

UNITED STATES DISTRICT COURT  
DISTRICT OF NEVADA

Federal Trade Commission, and

State of Nevada,

Plaintiffs,

v.

American Tax Service LLC, et al.,

Defendants.

No. 25-cv-01894

**Proposed Order for  
Permanent Injunction,  
Monetary Judgment,  
and Other Relief as to the  
Corporate Defendants**

Plaintiffs, the Federal Trade Commission (“Commission” or “FTC”) and State of Nevada (“Plaintiffs”), filed their Complaint for Permanent Injunction, Monetary Judgment, and Other Relief (“Complaint”), for a permanent injunction, monetary relief, and other relief in this matter, pursuant to Sections 13(b) and 19 of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. §§ 53(b) & 57b. Defendants American Tax Service LLC, American Tax Solutions, American Tax Solutions LLC, ATS Tax Group LLC, Elite Sales Solutions, also d/b/a American Tax Service, GetATaxLawyer.com LLC, TNT Holdings Group LLC, TNT Services Group LLC, and TNT Tax Associates Inc. (the “Corporate Defendants”) are in default for failing to plead or otherwise defend (ECF No. 95). Plaintiffs have moved for the entry of default judgment against the Corporate Defendants.

Having considered the Complaint, Plaintiffs’ Motion for Default Judgment Against the Corporate Defendants, the evidence cited therein, and the entire record in this matter, Plaintiffs’ Motion is **granted** and **it is ordered** as follows:

**FINDINGS**

1. This Court has jurisdiction over this matter.
2. The Complaint charges that Defendants participated in deceptive acts or practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), Section 521(a) of the Gramm-Leach-Bliley Act (“GLB Act”), 15 U.S.C. § 6821(a), Sections 461.2(a) & (b) of the Trade Regulation Rule on Impersonation of Government and Businesses (“Impersonation Rule”), 16

1 C.F.R. § 461.2(a) & (b), Section 310.3(a)(2)(iii) of the Telemarketing Sales Rule (“TSR”), 16  
2 C.F.R. § 310.3(a)(2)(iii), and Nevada Revised Statutes (“NRS”) §§ 598.0915(5), (9), and  
3 598.0923(1)(c), in the advertising, marketing, promotion, offering for sale, or sale of tax  
4 resolution or tax debt relief services.

5 3. Section 522(a) of the GLB Act, 15 U.S.C. § 6822(a), empowers the FTC to  
6 enforce Section 521 of the GLB Act “in the same manner and with the same power and  
7 authority as the [FTC] has under the Fair Debt Collection Practices Act [FDCPA] ... to enforce  
8 compliance with such Act.”

9 4. Pursuant to Section 814(a) of the FDCPA, 15 U.S.C. § 1692(a), a violation of the  
10 FDCPA is deemed an unfair or deceptive act or practice in violation of the FTC Act. Section  
11 814(a) of the FDCPA further provides that all of the functions and powers of the FTC under  
12 the FTC Act are available to the FTC to enforce compliance by any person with the FDCPA,  
13 including the power to enforce provisions of the FDCPA in the same manner as if the violation  
14 had been a violation of an FTC trade regulation rule.

15 5. Pursuant to Section 18(d)(3) of the FTC Act, 15 U.S.C. § 57a(d)(3), a violation of  
16 the Impersonation Rule constitutes an unfair or deceptive act or practice in violation of Section  
17 5(a) of the FTC Act, 15 U.S.C. § 45(a).

18 6. The Corporate Defendants are “seller[s]” or “telemarketer[s]” engaging in  
19 “telemarketing” as defined by the TSR, 16 C.F.R. § 310.2(ee), (hh), and (ii).

20 7. Pursuant to Section 3(c) of the Telemarketing Act, 15 U.S.C. § 6102(c), a violation  
21 of the TSR is treated as a violation of a rule promulgated under the FTC Act regarding unfair  
22 or deceptive acts or practices.

23 8. Pursuant to Section 18(d)(3) of the FTC Act, 15 U.S.C. § 57a(d)(3), a violation of  
24 the TSR constitutes an unfair or deceptive act or practice in violation of Section 5(a) of the FTC  
25 Act, 15 U.S.C. § 45(a).

26 9. Section 19(a)(1) of the FTC Act, 15 U.S.C. § 57b(a)(1), provides that the FTC  
27 may commence a civil action against “any person, partnership, or corporation” who “violates  
28 any rule ... respecting unfair or deceptive acts or practices.” Section 19(b) of the FTC Act, 15

1 U.S.C. § 57b(b), provides that in any action commenced under Section 19(a)(1), the court has  
2 “jurisdiction to grant such relief as the court finds necessary to redress injury to consumers.”  
3 “Such relief may include, but [is not] limited to, rescission or reformation of contracts, [and] the  
4 refund of money or return of property.”

5 10. Section 598.0963(3) of the NRS authorizes the Nevada Attorney General to  
6 bring actions for to enforce NRS §§ 598.0903 to 598.0999 and obtain injunctive and monetary  
7 relief, including disgorgement and restitution.

8 11. The Corporate Defendants are in default and the entry of default judgment  
9 against them is warranted.

### 10 DEFINITIONS

11 For the purpose of this Order, the following definitions apply:

12 A. “**Corporate Defendants**” means American Tax Service LLC; American Tax  
13 Solutions; American Tax Solutions LLC; ATS Tax Group LLC; Elite Sales Solutions, also d/b/a  
14 American Tax Service; GetATaxLawyer.com LLC; TNT Holdings Group LLC; TNT Services  
15 Group LLC; and TNT Tax Associates Inc., and their successors and assigns.

16 B. “**Asset Freeze**” means the provisions of the Preliminary Injunction which  
17 restrain and enjoin the use or sale of assets including, but not limited to, the provisions of  
18 Sections III, IV, VI, and VII of the Preliminary Injunction.

19 C. “**Debt Relief Product or Service**” means any product or service represented,  
20 directly or by implication, to renegotiate, settle, or in any way alter the terms of payment or  
21 other terms of the debt between a consumer and one or more creditors or debt collectors,  
22 including, but not limited to, a reduction in the balance, penalties, or interest owed by a  
23 consumer to the Internal Revenue Service or state or local taxation authority.

24 D. “**Individual**” means a person, entity, or party, whether real or fictitious, including  
25 any Business or Government entity.

26 a) “**Business**” means a corporation, partnership, association, or any other  
27 entity that provides goods or services, including not-for-profit entities.

28

b) “**Government**” includes federal, state, local, and tribal governments as well as agencies and departments thereof.

E. “**Officer**” includes executives, officials, employees, and agents.

F. “**Telemarketing**” means any plan, program, or campaign which is conducted to induce the purchase of goods or services or a charitable contribution, by use of one or more telephones and which involves more than one interstate telephone call.

## **ORDER**

### **I. Ban on Debt Relief Products or Services**

**It is ordered** that Corporate Defendants are permanently restrained and enjoined from advertising, marketing, promoting, offering for sale, or providing, or assisting in the advertising, marketing, promoting, offering for sale, or provision of, any Debt Relief Product or Service.

### **II. Ban on Tax Preparation Services**

It is further ordered that Corporate Defendants are permanently restrained and enjoined from:

A. Acting as tax return preparers or requesting, assisting in, or directing the preparation or filing of tax returns, amended returns, or other related documents or forms for any person or entity other than themselves;

B. Owning, operating, managing, working in, investing in, providing capital or loans to, receiving fees or remuneration from, controlling, licensing, acting as a consultant for, or franchising a tax return preparation business;

C. Training, teaching, and creating or providing cheat sheets, memoranda, or manuals, pertaining to the preparation of tax returns;

D. Maintaining, assigning, holding, using or obtaining a Preparer Tax Identification Number (PTIN) or an Electronic Filing Identification Number (EFIN); or

E. Referring anyone to a tax return preparation business.

### **III. Ban on Telemarketing**

**It is further ordered** that Corporate Defendants are permanently restrained and enjoined from participating in Telemarketing, whether directly or through an intermediary.

1 **IV. Ban on Impersonation**

2 **It is further ordered** that Corporate Defendants are permanently restrained and  
3 enjoined from:

4 A. Materially and falsely posing as, directly or by implication, whether directly or  
5 through an intermediary, an Individual, Business or Officer thereof, or a Government entity or  
6 Officer thereof; or

7 B. Materially misrepresenting, directly or by implication, whether directly or through  
8 an intermediary, affiliation with, including endorsement or sponsorship by, an Individual, a  
9 Business or Officer thereof, or a Government entity or Officer thereof.

10 **V. Prohibition Against Misrepresentations**

11 **It is further ordered** that Corporate Defendants, Corporate Defendants' officers,  
12 agents, employees, and all other persons in active concert or participation with any of them,  
13 who receive actual notice of this Order, whether acting directly or indirectly, in connection with  
14 promoting or offering for sale any good or service are permanently restrained and enjoined  
15 from misrepresenting or assisting others in misrepresenting, expressly or by implication any fact  
16 material to consumers concerning any good or service, such as: the total costs; any material  
17 restrictions, limitations, or conditions; or any material aspect of its performance, efficacy, nature,  
18 or central characteristics.

19 **VI. Monetary Judgment**

20 **It is further ordered** that:

21 A. Judgment in the amount of Seventy-Seven Million, Seven-Hundred Nineteen  
22 Thousand, Nine Hundred and Eight Dollars (\$77,719,908) is entered in favor of Plaintiffs  
23 against Corporate Defendants, jointly and severally, as monetary relief.

24 B. All payments under this Order must be made by electronic fund transfer in  
25 accordance with instructions provided by a representative of the Commission.

1 **VII. Additional Monetary Provisions**

2 **It is further ordered** that:

3 A. Corporate Defendants are informed by this Order that their Employer  
4 Identification Number, Social Security Number, or other Taxpayer Identification Number  
5 (“TIN”), may be used by Plaintiffs for reporting and other lawful purposes, including collecting  
6 on any delinquent amount arising out of this Order in accordance with 31 U.S.C. § 7701.

7 B. All money received by Plaintiffs pursuant to this Order may be deposited into a  
8 fund administered by the Commission or its designee to be used for consumer relief, such as  
9 redress and any attendant expenses for the administration of any redress fund. If a  
10 representative of the Commission decides that direct redress to consumers is wholly or partially  
11 impracticable or money remains after such redress is completed, the Commission may apply any  
12 remaining money for such related relief (including consumer information remedies) as it  
13 determines to be reasonably related to Defendants’ practices alleged in the Complaint.  
14 Defendants have no right to challenge any actions the Commission or its representatives may  
15 take pursuant to this Subsection.

16 C. The Asset Freeze is dissolved as to the Corporate Defendants.

17 **VIII. Customer Information**

18 **It is further ordered** that Corporate Defendants, Corporate Defendants’ officers,  
19 agents, employees, and all other persons in active concert or participation with any of them,  
20 who receive actual notice of this Order, are permanently restrained and enjoined from directly  
21 or indirectly:

22 A. Failing to provide sufficient customer information to enable the Commission to  
23 efficiently administer consumer redress. If a representative of the Commission requests in  
24 writing any information related to redress, Corporate Defendants must provide it, in the form  
25 prescribed by the Commission, within 14 days.

26 B. Disclosing, using, or benefitting from customer information, including the name,  
27 address, telephone number, email address, social security number, other identifying information,  
28 or any data that enables access to a customer’s account (including a credit card, bank account, or

1 other financial account), that any Defendant obtained prior to entry of this Order in connection  
2 with the sale of tax resolution or tax debt relief services; and

3 C. Failing to destroy such customer information in all forms in their possession,  
4 custody, or control within thirty days after receipt of written direction to do so from a  
5 representative of Plaintiffs.

6 *Provided, however,* that customer information need not be disposed of, and may be  
7 disclosed, to the extent requested by a government agency or required by law, regulation, or  
8 court order.

9 **IX. Receivership Termination**

10 **It is further ordered** that:

11 A. The Receiver must complete all duties within 270 days after entry of this Order,  
12 but any party or the Receiver may request that the Court extend that Receiver's term for good  
13 cause.

14 B. Upon the Court's approval of the Receiver's final petition for compensation, the  
15 Receiver is ordered, within fourteen (14) days, to pay all remaining receivership estate funds to  
16 the Commission by electronic fund transfer in accordance with instructions provided by a  
17 representative of the Commission to the Receiver, in partial satisfaction of the Judgment  
18 imposed by Section VI of this Order.

19 C. Upon the completion of all duties, including making the payment ordered above,  
20 the Receivership is terminated and the Receiver is discharged.

21 D. Upon termination of the Receivership and with at least 14 days advance notice to  
22 counsel for Plaintiffs and the Individual Defendants (or the Individual Defendants themselves if  
23 no longer represented), the Receiver may dispose of or destroy any records and documents of  
24 the Corporate Defendants in the Receiver's possession, custody, or subject to the Receiver's  
25 control as the Receiver sees fit, except any documents or records that counsel for Plaintiffs or  
26 the Individual Defendants (or the Individual Defendants themselves) request the Receiver to  
27 transfer to counsel for Plaintiffs or the Individual Defendants (or the Individual Defendants  
28

1 themselves) or their designees. Such transferees may dispose of or destroy such records and  
2 documents as they see fit.

3 **X. Order Acknowledgments**

4 **It is further ordered** that Corporate Defendants obtain acknowledgments of receipt of  
5 this Order:

6 A. Each Corporate Defendant, within seven days of entry of this Order, must  
7 submit to Plaintiffs an acknowledgment of receipt of this Order sworn under penalty of  
8 perjury.

9 B. For five years after entry of this Order, each Corporate Defendant for any  
10 business that such Corporate Defendant, individually or collectively with any other Corporate  
11 Defendant, is the majority owner or controls directly or indirectly, must deliver a copy of this  
12 Order to:

- 13 1) All principals, officers, directors, and LLC managers and members;
- 14 2) All employees having managerial responsibilities and all agents and  
15 representatives who participate in promoting or offering for sale any good  
16 or service; and
- 17 3) Any business entity resulting from any change in structure as set forth in  
18 the Section titled Compliance Reporting.

19 Delivery must occur within seven days of entry of this Order for current personnel. For all  
20 others, delivery must occur before they assume their responsibilities.

21 C. From each individual or entity to which a Corporate Defendant delivered a copy  
22 of this Order, such Corporate Defendant must obtain, within thirty days, a signed and dated  
23 acknowledgment of receipt of this Order.

24 **XI. Compliance Reporting**

25 **It is further ordered** that Corporate Defendants make timely submissions to both  
26 Plaintiffs:

27 A. One year after entry of this Order, each Corporate Defendant must submit a  
28 compliance report, sworn under penalty of perjury, that must:

- 1) Identify the primary physical, postal, and email address and telephone number, as designated points of contact, which representatives of Plaintiffs may use to communicate with such Corporate Defendant;
- 2) Identify all of that Individual Defendant's businesses by all of their names, telephone numbers, and physical, postal, email, and Internet addresses;
- 3) Describe the activities of each business, including the goods and services offered, the means of advertising, marketing, and sales, and the involvement of any other Defendant (which Corporate Defendants must describe if they know or should know due to their own involvement);
- 4) Describe in detail whether and how that Corporate Defendant is in compliance with each Section of this Order; and
- 5) Provide a copy of each Order Acknowledgment obtained pursuant to this Order, unless previously submitted to Plaintiffs.

B. For 20 years after entry of this Order, each Corporate Defendant must submit a compliance notice, sworn under penalty of perjury, within fourteen days of any change in the following:

- 1) Any designated point of contact; or
- 2) The structure of any Corporate Defendant or any entity that Defendant has any ownership interest in or controls directly or indirectly that may affect compliance obligations arising under this Order, including: creation, merger, sale, or dissolution of the entity or any subsidiary, parent, or affiliate that engages in any acts or practices subject to this Order.

C. Each Corporate Defendant must submit to both Plaintiffs notice of the filing of any bankruptcy petition, insolvency proceeding, or similar proceeding by or against such Defendant within fourteen days of its filing.

D. Any submission to the Plaintiffs required by this Order to be sworn under penalty of perjury must be true and accurate and comply with 28 U.S.C. § 1746, such as by

1 concluding: “I declare under penalty of perjury under the laws of the United States of America  
2 that the foregoing is true and correct. Executed on: \_\_\_\_\_” and supplying the date, signatory’s  
3 full name, title (if applicable), and signature.

4 E. Unless otherwise directed by a Commission representative in writing, all  
5 submissions to the Commission pursuant to this Order must be emailed to DEbrief@ftc.gov or  
6 sent by overnight courier (not the U.S. Postal Service) to: Associate Director for Enforcement,  
7 Bureau of Consumer Protection, Federal Trade Commission, 600 Pennsylvania Avenue NW,  
8 Washington, DC 20580. The subject line must begin: FTC v. American Tax Service, Matter No.  
9 X260001.

10 F. Unless otherwise directed by a State of Nevada representative in writing, all  
11 submissions to the State of Nevada pursuant to this Order must be emailed to  
12 BCPMSReports@ag.nv.gov or sent by Certified Mail to: State of Nevada, Office of Attorney  
13 General, Bureau of Consumer Protection, 100 N. Carson St., Carson City, NV 89701. The  
14 subject line must begin FTC/NV v. American Tax Service, BCP Case # 2024-22.

15 **XII. Recordkeeping**

16 **It is further ordered** that Corporate Defendants must create certain records for twenty  
17 years after entry of the Order, and retain each such record for five years. Specifically, each  
18 Corporate Defendant must create and retain the following records:

19 A. Accounting records showing the revenues from all goods or services sold;

20 B. Personnel records showing, for each person providing services, whether as an  
21 employee or otherwise, that person’s: name; addresses; telephone numbers; job title or position;  
22 dates of service; and (if applicable) the reason for termination;

23 C. Records of all consumer complaints and refund requests, whether received  
24 directly or indirectly, such as through a third party, and any response;

25 D. All records necessary to demonstrate full compliance with each provision of this  
26 Order, including all submissions to any Plaintiff; and

27 E. A copy of each unique advertisement or other marketing material.  
28

1 **XIII. Compliance Monitoring**

2 **It is further ordered** that, for the purpose of monitoring Corporate Defendants’  
3 compliance with this Order:

4 A. Within fourteen days of receipt of a written request from a representative of any  
5 Plaintiff, each Corporate Defendant must: submit additional compliance reports or other  
6 requested information, which must be sworn under penalty of perjury; appear for depositions;  
7 and produce documents for inspection and copying. Plaintiffs are also authorized to obtain  
8 discovery, without further leave of court, using any of the procedures prescribed by Federal  
9 Rules of Civil Procedure 29, 30 (including depositions by remote means), 31, 33, 34, 36, 45, and  
10 69.

11 B. For matters concerning this Order, Plaintiffs are authorized to communicate  
12 directly with each Corporate Defendant. Corporate Defendants must permit representatives of  
13 Plaintiffs to interview any employee or other person affiliated with any Corporate Defendant  
14 who has agreed to such an interview. The person interviewed may have counsel present.

15 C. Plaintiffs may use all other lawful means, including posing, through its  
16 representatives as consumers, suppliers, or other individuals or entities, to Corporate Defendants  
17 or any individual or entity affiliated with Corporate Defendants, without the necessity of  
18 identification or prior notice. Nothing in this Order limits the Commission’s lawful use of  
19 compulsory process, pursuant to Sections 9 and 20 of the FTC Act, 15 U.S.C. §§ 49, 57b-1.

20 **XIV. Retention of Jurisdiction**

21 **It is further ordered** that this Court retains jurisdiction of this matter for purposes of  
22 construction, modification, and enforcement of this Order.

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24

It is so ordered:

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\_\_\_\_\_  
United States District Judge

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Dated: