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UNITED STATES DISTRICT COURT

DISTRICT OF NEVADA

FEDERAL TRADE COMMISSION, and
STATE OF NEVADA,

Plaintiff,

v.

AMERICAN TAX SERVICE LLC, a
limited liability company, et. al,

Defendants.

Case No. 2:25-cv-01894-GMN-EJY

**SUPPLEMENTAL DECLARATION OF
RECEIVER, STEPHEN J. DONELL, RE:
COMMENCEMENT OF DUTIES AS
IDENTIFIED IN EX PARTE
TEMPORARY RESTRAINING ORDER
WITH ASSET FREEZE,
APPOINTMENT OF A TEMPORARY
RECEIVER, AND OTHER EQUITABLE
RELIEF, AND ORDER TO SHOW
CAUSE WHY A PRELIMINARY
INJUNCTION SHOULD NOT ISSUE**

SUPPLEMENTAL DECLARATION OF STEPHEN J. DONELL

I, Stephen J. Donell, declare as follows:

1. I am the Court-appointed temporary receiver in the above-entitled enforcement action, commenced by the Federal Trade Commission ("FTC") and State of Nevada, for defendants American Tax Service LLC ("ATS"), American Tax Solutions, American Tax Solutions LLC, ATS Tax Group LLC, Elite Sales Solutions, GetATaxLawyer.com LLC, TNT Holdings Group LLC, TNT Services Group LLC, TNT Tax Associates Inc., and each of their respective subsidiaries, affiliates, successors, and assigns (collectively, the "Receivership Entities" or "Entities"), having been appointed pursuant to this Court's October 9, 2025 *Ex Parte Temporary Restraining Order with Asset Freeze, Appointment of a Temporary Receiver, and Other Equitable Relief, and Order to Show Cause Why a Preliminary Injunction Should Not Issue* (the "Initial Appointment Order", ECF No. 9). I make this Declaration based on my personal knowledge and on information provided to me by my staff, agents, and retained professionals in the ordinary course of this receivership as established by the Initial Appointment Order,¹ which information I believe to be true. If called as a witness, I could testify competently to the matters set forth herein.

2. Since I completed my takeover of the Receivership Entities' physical offices on October 10, 2025, my office has maintained centralized intake channels for consumer communications via telephone, email, and a web portal on my receivership website, and we have begun consolidating contemporaneous logs and records received from my staff.

3. As part of the intake process, I and my staff have received hundreds of reports from affected consumers, and my staff has engaged in hundreds of consumer phone calls, approximately one hundred and sixty (160) of which included detailed discussion regarding the consumers' experiences with the Receivership Entities. Of those detailed

¹ The pendency of my appointment under the Initial Appointment Order has been extended by this Court's *Stipulation and Order to Continue Hearing on Order to Show Cause Why a Preliminary Injunction Should Not Issue* [ECF No. 39].

1 phone conversations, the vast majority of consumers reported some form of dissatisfaction
2 or non-performance from the Receivership Entities.

3 4. Based on our review of consumer reports, call logs, and related notes, I and
4 my staff have made the following observations²:

- 5 a. Approximately 90% of consumers reported that no services were
6 completed (for example, no tax return filed despite payment);
- 7 b. Over 60% of consumers reported that some service was performed but
8 not completed (for example, an intake call or preliminary tax return
9 preparation, but no filing completed);
- 10 c. Approximately 75% reported that representatives of the Receivership
11 Entities represented to them the Entities would pay their tax debt on
12 their behalf, yet they later discovered their obligations remained
13 outstanding long after payment to the Entities was remitted;³
- 14 d. Numerous consumers reported requests for additional payments after
15 an initial payment, coupled with threats that services would cease
16 absent further payment; and
- 17 e. Many consumers reported explicit coercive statements or threats,
18 including references to foreclosure or similar consequences if
19 payment was not made.

20 5. The reports received from consumers include several common experiences
21 and themes, including: (a) repeated difficulty obtaining copies of filed returns or e-filing
22 acknowledgments from the Entities; (b) automatic or repeated deductions from consumer
23 bank accounts without prior authorization; (c) payments of consumer funds made to third-
24 party lenders without the consumer's knowledge or consent; (d) persistent difficulty

26 ² The numbers in (a)–(c) blend two separate staff call samples. Categories are not
27 mutually exclusive and reflect differences in how consumers' experiences were
28 categorized.

³ In several instances, consumers reported receiving final notices from the Internal
Revenue Service and other tax authorities regarding outstanding liabilities that the
Entities had represented they would resolve.

1 contacting Receivership Entity representatives after payment; and (e) promises that
2 consumer tax debt would be settled at a discount due to the consumer's "age and physical
3 condition."

4 6. Based on my staff's and my review of consumer reports to date, the
5 prevailing theme is consumer dissatisfaction: many consumers report paying for services
6 that were not performed or were not completed, many felt threatened or coerced into
7 paying more money for services to avoid dire consequences and a substantial number state
8 that they believe they were victims of a scam.

9 7. The foregoing reflects preliminary observations compiled from staff
10 summaries, Singer Lewak - a third party CPA firm and contemporaneous communications
11 as of the date of this declaration. I and my staff are continuing to receive, log, and analyze
12 additional consumer reports. Accordingly, the observations described herein are
13 preliminary and may be supplemented as necessary.

14
15 I declare under penalty of perjury that the foregoing is true and correct.

16 Executed on October 24, 2025, at Los Angeles, California.

17
18
19 

20 Stephen J. Donell

PROOF OF SERVICE

I am employed in the County of Orange, State of California. I am over the age of eighteen (18) and am not a party to this action. My business address is 2010 Main Street, 8th Floor, Irvine, California 92614-7214.

On October 24, 2025, I served the within document(s) described as:

SUPPLEMENTAL DECLARATION OF RECEIVER, STEPHEN J. DONELL, RE: COMMENCEMENT OF DUTIES AS IDENTIFIED IN EX PARTE TEMPORARY RESTRAINING ORDER WITH ASSET FREEZE, APPOINTMENT OF A TEMPORARY RECEIVER, AND OTHER EQUITABLE RELIEF, AND ORDER TO SHOW CAUSE WHY A PRELIMINARY INJUNCTION SHOULD NOT ISSUE

☒ by placing the ☐ original ☒ a true copy of the above and foregoing via:

☒ a. **CM/ECF System** to the following registered e-mail addresses:

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Attorneys for the Individual Defendants

1 I declare under penalty of perjury that I am employed in the office of a member of
2 the bar of this Court at whose direction the service was made and that the foregoing is true
and correct.

3 Executed on October 24, 2025, at Irvine, California.

4
5 Naomi Campos
6 (Type or print name)

/s/ Naomi Campos

(Signature of Declarant)

Other Documents[2:25-cv-01894-GMN-EJY Federal Trade Commission et al v. American Tax Service LLC et al](#)**United States District Court****District of Nevada****Notice of Electronic Filing**

The following transaction was entered by Kebeh, Alphamorlai on 10/24/2025 at 6:45 PM PDT and filed on 10/24/2025

Case Name: Federal Trade Commission et al v. American Tax Service LLC et al

Case Number: [2:25-cv-01894-GMN-EJY](#)

Filer: Stephen J. Donell

Document Number: [45](#)

Docket Text:

[DECLARATION re \[34\] Declaration, by Receiver Stephen J. Donell. \(Kebeh, Alphamorlai\)](#)

2:25-cv-01894-GMN-EJY Notice has been electronically mailed to:

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The following document(s) are associated with this transaction:

Document description:Main Document

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Electronic document Stamp:

[STAMP dcecfStamp_ID=1101333072 [Date=10/24/2025] [FileNumber=12118651-0] [57c440eac60fd150f4edee96f1a1faa323edc38910b43eba86cba34490f51200c3e9b41f67688d503f1dd08ace7abafe4e952d90bdd53f7e9692f5d08aa5f853]]