S. DISTRICT COURT

COMPLAINT FOR PERMANENT INJUNCTION AND OTHER EQUITABLE RELIEF

Nature of Action

1. This is a civil action brought by the United States of America pursuant to §§ 7401, 7402, 7407, and 7408 of the Internal Revenue Code (26 U.S.C.) (I.R.C.) to enjoin the defendants, Michael D. Richmond and Rex E. Black, both d/b/a The Liberty Network, Liberty Estate Planning, The Liberty Institute, Fiduciary Management Group, National Council of Certified Estate Planners, Association for Certified Estate Planning Attorneys, Eagle Publications Trust, and all those in active concert or participation with them from:

a. Organizing or selling abusive tax shelters, plans, or programs that advise or encourage taxpayers to attempt to evade the assessment or collection of their correct federal tax;

b. Making false statements about the allowability of any deduction or credit, the excludability of any income, or the securing of any other tax benefit by the reason of participating in such tax shelters, plans, or programs;

c. Instructing or advising taxpayers to not file tax returns, not pay taxes, and/or to understate their federal income tax liabilities;

d. Further acting as return preparers or assisting in the preparation of federal tax returns which knowingly will result in the understatement of any tax liability;

e. Understating taxpayers' liabilities as prohibited by I.R.C. § 6694;

f. Engaging in any other activity subject to penalty under I.R.C. §§ 6694, 6695, 6700 or 6701;

g. Engaging in other similar conduct that substantially interferes with the proper administration and enforcement of the internal revenue laws.

Jurisdiction

2. This action has been authorized and requested by the Acting Chief Counsel of the Internal Revenue Service, a delegate of the Secretary of the Treasury, and commenced at the direction of a delegate of the Attorney General of the United States, pursuant to the provisions of I.R.C. §§ 7401, 7402, 7407 and 7408.

3. Jurisdiction is conferred on this Court by 28 U.S.C. §§ 1340 and 1345 and I.R.C. §§ 7401, 7402(a), 7407 and 7408.

Defendants

4. Michael D. Richmond currently resides at FCI Oxford, Box 500, Oxford, Wisconsin 53952. Michael D. Richmond, the founder of The Liberty Network, has engaged in conduct in this district subject to penalty under I.R.C. §§ 6694, 6695, 6700 and 6701, and has engaged in conduct in this district that interferes with the enforcement of the internal revenue laws.

5. Rex E. Black currently resides at 2852 W. Eagle Lake Road, Beecher, Illinois 60401. Rex E. Black, the executive director of The Liberty Institute, has engaged in conduct in this district subject to penalty under I.R.C. §§ 6694, 6695, 6700 and 6701, and has engaged in conduct in this district that interferes with the enforcement of the internal revenue laws.

Count I:

Injunction under I.R.C. § 7408 for violations of §§ 6700 and 6701

6. I.R.C. § 7408 authorizes a court to enjoin persons who have engaged in conduct subject to penalty under I.R.C. §§ 6700 or 6701 from engaging in further such conduct. Section 6700 imposes a penalty on any person who organizes or participates in the sale of a plan or arrangement and in so doing makes a statement with respect to the allowability of any deduction or credit, the excludability of any income, or the securing of any tax benefit by participating in the plan or arrangement, and the person

knows or has reason to know the statement is false or fraudulent as to any material matter. Section 6701 imposes a penalty on any person who aids in the preparation of any portion of a return, knowing the portion will be used to assert a position under the internal revenue laws and knowing the portion will result in an understatement in tax liability.

7. Defendants organized an abusive trust program which they describe as "Pass-Through Technology." Defendants' Pass-Through Technology scheme promotes the misuse of business and family trusts, advises customers to claim unallowable federal tax benefits, and assists customers in preparing the forms to claim those unallowable benefits. Defendants promote and market this abusive scheme through their personally-owned enterprise, the Liberty Network and its affiliated entities. The Liberty Network consists of the following entities:

- **Liberty Estate Planning**: A membership organization selling the Pass-Through Technology scheme;
- **The Liberty Institute**: An "educational" organization providing a "Certified Estate Planner" designation, claiming over 2500 participants nationwide. This is one of defendants' primary marketing tools for promoting the Pass-Through Technology scheme;
- **National Council of Certified Estate Planners**: A membership organization for Certified Estate Planners. This is another marketing tool for promoting the Pass-Through Technology scheme;
- **Fiduciary Management Group**: An organization that provides tax return preparation, trustee and secretarial services to Pass-Through Technology customers;
- **National Association of Certified Estate Planning Attorneys**: A membership organization and legal services provider for Certified Estate Planners and their clients. This is defendants' source for attorneys willing to assist with the Pass-Through Technology scheme;
- **Eagle Publications Trust**: This organization sells defendants' books promoting their Pass-Through Technology scheme.

8. On their own and through The Liberty Network, defendants prepare, promote, and sell trust packages. Defendants claim the following benefits from their program:

- The elimination or reduction of federal estate taxes;
- A "New Basis" in all assets contributed to a business or family trust;
- Avoidance of any gift tax problems;
- Deferral of taxable income;
- "Judgment Proofing" provided by trusts;
- "IRS protection" provided by trusts; and
- Avoidance of FICA and FUTA taxes on wages from family-owned businesses.

9. After reviewing customers' financial information under the guise of legitimate estate planning, defendants advise customers to convert their businesses to "Constitutional" or "Pure" trusts by transferring their business assets to "Contract Business Trusts" in exchange for "Certificates of Beneficial Interest." Defendants advise customers to transfer non-business assets such as their residential property to a "Family Estate Trust."

10. Defendants' promotional materials advise customers that all assets transferred to either their Contract Business Trust or their Family Estate Trust receive a "New Basis." Defendants advise customers that Family Estate Trust assets such as the personal residence can then be depreciated, and that Contract Business Trust assets can be re-depreciated. Defendants advise customers that transferring assets into a trust and receiving a New Basis based on the asset's fair market value is a non-recognition event for tax purposes.

11. Defendants advise customers that in order for their trusts to be valid, each trust must have independent trustees. Defendants' employees, operating through Fiduciary Management Group, provide "trustee services" for a fee. Defendants advise customers to enter into employment contracts with their newly-formed trusts to act as the trusts' "Trust Managers." Defendants' "trustees," working through Fiduciary Management Group, are sham trustees because they cede control of the trust operations and finances back to the Trust Managers, disclaim all responsibility for trust management,

and maintain no involvement with the trusts other than providing "secretarial services." Once the process is complete, according to defendants' brochure *The Contract Trust*:

> ...although the Creators or Grantors of the trust are completely divested of assets, they still operate and enjoy all the matters they previously owned and controlled.

12. Defendants advise customers that they can "ENJOY the benefits of wealth without paying taxes on everything." Defendants advise customers that personal expenses can be deducted by their Contract Business Trust. And, defendants advise customers that personal expenses can be deducted by the Family Estate Trust, including:

House payments;
Landscaping;
Membership Dues;
Mortgage;
Repairs;
Trustee Fees;
Utilities (Electric, Garbage, Heating, Phone and Water)

13. Defendants charge customers approximately $3,750.00 for each trust, and advise forming at least two trusts for each customer. Defendants' entity Fiduciary Management Group charges the following annual trustee fees:

- Family Asset Conservation Trust: $400.00;
- Family Estate Trust: $400.00;
- Investment Management Trust: $400.00 and
- Contract Business Trust: $595.00.

Fiduciary Management Group also conducts training sessions for a fee to update customers on "legal changes" affecting their trusts.

14. The "trusts" that defendants create for their customers are shams, devoid of economic substance. Alternatively, the "trusts" are grantor trusts that may be disregarded for federal income tax purposes.

15. Defendants promote these trust arrangements through brochures, word of mouth, and through their books, *This is Your Life*, *How to Retire in 7 Years*, *Judgment Proof and Tax Smart*, and *God's Money in Caesar's Pocket*. Defendants also promote their programs, seminars and trust arrangements on various websites.

16. Defendants also promote their programs through nationwide classes to "certify" individuals, according to their own standards, as "Certified Estate Planners" ("CEPs") and "Master Certified Estate Planners" ("MCEPs"). After paying to attend classes and earning these designations, Liberty agents are authorized to sell defendants' estate planning products.

17. Each defendant has made false or fraudulent statements regarding the tax advantages available to purchasers of their programs. Defendants' false and fraudulent statements have appeared in books, CEP Course Materials, CEP Procedure Manuals, pamphlets and other documents that defendants have distributed to clients, and the informational material included in the trust packages that the defendants sell. Examples of defendants' false or fraudulent statements in such materials include these:

- "The assets conveyed into the Contract Trust receive a New Basis at the point of funding, and the annual Tax Filing uses a 1041 form which offers more deductions and advantageous rules. It also avoids Probate and Federal Death Taxes."
- Federal income and self-employment taxes can be reduced or eliminated by placing the customer's business and real and personal property in a business trust.
- Customers can transfer their personal residence into a Family Estate Trust and then deduct all expenses relating to upkeep of that residence, including utilities, repairs, maintenance and depreciation.
- Customers using the defendants' trusts can properly claim business deductions for their personal life and disability insurance premiums, personal medical expenses, car and house payments, and other personal expenses.

18. Each defendant knew or had reason to know that the trust arrangements or packages they sold, as well as the other materials described above, contained false or fraudulent statements within the meaning of I.R.C. § 6700. Defendant Richmond claims that he has been an estate planner since 1985, "when he pioneered much of the marketing ideas for Revocable Living Trusts. Since then he has personally taught over 2500 financial, accounting and legal professionals in the basic and advanced ideas of estate planning." Defendant Black is co-author of *God's Money in Caesar's Pocket*, is the executive director of The Liberty Institute, and serves as a permanent member of the National Council of Certified Estate Planners. Black claims to be a "national trainer and editor of the Certified Estate Planner course."

19. Defendants, operating through Fiduciary Management Group, have prepared numerous federal tax returns for their customers and their "trusts," but have refused to comply with IRS requests for customer lists and lists of clients for whom they have prepared "trust" documents or provided "trust" services.

20. The trust packages that defendants have sold instructed or encouraged taxpayers to file federal individual and trust income tax returns that improperly and illegally reduced or eliminated their federal income, self-employment, and social security tax liabilities.

21. Defendants, operating through Fiduciary Management Group, provide return-preparation services to purchasers of their abusive trust program. Defendants charge $395 to prepare or assist in preparing their customers' trust and individual tax returns claiming improper deductions and failing to report income based on their abusive-trust scheme. In so doing, the defendants have engaged in the preparation or presentation of a portion of a tax return or other document in connection with a matter arising under the internal revenue laws, knowing that such portion will be used in connection with a material matter arising under the internal revenue laws, and knowing that such portion (if so used), will result in an understatement of the liability for tax of another person. The defendants' conduct is thus subject to penalty under I.R.C. § 6701. The IRS estimates that the defendants' promotion has caused more than $9 million in annual tax losses.

22. Defendants, operating through The Liberty Network and its affiliated entities, have persisted in promoting their abusive trust scheme, and in preparing tax returns based on that scheme, after being advised that their conduct was subject to penalty under I.R.C. §§ 6700 and 6701, and to injunction under I.R.C. § 7408. While defendant Richmond is currently incarcerated, his past conduct indicates that he will continue promoting the abusive scheme on his release unless he is enjoined.

23. Each defendant has engaged in conduct subject to penalty under I.R.C. §§ 6700 and 6701 in connection with the promotion, organization, and sale of the trust packages and arrangements described above, and preparation of tax returns relating to those trusts. Unless enjoined by this Court, they are likely to continue to engage in such conduct. Injunctive relief is therefore appropriate under I.R.C. § 7408.

Count II:

Injunction Under I.R.C. § 7407

24. Plaintiff incorporates by reference the allegations in paragraphs 1 through 23.

25. I.R.C. § 7407 authorizes a district court to enjoin an income tax return preparer from:

- engaging in conduct subject to penalty under I.R.C. § 6694 (which penalizes a return preparer who prepares or submits a return that contains an unrealistic position);
- engaging in conduct subject to penalty under I.R.C. § 6695 (which penalizes a return preparer who fails to keep a list of clients or to turn over the list to the IRS upon request);
- misrepresenting his experience or education as an income tax return preparer; or
- engaging in any other fraudulent or deceptive conduct that substantially interferes with the proper administration of the internal revenue laws,

if the Court finds that injunctive relief is appropriate to prevent recurrence of such conduct. Additionally, if the Court finds that a preparer has continually or repeatedly engaged in such conduct and the Court finds that a narrower injunction (*i.e.*, prohibiting only that specific enumerated conduct) would not be sufficient to prevent that person's interference with the proper administration of federal tax law, the Court may enjoin the person from further acting as a federal income tax return preparer.

26. Defendants, operating through Fiduciary Management Group, have prepared numerous federal income tax returns claiming deductions (on behalf of trusts they created for customers) for the non-deductible personal expenses of the customers who established the trusts. Defendants, operating through Fiduciary Management Group, have prepared individual income tax returns for customers who purchased these trust packages, on which they understated the customers' income. In so doing, defendants, operating through Fiduciary Management Group, have asserted positions which they knew or should have known were unrealistic within the meaning of I.R.C. § 6694.

27. Defendants have refused to comply with the IRS's legitimate requests for Fiduciary Management Group's lists of customers for whom they have prepared federal income tax returns, as well as other tax returns, in violation of I.R.C. § 6107(b).

28. Each defendant has engaged in other fraudulent and deceptive conduct that substantially interferes with the proper administration of the internal revenue laws. They have attempted to delay or obstruct the IRS investigation into defendants' abusive trust schemes and IRS audits of participants in

the scheme by instructing customers to refusing to provide the financial and other records.

29. Each defendant's actions described above fall within I.R.C. §§ 7407(b)(1)(A) and (D), and are thus subject to injunction under § 7407.

30. Defendants' continual and repeated conduct subject to injunction under I.R.C. § 7407, combined with their other conduct described in this complaint, requires that they, operating through Fiduciary Management Group, be permanently enjoined from acting as an income-tax-return preparers.

Count III:

Injunction Under I.R.C. § 7402

31. The United States incorporates herein by reference the allegations in paragraphs 1 through 30, above.

32. Each defendant, through the conduct described above, has engaged in conduct that interferes substantially with the administration and enforcement of the internal revenue laws. Unless enjoined by this Court, they are likely to continue to engage in such conduct. The conduct of the defendants results in irreparable injury to the United States for which the United States has no adequate remedy at law. The United States is entitled to injunctive relief under I.R.C. § 7402(a) to prevent such conduct.

Appropriateness of Injunctive Relief

33. Unless enjoined by the Court, defendants are likely to continue to engage in the conduct described in paragraphs 1 through 32, above.

34. Defendants' conduct, as described in paragraphs 1 through 32 above, results in irreparable harm to the United States and the United States has no adequate remedy at law. Specifically, the defendants' conduct is causing and will continue to cause substantial revenue losses to the United States Treasury. Unless the defendants are enjoined, the IRS will have to devote substantial time and resources simply to detect future returns with improper deductions and underreported income, and may be unable to detect all of them. The IRS will also have to devote even more resources to then audit the federal tax returns of defendants' trust customers. In light of defendants' large number of customers, and in light of other abusive promotions the IRS must deal with, the IRS may not be able to audit all of

the erroneous federal tax returns prepared by defendants, operating through Fiduciary Management Group, and all of the returns filed by defendants' trust customers.

35. If defendants are not enjoined, they likely will continue to engage in conduct subject to penalty under I.R.C. §§ 6700, 6701, 6694 and 6695 that interferes with the enforcement of the internal revenue laws.

WHEREFORE, the plaintiff United States prays for the following relief:

A. That the Court find that Michael D. Richmond and Rex Black, d/b/a The Liberty Network and its affiliated entities, engaged in conduct subject to penalty under I.R.C. §§ 6700 and 6701, and that injunctive relief is appropriate under I.R.C. § 7408 to prevent defendants (and any business or entity through which they operate, including The Liberty Network and its affiliated entities) and anyone acting in concert with them from engaging in any further such conduct;

B. That the Court find that the defendants, Michael D. Richmond and Rex Black, d/b/a The Liberty Network and its affiliated entities, engaged in conduct subject to penalty under I.R.C. §§ 6694 and 6695, and that injunctive relief is appropriate under I.R.C. § 7407 to prevent defendants (and any business or entity through which they operate, including Fiduciary Management Group, The Liberty Network, and its affiliated entities) from acting as an income tax return preparers;

C. That the Court find that defendants, Michael D. Richmond and Rex Black, d/b/a The Liberty Network and its affiliated entities, engaged in conduct that interferes with the enforcement of the internal revenue laws, and that injunctive relief against defendants and any business through which they operate, including The Liberty Network and its affiliated entities, is appropriate pursuant to the Court's inherent equity powers and I.R.C. § 7402(a) to prevent the recurrence of that conduct;

D. That the Court, pursuant to I.R.C. § 7407, enter a permanent injunction prohibiting defendants, Michael D. Richmond and Rex Black, d/b/a The Liberty Network and its affiliated entities, or any other business or entity established or controlled by defendants, from acting as an income tax return preparer;

E. That the Court, pursuant to I.R.C. §§ 7402 and 7408, enter a permanent injunction prohibiting defendants, Michael D. Richmond and Rex Black, d/b/a The Liberty Network and its

affiliated entities, and prohibiting their representatives, agents, servants, employees, attorneys, and those persons in active concert or participation with them, from directly or indirectly by means of false, deceptive, or misleading commercial speech from:

1. Organizing, promoting, marketing, or selling any abusive tax shelter, plan or arrangement that incites taxpayers to attempt to violate the internal revenue laws or unlawfully evade the assessment or collection of their federal tax liabilities;

2. Inciting other individuals and entities to understate their federal tax liabilities, avoid the filing of federal tax returns, or avoid paying federal taxes;

3. Further engaging in any conduct subject to penalty under I.R.C. § 6700, *i.e.*, making or furnishing, in connection with the organization or sale of an abusive shelter, plan, or arrangement, a statement the defendants know or have reason to know is false or fraudulent as to any material matter;

4. Further engaging in any conduct subject to penalty under I.R.C. § 6701, *i.e.*, assisting others in the preparation of any tax forms or other documents to be filed with the IRS that the defendants know, if so filed, will result in the understatement of income tax liability; and

5. Further engaging in any conduct which interferes with the administration and enforcement of the internal revenue laws;

F. That this Court, pursuant to I.R.C. §§ 7402, 7407, and 7408, enter an injunction requiring the defendants to contact:

1. All persons for whom the defendants prepared federal income tax returns or any other federal tax forms from January 1, 1997, to the present; and

2. All persons who purchased trust packages from defendants (or agents or designees of the defendants),

3. All persons who attended the following courses from 1995 to the present: The Certified Estate Planner, The Master Certified Estate Planner, Charitable Planning Specialist, Pass Through Technology, Elder Planning Specialist, and Reversing the Sale

and inform those persons of the entry of the Court's findings concerning the falsity of the defendants' representations, the falsity of the tax returns prepared on their behalf, the possibility of the imposition of a frivolous filing penalty against them, the possibility that the United States may seek to collect any additional federal income taxes, penalties, and interest which they may owe, and the entry of the permanent injunction against the defendants, Michael D. Richmond and Rex Black, d/b/a The Liberty Network and its affiliated entities;

G. That this Court, pursuant to IRC §§ 7402, 7207, and 7408, enter an injunction requiring the defendants to turn over to the United States any records in their possession, or to which they have access, that identify all persons or entities for whom the defendants (or any entity through which they operate) have prepared income tax returns or to whom the defendants have sold trust packages since January 1, 1995;

H. That this Court, pursuant to IRC §§ 7402 and 7408, enter an injunction requiring defendants and their representatives, agents, servants, employees, attorneys, and those persons in active concert or participation with them to maintain their websites for one year, and to remove from their websites all abusive-tax-scheme promotional materials, false commercial speech, and materials designed to incite others imminently to violate the law (including tax laws), and to display prominently on the first page of those websites a copy of the Court's permanent injunction; and

I. That the Court grant the United States such other and further relief as the Court deems appropriate.

PATRICK J. FITZGERALD
United States Attorney

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JS-44 (Rev. 12/96)

CIVIL COVER SHEET

The JS-44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON THE REVERSE OF THE FORM)

I. (a) PLAINTIFFS

UNITED STATES OF AMERICA

(b) COUNTY OF RESIDENCE OF FIRST LISTED PLAINTIFF _____
(EXCEPT IN U.S. PLAINTIFF CASES)

DEFENDANTS

MICHAEL D. RICHMOND and REX E. BLACK, d/b/a THE LIBERTY NETWORK, LIBERTY ESTATE PLANNING, THE LIBERTY INSTITUTE, FIDUCIARY MANAGEMENT GROUP, NATIONAL COUNCIL OF CERTIFIED ESTATE PLANNERS, ASSOCIATION FOR CERTIFIED ESTATE PLANNING ATTORNEYS, and EAGLE PUBLICATIONS TRUST

COUNTY OF RESIDENCE OF FIRST LISTED DEFENDANT WILL
(IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.

(c) ATTORNEYS (FIRM NAME, ADDRESS, AND TELEPHONE NUMBER)
Kari M. Larson
Tax Division, Trial Attorney
P.O. Box 7238, Ben Franklin Station
Washington, D.C. 20044 (202) 514-0564

ATTORNEYS (IF KNOWN)

02C 1559 DOCKETED MAR 0 4 2002

JUDGE NORGLE

MAGISTRATE JUDGE LEVIN

II. BASIS OF JURISDICTION (PLACE AN "X" IN ONE BOX ONLY)

- ☒ 1 U.S. Government Plaintiff
- ☐ 2 U.S. Government Defendant
- ☐ 3 Federal Question (U.S. Government Not a Party)
- ☐ 4 Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (PLACE AN "X" IN ONE BOX FOR PLAINTIFF AND ONE BOX FOR DEFENDANT)
(For Diversity Case Only)

	PTF	DEF		PTF	DEF
Citizen of This State	☐ 1	☐ 1	Incorporated or Principal Place of Business in This State	☐ 4	☐ 4
Citizen of Another State	☐ 2	☐ 2	Incorporated and Principal Place of Business in Another States	☐ 5	☐ 5
Citizen or Subject of a Foreign Country	☐ 3	☐ 3	Foreign Nation	☐ 6	☐ 6

IV. ORIGIN (PLACE AN "X" IN ONE BOX ONLY)

- ☒ 1 Original Proceeding
- ☐ 2 Removed from State Court
- ☐ 3 Remanded from Appellate Court
- ☐ 4 Reinstated or Reopened
- ☐ 5 Transferred from Another District (specify)
- ☐ 6 Multidistrict Litigation
- ☐ 7 Appeal to District Judge from Magistrate Judge

V. NATURE OF SUIT (PLACE AN "X" IN ONE BOX ONLY)

CONTRACT
- ☐ 110 Insurance
- ☐ 120 Marine
- ☐ 130 Miller Act
- ☐ 140 Negotiable Instrument
- ☐ 150 Recovery of Overpayment & Enforcement of Judgment
- ☐ 151 Medicare Act
- ☐ 152 Recovery of Defaulted Student Loans (Excl. Veterans)
- ☐ 153 Recovery of Overpayment of Veteran's Benefits
- ☐ 160 Stockholders' Suits
- ☐ 190 Other Contract
- ☐ 195 Contract Product Liability

REAL PROPERTY
- ☐ 210 Land Condemnation
- ☐ 220 Foreclosure
- ☐ 230 Rent Lease & Ejectment
- ☐ 240 Torts to Land
- ☐ 245 Tort Product Liability
- ☐ 290 All Other Real Property

TORTS

PERSONAL INJURY
- ☐ 310 Airplane
- ☐ 315 Airplane Product Liability
- ☐ 320 Assault, Libel & Slander
- ☐ 330 Federal Employers' Liability
- ☐ 340 Marine
- ☐ 345 Marine Product Liability
- ☐ 350 Motor Vehicle
- ☐ 355 Motor Vehicle Product Liability
- ☐ 360 Other Personal Injury

PERSONAL INJURY
- ☐ 362 Personal Injury Med. Malpractice
- ☐ 365 Personal Injury Product Liability
- ☐ 368 Asbestos Personal Injury Product Liability

PERSONAL PROPERTY
- ☐ 370 Other Fraud
- ☐ 371 Truth in Lending
- ☐ 380 Other Personal Property Damage
- ☐ 385 Property Damage Product Liability

CIVIL RIGHTS
- ☐ 441 Voting
- ☐ 442 Employment
- ☐ 443 Housing/ Accommodations
- ☐ 444 Welfare
- ☐ 440 Other Civil Rights

PRISONER PETITIONS
- ☐ 510 Motion to Vacate Sentence

HABEAS CORPUS:
- ☐ 530 General
- ☐ 535 Death Penalty
- ☐ 540 Mandamus & Other
- ☐ 550 Civil Rights
- ☐ 555 Prison Condition

FORFEITURE/PENALTY
- ☐ 610 Agriculture
- ☐ 620 Other Food & Drug
- ☐ 625 Drug Related Seizure of Property 21 USC 881
- ☐ 630 Liquor Laws
- ☐ 640 R. R. & Truck
- ☐ 650 Airline Regs.
- ☐ 660 Occupational Safety/Health
- ☐ 690 Other

LABOR
- ☐ 710 Fair Labor Standards Act
- ☐ 720 Labor/Mgmt. Relations
- ☐ 730 Labor/Mgmt. Reporting & Disclosure Act
- ☐ 740 Railway Labor Act
- ☐ 790 Other Labor Litigation
- ☐ 791 Empl. Ret. Inc. Security Act

BANKRUPTCY
- ☐ 422 Appeal 28 USC 158
- ☐ 423 Withdrawal 28 USC 157

PROPERTY RIGHTS
- ☐ 820 Copyrights
- ☐ 830 Patent
- ☐ 840 Trademarks

SOCIAL SECURITY
- ☐ 861 HIA (1395ff)
- ☐ 862 Black Lung (923)
- ☐ 863 DIWC/DIWW (405(g))
- ☐ 864 SSID Title XVI
- ☐ 865 RSI (405(g))

FEDERAL TAX SUITS
- ☒ 870 Taxes (U.S. Plaintiff or Defendant
- ☐ 871 IRS - Third Party 26 USC 7609

OTHER STATUTES
- ☐ 400 State Reappointment
- ☐ 410 Antitrust
- ☐ 430 Banks and Banking
- ☐ 450 Commerce/ICC Rates/etc.
- ☐ 460 Deportation
- ☐ 470 Racketeer Influenced and Corrupt Organizations
- ☐ 810 Selective Service
- ☐ 850 Securities/Commodities/ Exchange
- ☐ 875 Customer Challenge 12 USC 3410
- ☐ 891 Agriculture Acts
- ☐ 892 Economic Stabilization Act
- ☐ 893 Environmental Matters
- ☐ 894 Energy Allocation Act
- ☐ 895 Freedom of Information Act
- ☐ 900 Appeal of Fee Determination Under Equal Access to Justice
- ☐ 950 Constitutionality of State Statutes
- ☐ 890 Other Statutory Actions

VI. CAUSE OF ACTION (CITE THE U.S. CIVIL STATUTE UNDER WHICH YOU ARE FILING AND WRITE BRIEF STATEMENT OF CAUSE. DO NOT CITE JURISDICTIONAL STATUTES UNLESS DIVERSITY.)

Injunction under 26 USC §§ 7402, 7407, 7408

FILED 02 MAR -4 PM 4:08 U.S. DISTRICT COURT

VII. REQUESTED IN COMPLAINT: CHECK IF THIS IS A **CLASS ACTION** ☐ UNDER F.R.C.P. 23 **DEMAND $** _____ CHECK YES only if demanded in complaint: **JURY DEMAND:** ☐ YES ☒ NO

VIII. RELATED CASE(S)(See instructions): IF ANY JUDGE _____ DOCKET NUMBER _____

DATE **February 28, 2002** SIGNATURE OF ATTORNEY OF RECORD

FOR OFFICE USE ONLY
RECEIPT # _____ AMOUNT _____ APPLYING IFP _____ JUDGE _____ MAG. JUDGE _____

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
Eastern Division

JUDGE NORGLE

In the Matter of

UNITED STATES OF AMERICA
v.
MICHAEL D. RICHMOND and REX E. BLACK,
d/b/a THE LIBERTY NETWORK et al

Case Number: 02C 1559

MAGISTRATE JUDGE NOLAN

DOCKETED
MAR 0 4 2002

APPEARANCES ARE HEREBY FILED BY THE UNDERSIGNED AS ATTORNEY(S) FOR:

UNITED STATES OF AMERICA

(A)		(B)	
SIGNATURE		SIGNATURE	
NAME Kari M. Larson		NAME Martin M. Shoemaker	
FIRM U.S. Department of Justice, Tax Division		FIRM U.S. Department of Justice, Tax Division	
STREET ADDRESS P.O. Box 7238		STREET ADDRESS P.O. Box 7238	
CITY/STATE/ZIP Washington, D.C. 20044		CITY/STATE/ZIP Washington, D.C. 20044	
TELEPHONE NUMBER (202) 514-0564		TELEPHONE NUMBER (202) 514-6491	
IDENTIFICATION NUMBER Washington State # 29362		IDENTIFICATION NUMBER Georgia # 001340	
MEMBER OF TRIAL BAR?	YES ☐ NO ☑	MEMBER OF TRIAL BAR?	YES ☐ NO ☑
TRIAL ATTORNEY?	YES ☑ NO ☐	TRIAL ATTORNEY?	YES ☑ NO ☐
		DESIGNATED AS LOCAL COUNSEL?	YES ☐ NO ☑

(C)		(D)	
SIGNATURE		SIGNATURE	
NAME		NAME	
FIRM		FIRM	
STREET ADDRESS		STREET ADDRESS	
CITY/STATE/ZIP		CITY/STATE/ZIP	
TELEPHONE NUMBER		TELEPHONE NUMBER	
IDENTIFICATION NUMBER		IDENTIFICATION NUMBER	
MEMBER OF TRIAL BAR?	YES ☐ NO ☐	MEMBER OF TRIAL BAR?	YES ☐ NO ☐
TRIAL ATTORNEY?	YES ☐ NO ☐	TRIAL ATTORNEY?	YES ☐ NO ☐
DESIGNATED AS LOCAL COUNSEL?	YES ☐ NO ☐	DESIGNATED AS LOCAL COUNSEL?	YES ☐ NO ☐

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CLERK
U.S. DISTRICT COURT

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