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IN THE UNITED STATES DISTRICT COURT FOR THE  
SOUTHERN DISTRICT OF FLORIDA  
FORT LAUDERDALE DIVISION

CIVIL NO. 0:24cv \_\_\_\_\_ - \_\_\_\_\_ / \_\_\_\_\_

UNITED STATES OF AMERICA,

Plaintiff,

v.

SUNIL RAMCHANDANI &  
SR CHANDRA INC. dba AHS INCOME  
TAX SERVICE,

Defendants.

**COMPLAINT**

1. The United States of America brings this action to permanently enjoin Sunil Ramchandani, individually and through his business entity, SR Chandra Inc. dba AHS Income Tax Service (collectively, "AHS Defendants"), from:

- a. Preparing, filing, directing, or assisting in the preparation or filing of federal tax returns, amended returns, and other tax-related documents and forms, including any electronically-submitted tax returns or tax-related documents, for any entity or person other than themselves;
- b. Filing, assisting in the filing of, or directing the filing of federal tax returns, amended returns, or other tax-related documents or forms, including any electronically submitted tax returns or tax-related documents, for any entity or person other than themselves;

- c. Using a false or fictitious Employer Identification Number (“EIN”), Taxpayer Identification Number (“TIN”), Preparer Taxpayer Identification Number (“PTIN”), Electronic Filing Identification Number (“EFIN”), Social Security Number (“SSN”), or any other federally issued identification number to file or remit tax returns;
- d. Using an EFIN, EIN, TIN, PTIN, SSN, or any other federally issued identification number that belongs to another to file or remit federal tax returns;
- e. Allowing others the use of an EFIN, EIN, TIN, PTIN, or any other federally issued identification number to prepare or file federal tax returns;
- f. Using, maintaining, renewing, obtaining, transferring, selling, or assigning any PTIN or EFIN;
- g. Owning, managing, assisting, working for, profiting from, or volunteering for any individual, business, or entity that prepares or assists in the preparation of tax returns, amended returns, or other tax-related documents or forms, including any electronically submitted tax returns or tax-related documents;
- h. Transferring, selling, or assigning their customer lists and/or other customer information;
- i. Engaging in activity subject to penalty under 26 U.S.C. § (“I.R.C.”) §§ 6694, 6695, or 6701; and
- j. Engaging in conduct that substantially interferes with the proper administration and the enforcement of the internal revenue laws.

2. This action also seeks an order for disgorgement of ill-gotten gains from AHS Defendants’ preparation of tax returns.

### **JURISDICTION AND VENUE**

3. This action is authorized and requested by a delegate of the Secretary of the Treasury of the United States and commenced at the direction of the Attorney General of the United States.

4. The Court has jurisdiction pursuant to I.R.C. § 7402(a) and 28 U.S.C. §§ 1340 and 1345.

5. Venue is proper in this Court, pursuant to I.R.C. §§ 7407(a), 7408(a), and 28 U.S.C. § 1391(b), because Mr. Ramchandani's principal place of business is within this district, Mr. Ramchandani prepares tax returns in this district, and the events giving rise to the United States' claims occurred in this district.

#### **Mr. Ramchandani and AHS Income Tax Service**

6. Mr. Ramchandani currently resides in Cooper City, Florida, within this court's jurisdiction.

7. He graduated from Florida Atlantic University with a bachelor's degree in accounting. Mr. Ramchandani also has a real estate license.

8. Mr. Ramchandani works as a tax return preparer in Broward County, Florida.

9. Mr. Ramchandani took classes at H&R Block and with the IRS to learn how to prepare tax returns.

10. Mr. Ramchandi has been preparing tax returns since at least 2006 when he began working for AHS Income Tax Service (AHS Income Tax).

11. Mr. Ramchandi purchased AHS Income Tax from the previous owner, in 2008.

12. That same year, Mr. Ramchandani formed SR Chandra Inc. That entity remains active. SR Chandra Inc. operates under the name AHS Income Tax Service.

13. In addition to tax return preparation, AHS Income Tax offers bookkeeping, payroll, notary, health insurance, and real estate services.

14. AHS Defendants contracts with and supervises at least three individuals who prepare tax returns at AHS Income Tax.

**AHS Defendants Tax Preparation Activities**

15. Mr. Ramchandani is a paid “tax return preparer,” as defined by I.R.C. § 7701(a)(36).

16. As shown in the chart below, Mr. Ramchandani, individually and through AHS Income Tax, prepares and files thousands of income tax returns each year. He claims refunds on approximately 83% of all returns he files.

<b>Calendar Year</b>	<b>Returns</b>	<b>Refunds Claimed</b>
2021	3,876	3,408 (88%)
2022	4,198	3,649 (87%)
2023	4,767	3,892 (82%)
2024	4,224	2,921 (69%)
<b>Total</b>	<b>17,065</b>	<b>13,870 (81%)</b>

17. AHS Defendants have a variable fee structure for preparing tax returns. Their basic minimum fee for preparing filing individual income tax returns is \$200 and \$250 if the returns include a Schedule A or B. The basic minimum fee for preparing and filing corporate income tax returns is \$300-\$350.

18. The fees AHS Defendants charged to customers the IRS interviewed ranged from \$200 to \$250, which they usually deducted from the refunds they claimed on the customers’ returns. The two highest reported fees were \$750 and \$1,000.

19. AHS Defendants often failed to disclose their fees to customers. Similarly, AHS Defendants would tell customers they were charging them one fee but would often take more money from customers' refunds without their knowledge.

20. AHS Defendants would often give customers a copy of their tax return that was different than the return filed with the IRS.

21. In some instances, AHS Defendants filed a return that reflected a higher claimed refund than they told the customer they were claiming. These returns included a Form 8888, Allocation of Refund, which allowed AHS Defendants to divert the additional refund amount to non-customer bank accounts, including bank accounts under Mr. Ramchandani's control. When AHS Defendants filed a return with the IRS that reflected a higher claimed refund than they told the customer they were claiming and included a Form 8888, Allocation of Refund, AHS Defendants diverted the additional refund amount to a bank account associated with Mr. Ramchandani without the customers' knowledge.

#### **Previous IRS Investigations of AHS Defendants' Misconduct**

22. The Internal Revenue Service repeatedly informed AHS Defendants that their conduct is improper and illegal.

23. Between 2011 and 2022, the IRS sent AHS Defendants several warning letters about their return preparer conduct regarding the due diligence requirements in determining eligibility to file as head of household and to claim education, child tax, and earned income tax credits.

24. These warnings have gone unheeded and have not deterred AHS Defendants. AHS Defendants have continued to file improper and illegal tax returns for their customers, despite these warnings.

25. A delegate of the Secretary of the Treasury assessed civil penalties against AHS Defendants under I.R.C. § 6695(g) for failure to act with due diligence in determining their customers' eligibility to file as head of household and to claim education, child tax, earned income tax credits. The civil penalties were assessed as follows:

<b>Tax Period</b>	<b>Amount Assessed</b>	<b>Reason for Penalty</b>
12/31/2017	\$64,130	Violation of Section 6695(g)
12/31/2019	\$59,160	Violation of Section 6695(g)
<b>Total</b>	<b>\$123,290</b>	

26. AHS Defendants have not stopped or corrected their improper return preparation practices despite these penalties.

#### **AHS Defendants' Schemes**

27. Despite charging their customers hundreds of dollars for their services, AHS Defendants prepare returns that claim fraudulent deductions and credits to purposely underreport the tax their customers owe and claim refunds they are not entitled to receive. Examples of AHS Defendants' fraudulent schemes are described below. The Complaint refers to each customer by a number, e.g., Customer 1. A Customer Key, which identifies each customer by name and SSN, will be served on AHS Defendants with this Complaint.

#### ***AHS Defendants Prepare Tax Returns Claiming False Residential Energy Credits***

28. The Internal Revenue Code provides a non-refundable tax credit to taxpayers who make certain energy efficient improvements to their home. This credit is reported on a Form 5695 attached to a taxpayer's income tax return.

29. A taxpayer can receive the residential energy credit by purchasing certain clean energy property, such as solar equipment, wind turbines, and geothermal heat pumps. If a

taxpayer makes such a purchase, they can reduce their taxable income by a percentage of the equipment costs.

30. AHS Defendants regularly claim residential energy credits for customers who do not qualify for the credit.

31. In all instances in the table below, AHS Defendants invented clean energy property costs to claim bogus residential energy credits on their customers' returns. As reflected in the table, AHS Defendants claimed more than \$111,984 in fraudulent energy credits for customers in tax years 2022 and 2023 alone:

<b>Customer</b>	<b>Tax Year</b>	<b>Bogus Credits</b>
Customer 1	2022	\$9,082
Customer 1	2023	\$8,462
Customer 2	2022	\$2,576
Customer 3	2022	\$8,460
Customer 3	2023	\$6,164
Customer 4	2022	\$500
Customer 4	2023	\$1,097
Customer 5	2022	\$2,476
Customer 5	2023	\$3,749
Customer 6	2022	\$750
Customer 6	2023	\$2,140
Customer 7	2022	\$500
Customer 7	2023	\$4,141
Customer 8	2022	\$10,600
Customer 9	2022	\$500
Customer 9	2023	\$5,957
Customer 10	2023	\$1,307
Customer 11	2022	\$1,954
Customer 12	2022	\$568
Customer 12	2023	\$1,646
Customer 13	2023	\$12,777



Customer 14	2022	\$2,164
Customer 14	2023	\$2,652
Customer 15	2023	\$3,505
Customer 16	2022	\$4,357
<b>Total</b>		<b>\$111,984</b>

32. None of the customers in the table above were eligible for a Residential Energy Credit. Examples of this scheme include:
- a. AHS Defendants claimed a \$9,582 energy credit based on based on \$17,000 in qualified solar electric property costs on Customer 1's 2022 tax return. Although Customer 1 did incur improvement costs that qualified for the residential energy credit, they were only entitled to a \$500 credit. AHS Defendants claimed a residential energy credit on Customer 1's 2022 return of \$9,000 over the permitted amount.
  - b. AHS Defendants claimed a \$6,164 residential energy credit based on \$20,454 in qualified solar electric property costs on Customer 3's 2023 tax return. Customer 3 did not incur any of these expenses and did not tell AHS Defendants that they did.
  - c. AHS Defendants claimed a \$5,957 residential energy credit based on \$19,857 in qualified solar electric property costs on Customer 9's 2023 tax return. Customer 9 did not incur any of these expenses and did not tell AHS Defendants that they did.
  - d. AHS Defendants claimed a \$1,954 credit based on \$6,513 in qualified solar electric property costs on Customer 11's 2022 tax return. Customer 11 did not incur any of these expenses and did not tell AHS Defendants that they did. In fact,

the only home improvement Customer 11 did to his personal property in 2022 was the lawn.

33. These examples are just a small sample of the times that AHS Defendants claimed bogus residential energy credits on their customers' returns.

34. As shown in the table below, AHS Defendants prepare hundreds of tax returns claiming residential energy credits each year. On these returns, they claim millions of dollars in residential energy credits each year:

<b>Calendar Year</b>	<b>Returns</b>	<b>Returns Claiming REC</b>	<b>Total REC Claimed</b>
2021	3,876	1,828 (47%)	\$3,677,318
2022	4,198	2,408 (57%)	\$7,250,113
2023	4,767	2,876 (60%)	\$11,092,177
2024	4,224	815 (19%)	\$3,389,524
<b>Total</b>	<b>17,065</b>	<b>7,927 (46%)</b>	<b>\$25,409,132</b>

35. AHS Defendants prepare tax returns claiming residential energy credits at an abnormally high rate when compared to state and national averages. In 2021 and 2022, approximately 2% of tax returns, in Florida and nationwide, claimed residential energy credits. Yet AHS Defendants claimed a residential energy credit on approximately 47% and 57% returns prepared for the 2021 and 2022 tax years, respectively.

***AHS Defendants Prepare Tax Returns with False or Inflated Fuel Tax Credits***

36. The Internal Revenue Code provides a refundable fuel tax credit to taxpayers who operate farm equipment or other off-highway business vehicles. This credit is reported on a Form 4136 attached to a taxpayer's income tax return.

37. To qualify for the fuel credit, the equipment or vehicles using the fuel must not be registered for highway use. The fuel tax credit does not apply to passenger cars or other vehicles that are registered or required to be registered to drive on public highways.

38. AHS Defendants regularly prepare IRS Form 4136 “Credit for Federal Tax Paid on Fuels” for customers who did not have a qualifying fuel purchase.

39. As reflected in the table below, AHS Defendants prepare hundreds of tax returns claiming fuel tax credits each year. On these returns, they claim almost \$1.5 million in fuel tax credits each year:

<b>Calendar Year</b>	<b>Returns</b>	<b>Returns Claiming FTC</b>	<b>Total FTC Claimed</b>
2021	3,876	751 (19%)	\$592,809
2022	4,198	504 (12%)	\$401,517
2023	4,767	427 (9%)	\$415,830
2024	4,224	90 (2%)	\$84,556
<b>Total</b>	<b>17,065</b>	<b>1,772 (10%)</b>	<b>\$1,494,712</b>

***AHS Defendants Prepare Tax Returns with False or Inflated Schedule A Deductions***

40. AHS Defendants often understate their customers’ tax liabilities by overstating or fabricating deductions claimed on a Schedule A – Itemized Deductions, filed with the Form 1040 income tax returns they prepare for customers.

41. Schedule A is used by individuals to claim itemized deductions for charitable giving, professional fees and expenses, healthcare costs, job-related costs, and other unreimbursed expenses. Claiming false or inflated deductions allows a tax preparer to fraudulently underreport the customers’ taxable income and reduce the tax liability reported on the customer’s tax return. In many cases, the reduction in tax leads to bogus and fraudulent refund claims.

42. AHS Defendants often prepare and file tax returns with fabricated or overstated Schedule A deductions that improperly or fraudulent understate the customers’ taxable income and tax liability.

43. One of the ways AHS Defendants understate their customers’ tax liabilities is by fabricating or overstating charitable contributions claimed on Schedule A on the tax returns they prepare.

44. Taxpayers who make qualifying charitable contributions are entitled to deduct them on Schedule A.

45. Taxpayers can deduct qualifying cash and non-cash charitable contributions. Non-cash contributions valued at more than \$5,000 generally must be supported by an appraisal of the donated property.

46. As illustrated in the table below, for tax years 2022 and 2023, AHS Defendants claimed more than \$58,345 in false or inflated charitable contribution deductions:

<b>Customer</b>	<b>Tax Year</b>	<b>Deduction Type</b>	<b>False or Inflated Deduction Amount</b>
Customer 8	2023	Charitable	\$9,141
Customer 15	2023	Charitable	\$5,306
Customer 17	2022	Charitable	\$8,965
Customer 17	2023	Charitable	\$4,184
Customer 18	2022	Charitable	\$9,259
Customer 18	2023	Charitable	\$6,845
Customer 19	2022	Charitable	\$7,158
Customer 19	2023	Charitable	\$7,487
<b>Total</b>			<b>\$58,345</b>

47. None of the customers in the table above qualified for the deductions reported on their returns. Examples of this scheme include:

- a. AHS Defendants claimed a \$9,141 charitable deduction on Customer 8’s 2023 tax return. Customer 8 did not make any charitable contributions in 2023 and did not tell AHS Defendants that he had.
- b. AHS Defendants claimed a \$8,965 charitable deduction on Customer 17’s 2022 tax return and a \$3,684 cash charitable deduction and a \$500 non-cash charitable

deduction on Customer 17’s 2023 tax return. Customer 17 did not make any charitable contributions in 2022 or 2023 and did not tell AHS Defendants that she had.

c. AHS Defendants claimed a \$7,158 cash charitable donation on Customer 19’s 2022 tax return. Customer 19 did not make any charitable donations in 2022 and did not tell AHS Defendants that he had.

48. These examples are just a small sample of the times that AHS Defendants claimed false Schedule A deductions on their customers’ returns.

49. As shown in the table below, AHS prepares hundreds of tax returns claiming Schedule A deductions each year. On these returns, they claim millions in Schedule A itemized deductions each year:

<b>Calendar Year</b>	<b>Returns</b>	<b>Returns Claiming Sch. A Deductions</b>	<b>Total Sch. A Deductions Claimed</b>
2021	3,876	431 (11%)	\$11,214,058
2022	4,198	555 (13%)	\$14,965,006
2023	4,767	676 (14%)	\$24,238,528
2024	4,224	492 (12%)	\$15,185,685
<b>Total</b>	<b>17,065</b>	<b>2,154 (13%)</b>	<b>\$65,603,277</b>

***AHS Defendants Prepare Tax Returns with False or Inflated Unreimbursed Employee Business Expenses***

50. Until tax year 2018, taxpayers with W-2 income who itemized their deductions on Schedule A could deduct ordinary and necessary unreimbursed employee business expenses (“UEBE”).

51. Deductible expenses include the cost of miles driven for work. But taxpayers are not allowed to deduct the cost for miles they commute between work and home.

52. Starting with the 2018 tax year, most taxpayers are no longer permitted to deduct UEBE. Under limited circumstances, UEBE can be claimed on Schedule 1 of Form 1040. Schedule 1, in turn, refers to Form 2106, which instructs taxpayers and return preparers in bold letters that it is “**for use only by Armed Forces reservists, qualified performing artists, fee-basis state or local government officials, and employees with impairment-related work expenses.**” Taxpayers who do not fall into these extremely limited groups are categorically ineligible to claim UEBE.

53. AHS Defendants claim bogus UEBE deductions for customers who are categorically ineligible for UEBE deductions.

54. As illustrated by the table below, AHS Defendants claimed more than \$58,734 in improper UEBE for several customers for tax years 2022 and 2023 alone:

<b>Customer</b>	<b>Tax Year</b>	<b>Ineligible Expenses</b>
Customer 3	2022	\$5,465
Customer 3	2023	\$3,726
Customer 10	2022	\$5,970
Customer 10	2023	\$4,545
Customer 16	2022	\$6,131
Customer 19	2022	\$5,521
Customer 19	2023	\$6,201
Customer 20	2022	\$8,100
Customer 21	2022	\$13,075
<b>Total</b>		<b>\$58,734</b>

55. None of the customers in the table above were eligible to deduct UEBE and none of the customers incurred the expenses claimed on their returns. Examples of this scheme include:

- a. AHS Defendants claimed a deduction for \$5,970 and \$4,545 in UEBEs on the 2022 and 2023 tax returns for Customer 10, which consisted of “business expenses.” Customer 10 was retired but working for the City of Sunrise in 2022

and 2023; he did not qualify to deduct UEBEs. Customer 10 did not discuss these expenses with AHS Defendants.

- b. AHS Defendants claimed a deduction for \$6,131 in UEBEs on Customer 16’s 2022 tax return. Customer 16 stated he was employed as a police officer in 2022; he did not qualify to deduct UEBEs. Customer 16 did not discuss these expenses with AHS Defendants.
- c. AHS Defendants claimed a deduction for \$13,075 in UEBEs on Customer 21’s 2022 tax return. Customer 21 was employed as a university professor in 2022 and sometimes incurred expenses as part of his job, but confirmed he did not qualify to deduct UEBEs.

56. These examples are just a small sample of the times that AHS Defendants reported bogus UEBE on returns for customers that are ineligible to claim them.

57. As shown in the chart below, AHS Defendants claim millions of dollars in UEBE each year.

<b>Calendar Year</b>	<b>Returns</b>	<b>Returns Claiming UEBE</b>	<b>Total UEBE Claimed</b>
2021	3,876	261 (7%)	\$1,547,384
2022	4,198	299 (7%)	\$1,657,777
2023	4,767	309 (6%)	\$2,013,958
2024	4,224	194 (5%)	\$1,139,605
<b>Total</b>	<b>17,065</b>	<b>1,063 (6%)</b>	<b>\$6,358,724</b>

***AHS Defendants Prepare Tax Returns with Fictitious Business Losses Reported on Schedule C***

58. Individual taxpayers who are self-employed report the business’s income and expenses on a Schedule C, Profit or Loss From Business (Sole Proprietorship), that is filed as part of the taxpayer’s Form 1040. The net figure reported on a Schedule C, whether profit or a loss, is a component of the taxpayer’s adjusted gross income (“AGI”).

59. AHS Defendants understate their customers' AGI by fabricating or inflating losses and/or expenses claimed on a Schedule C filed with the returns. Often, AHS Defendants will include a Schedule C on returns for customers they know do not own or operate a business. This manipulation of Schedule C fraudulently reduces the amount of taxable income AHS Defendants report for their customers and thus the amount of tax reported owing. The reduction in tax also leads AHS Defendants to claim bogus tax credits and fraudulent refunds for their customers.

60. AHS Defendants frequently invent or overstate losses in order to fraudulently reduce their customers' taxable income. In all instances in the table below, AHS Defendants either created a fictional business or claimed business losses the customer did not incur. As reflected in the table, AHS Defendants claimed more than \$28,463 in false or inflated losses in tax years 2022 and 2023 alone:

<b>Customer</b>	<b>Tax Year</b>	<b>False or Inflated Loss</b>
Customer 16	2022	\$6,130
Customer 16	2023	\$9,197
Customer 21	2022	\$8,019
Customer 22	2023	\$2,417
<b>Total</b>		<b>\$28,463</b>

61. None of the customers in the table above incurred the losses reported on their returns. Examples of this scheme include:

- a. AHS Defendants claimed a business loss of \$6,130 on a Schedule C that they included with Customer 16's 2022 tax return. Customer 16 was a police officer and did not operate a business in 2022. He did not tell AHS Defendants that he did.



- b. AHS Defendants claimed a business loss of \$8,019 based on \$10,719 in business-related expenses on a Schedule C included with Customer 21’s 2022 tax return. Although Customer 21 did have some expenses related to his consulting business, he did not have the expenses that AHS Defendants claimed on his return, and he did not tell AHS Defendants that he did.
- c. AHS Defendants claimed a business loss of \$6,017 based on \$5,797 in business-related expenses on a Schedule C included with Customer 22’s tax return for the 2023 tax year. Although Customer 22 did incur some expenses, AHS Defendants claimed \$2,417 in expenses that Customer 22 did not incur, nor did he tell AHS Defendants that he had incurred those expenses in 2022.

62. These examples are just a small sample of the times that AHS Defendants reported false or inflated Schedule C losses on their customers’ returns.

63. As shown in the table, AHS Defendants prepare hundreds of returns with Schedules C each year. On these returns, they claim millions of dollars in losses each year:

<b>Calendar Year</b>	<b>Returns</b>	<b>Returns with Schedules C</b>	<b>Total Loss Claimed</b>
2021	3,876	1,341 (35%)	\$1,706,940
2022	4,198	1,497 (36%)	\$2,158,423
2023	4,767	1,884 (40%)	\$3,675,156
2024	4,224	1,394 (33%)	\$2,406,874
<b>Total</b>	<b>17,065</b>	<b>6,116 (36%)</b>	<b>\$9,947,393</b>

***AHS Defendants Prepare Tax Returns with False or Inflated Passive Activity Losses Reported on Schedule E***

64. Individual taxpayers who engage in passive activities, such rentals, royalties, S corporations, partnerships, estates, and trusts report the income or loss on a Schedule E, Supplemental Income and Loss, that is filed as part of a taxpayer’s Form 1040.

65. AHS Defendants frequently invent or overstate passive activity losses in order to fraudulently reduce taxable income. In all instances in the table below, AHS Defendants either inflated or fabricated passive activity losses the customer did not incur. As reflected in the table, AHS Defendants claimed more than \$250,166 in false or inflated Schedule E passive activity losses for customers in tax years 2022 and 2023 alone:

<b>Customer</b>	<b>Tax Year</b>	<b>False or Inflated Loss</b>
Customer 20	2022	\$34,539
Customer 20	2023	\$138,288
Customer 21	2023	\$11,332
Customer 23	2023	\$13,193
Customer 24	2023	\$6,490
Customer 25	2022	\$11,830
Customer 25	2023	\$14,085
Customer 26	2023	\$20,409
<b>Total</b>		<b>\$250,166</b>

66. None of the customers in the table above were eligible to claim passive activity losses on Schedules E. Examples of this scheme include:

- a. AHS Defendants claimed passive activity losses totaling \$34,539 and \$138,288 for rental property on Schedules E included with Customer 20's 2022 and 2023 tax returns, respectively. Customer 20 explained to AHS Defendants that they did have a rental property, but that the property had not been available for rent since 2017. Customer 20 did not incur the losses reported on their 2022 and 2023 tax returns, and he did not tell AHS Defendants they had incurred those losses.
- b. AHS Defendants claimed a passive activity loss totaling \$16,032 on a Schedule E included with Customer 23's 2023 tax return related to his home-building. Although Customer 23 did incur some passivity activity loss in 2023 (approximately \$2,839), he did not incur a loss in the amount AHS Defendants

claimed on his 2023 tax return, nor did he tell AHS Defendants that he claimed a loss totaling that amount.

- c. AHS Defendants claimed a passive activity loss totaling \$20,409 on a Schedule E included with Customer 26's 2023 tax return. Although Customer 26 operated businesses, the losses claimed on the Schedule E were overstated as the taxpayer-husband did not operate his business in 2023. The taxpayer-wife estimated her losses to be approximately \$5,000-\$6,000; she did not know how AHS Defendants came up with the amount claimed on their return.

67. These examples are just a small sample of the times that AHS Defendants claimed false or inflated passive activity losses on their customers' tax returns.

68. As shown in the table below, AHS Defendants prepare hundreds of returns claiming passive activity losses on Schedules E each year. On these returns, they claim millions of dollars in passive activity losses each year:

<b>Calendar Year</b>	<b>Returns</b>	<b>Returns Claiming Sch. E Losses</b>	<b>Total Amount of Sch. E Losses</b>
2021	3,876	693 (18%)	\$9,455,920
2022	4,198	808 (19%)	\$16,353,234
2023	4,767	996 (21%)	\$20,222,296
2024	4,224	1,070 (25%)	\$12,973,084
<b>Total</b>	<b>17,065</b>	<b>3,567 (21%)</b>	<b>\$59,004,534</b>

***AHS Defendants Prepare Tax Returns Claiming Other Fraudulent Schemes: Incorrect Filing Status, Improper Child and Dependent Credits, Bogus Education Credits, etc.***

69. A taxpayer's filing status is generally determined from marital status. For example, married taxpayers must usually file as either "married filing jointly" or "married filing separately."

70. Filing status can affect a taxpayer's total liability. For example, "married filing separate" generally results in a higher tax rate than "married filing jointly."

71. Taxpayers who are unmarried, or considered unmarried, with a qualified dependent may also file as “head of household.” This filing status usually results in lower tax rates than “single” or “married filing separately” and allows a high standard deduction.

72. AHS Defendants falsely report that customers have dependents to claim child and dependent credits for customers who are ineligible to do so.

73. The child tax credit and the additional child tax credit are both available to taxpayers with qualifying children. If a taxpayer pays someone else to care for their qualifying child while the taxpayer works, the taxpayer may also be eligible to claim the child and dependent care credit.

74. For example, AHS Defendants falsely classified Customer 18 as “single” rather than “married filed separately” on Customer 18’s 2022 and 2023 tax returns even though he was accompanied by his wife to have his tax returns prepared and asked AHS Defendants to file the returns as “married filed separately.”

75. AHS Defendants falsely claimed credits totaling \$283 and \$870 on Customer 27’s 2022 and 2023 tax returns, respectively. The credits were based on ineligible childcare expenses (\$1,049 in 2022 and \$6,608 in 2023). Customer 27 did not incur childcare expenses in those amounts, and he did not tell AHS Defendants he incurred childcare expenses in 2022 and 2023.

76. These examples are just a small sample of the times that AHS Defendants fraudulently manipulated their customers’ filing statuses and claimed false or ineligible childcare expenses.

77. AHS Defendants also claim bogus education expenses and falsely claim both nonrefundable and refundable education credits, such as the American Opportunity Tax Credit,

on customers' federal income tax returns. Unlike many tax credits, a refundable tax credit entitles qualifying taxpayers to receive refunds even if they have no tax liability.

78. To qualify for an education credit, the taxpayer must pay qualified education expenses to an eligible education institution for an eligible student listed on the taxpayer's tax return (including their spouse or dependent). Education institutions often will use a Form 1098-T to transmit to students and the IRS the amount of the tuition and qualified education expenses billed and the amount of any scholarships or grants provided to the students.

79. Eligible taxpayers can claim a deduction for education credits on IRS Form 8863 "Education Credits (American Opportunity and Lifetime Learning Credits)."

80. For returns that claim the American Opportunity Credit, tax preparers are required to complete IRS Form 8867 "Paid Preparer's Due Diligence Checklist." That checklist asks the tax preparer if the customer provided the IRS Form 1098-T or other documentation substantiate that the customer qualifies for the refundable credit. The checklist is attached to the customer's federal tax return for filing.

81. AHS Defendants claim false education credits on the tax returns of customers without confirming their eligibility to do so to generate a larger bogus refund.

82. For example, AHS Defendants claimed \$4,000 education credits on the 2023 tax return for Customer 26. The Form 8863 that AHS Defendants attached to the 2023 tax return reported that Customer 26 spent \$4,000 on qualified education expenses even though Customer 26 did not incur those expenses. Moreover, AHS Defendants checked "yes" to the question about documentation provided to substantiate the education credit even though Customer 26 did not have or provide such documentation. In another example, AHS Defendants claimed a \$1,000 education credit on Customer 28's 2023 tax return based on \$4,000 in qualified education

expenses. Customer 28 did provide a Form 1098-T to AHS Defendants, but she did not incur \$4,000 in education expenses in 2023, nor did she tell AHS Defendants that she had incurred those expenses.

83. AHS Defendants may use additional schemes the United States has yet to detect, in part because they actively mask their involvement to deceive the government and make detection more difficult.

***AHS Defendants Mask Their Involvement in These Schemes***

84. Section 6109 of the Internal Revenue Code requires a tax return preparer to identify themselves with their assigned PTIN on all returns they prepare. Failure to do so subjects a tax return preparer to penalty under I.R.C. § 6695(c).

85. Section 6695(b) of the Internal Revenue Code also subjects tax return preparers to penalty for failing to sign a return they prepare. *See also* Treas. Reg. § 1.6695-1(b).

86. AHS Defendants regularly engage in conduct subject to penalty under I.R.C. §§ 6695(b) and 6695(c) by preparing and filing tax returns that do not accurately identify the actual preparer as the return preparer.

87. For example, tax return preparers who work at AHS Income Tax do not include their PTINs on returns they prepare; in fact, these tax return preparers do not sign the tax returns they prepare and instead use Mr. Ramchandani's PTIN to prepare tax returns.

**Harm Caused by AHS Defendants' Actions**

88. Through the schemes and other conduct described above, AHS Defendants have engaged in a pattern of understating customers' tax liabilities and overstating their refunds or credits, which results in a loss of federal tax revenue.

89. In many instances, AHS Defendants' fraudulent understatement of their customers' taxable income and overstatement of their customers' refunds and credits caused the United States to issue refunds that the customers were not entitled to receive.

90. In addition to lost tax revenue, the United States must bear the substantial cost of examining tax returns AHS Defendants have prepared and collecting the understated liabilities from his customers.

91. AHS Defendants' illegal conduct also harms honest tax return preparers because, by preparing tax returns that unlawfully inflate their customer's refunds, AHS Defendants gain a competitive advantage over tax return preparers who prepare returns in accordance with the law. Customers who are satisfied with the tax refunds they receive but are often unaware of AHS Defendants' illegal return preparation practices return to AHS Defendants for subsequent tax seasons.

92. AHS Defendants' actions also undermine confidence in the federal income tax system and harm their customers. AHS Defendants' customers trust—and pay—they to prepare honest tax returns. AHS Defendants betray that trust and harm their customers, who could be required to pay tax deficiencies, interest, and penalties resulting from AHS Defendants' conduct.

93. AHS Defendants also encourage noncompliance with the internal revenue laws by failing to confirm with customers that their tax returns honestly and accurately reflect information they provided.

94. AHS Defendants' conduct harms the United States and United States taxpayers because AHS Defendants cause their customers to underreport and underpay their tax liabilities. The IRS conducted an analysis of the returns filed by AHS Defendants in 2022 and 2023. Extrapolating the data gleaned in this analysis to AHS Defendants' high-volume return-preparation business reveals the gravity of harm caused by AHS Defendants. For example:

- a. **2022.** The IRS examined 39 tax returns prepared and filed by AHS Defendants for tax year 2022. Eighty-two percent of these examined returns had errors and fabrications, resulting in an average tax deficiency of \$3,449. The IRS flagged 2,791 returns filed by AHS Defendants in 2022 as having potential issues and deficiencies, which the IRS determined by identifying the shared characteristics, patterns, and components with those returns individually examined. In applying the 82 percent error rate and average tax deficiency to the 2,791 returns flagged with potential issues, the annual tax harm caused by AHS Defendants in 2022 is estimated to be around \$7,897,506.
- b. **2023.** The IRS examined 49 tax returns prepared and filed by AHS Defendants for tax year 2023. Seventy-eight percent of these examined returns had errors and fabrications, resulting in an average tax deficiency of \$3,393. The IRS flagged 1,230 returns filed by AHS Defendants in 2023 as having potential issues and deficiencies, which the IRS determined by identifying the shared characteristics, patterns, and components with those returns individually examined. In applying the 78 percent error rate and average tax deficiency to the 1,230 returns flagged with potential issues, the annual tax harm caused by AHS Defendants in 2023 is estimated to be around \$3,236,039.



**COUNT I: INJUNCTION UNDER I.R.C. § 7407  
FOR CONDUCT SUBJECT TO PENALTY UNDER I.R.C. §§ 6694 AND 6695**

95. The United States realleges paragraphs 1 through 94.

96. Section 7407 of the Internal Revenue Code authorizes a district court to enjoin a person who is a tax return preparer from engaging in certain conduct or from further acting as a tax return preparer. The prohibited conduct justifying an injunction includes:

- a. Engaging in conduct subject to penalty under I.R.C. § 6694(a), which penalizes a tax return preparer who prepares a return that contains an understatement of tax liability or an overstatement of a refund or credit due to an unreasonable position that the preparer knew or should have known was unreasonable;
- b. Engaging in conduct subject to penalty under I.R.C. § 6694(b), which penalizes a tax return preparer who prepares a return that contains an understatement of tax liability or an overstatement of a refund due to willful or reckless conduct;
- c. Engaging in conduct subject to penalty under I.R.C. § 6695(a), which penalizes a tax return preparer who fails to provide a complete copy of the return or claim for refund to the taxpayer no later than the time the return or claim is given to the taxpayer for their signature;
- d. Engaging in conduct subject to penalty under I.R.C. §§ 6695(b) and 6695(c), which penalize a tax return preparer who fails to properly sign and identify himself or herself as the paid preparer;
- e. Engaging in conduct subject to penalty under I.R.C. § 6695(g), which penalizes a tax return preparer who does not exercise due diligence in determining eligibility for earned income tax credits, child tax credits, and education credits; and

- f. Engaging in any other fraudulent or deceptive conduct that substantially interferes with the proper administration of the internal revenue laws.

97. To issue an injunction, the court must find (1) that the preparer engaged in the prohibited conduct and (2) that injunctive relief is appropriate to prevent the recurrence of the conduct.

98. If a tax return preparer's conduct is continual or repeated and the court finds that a narrower injunction would be insufficient to prevent the preparer's interference with the proper administration of the internal revenue laws, the court may permanently enjoin the person from acting as a tax return preparer. *See* I.R.C. § 7407(b).

99. AHS Defendants have continually and repeatedly engaged in conduct subject to penalty under I.R.C. § 6694 by preparing returns that understate their customers' tax liabilities and overstate their refunds and credits. As described above, AHS Defendants prepare returns that claim deductions for expenses not incurred by their customers and credits to which the taxpayers are not entitled. AHS Defendants do so with knowledge that the positions they take on tax returns are unreasonable and lack substantial authority. AHS Defendants thus engage in conduct subject to penalty under I.R.C. § 6694(a).

100. Additionally, AHS Defendants engage in conduct subject to penalty under I.R.C. § 6694(b) by willfully understating customers' liabilities and acting with a reckless and intentional disregard of rules and regulations.

101. AHS Defendants have also engaged in conduct subject to penalty under I.R.C. §§ 6695(b) and 6695(c) by failing to properly identify themselves on the tax returns they prepare.

102. AHS Defendants have also engaged in conduct subject to penalty under I.R.C. § 6695(g) by repeatedly failing to exercise due diligence in determining the eligibility of their customers to claim the EITC, child tax credit, and education credits.

103. AHS Defendants' conduct substantially interferes with the administration of the internal revenue laws. Injunctive relief is necessary to prevent this misconduct because, absent an injunction, AHS Defendants are likely to continue to prepare false federal income tax returns. Indeed, the IRS has assessed several penalties against Mr. Ramchandani for his understatement of his customers' liabilities and failure to exercise due diligence in determining customers' eligibility to claim certain credits, including the EITC. AHS Defendants received several other warnings regarding their problematic return preparation practices. The warnings and penalties had no effect on their practices, and AHS Defendants continue to prepare tax returns that understanding their customers' liabilities and claim false or inflated deductions and credits.

104. A narrower injunction would be insufficient to prevent AHS Defendants' interference with the administration of internal revenue laws. AHS Defendants prepare tax returns understating their customers' liabilities through multiple schemes that report false information on their customers' tax returns. In addition, the IRS may not yet have identified all the schemes used by AHS Defendants to understate liabilities and to overstate refunds and credits. Without a permanent injunction against AHS Defendants, the IRS will have to spend additional resources to uncover all their future schemes. The harm resulting from these schemes includes both the expenditure of these resources and the revenue loss caused by the improper deductions and credits AHS Defendants claim on tax return they prepare. Accordingly, only a permanent injunction is sufficient to prevent future harm caused by AHS Defendants acting as tax return preparers.

**COUNT II: INJUNCTION UNDER I.R.C. § 7408  
FOR CONDUCT SUBJECT TO PENALTY UNDER I.R.C. § 6701**

105. The United States realleges paragraphs 1 through 94.

106. Section 7408 of the Internal Revenue Code authorizes a district court to enjoin any person from engaging in conduct subject to penalty under I.R.C. § 6701.

107. Section 6701 of the Internal Revenue Code penalizes a person who aids or assists in the preparation of tax returns that the person knows will result in the understatement of tax liability.

108. AHS Defendants engage in conduct subject to penalty under I.R.C. § 6701 by knowingly and willfully preparing, aiding, or assisting in the preparation of income tax returns that claim credits and deductions they know to be improper, false, or inflated.

109. If the Court does not enjoin AHS Defendants, they are likely to continue engaging in conduct subject to penalty under I.R.C. § 6701. The preparation and filing of tax returns claiming improper credits and deductions is widespread over many customers and tax years. Injunctive relief is appropriate under I.R.C. § 7408 to prevent recurrence of this conduct.

**COUNT III: INJUNCTION UNDER I.R.C. § 7402 FOR UNLAWFUL INTERFERENCE  
WITH THE ENFORCEMENT OF INTERNAL REVENUE LAWS**

110. The United States realleges paragraph 1 through 94.

111. Section 7402(a) of the Internal Revenue Code authorizes a court to issue orders of injunctions as may be necessary and appropriate for the enforcement of the internal revenue laws.

112. If AHS Defendants continue to act as a tax return preparers, their conduct will result in irreparable harm to the United States, and the United States has no adequate remedy at law.

113. AHS Defendants' conduct has caused, and will continue to cause, substantial tax losses to the United States Treasury, much of which may be undiscovered and unrecoverable. The IRS will have to devote substantial and unrecoverable time and resources auditing customers individually to detect understated liabilities and overstated refund claims unless the Court enjoins AHS Defendants' activities.

114. The detection and audit of erroneous tax credits and deductions claimed on tax returns prepared by AHS Defendants would be a significant burden on IRS resources.

115. Injunctive relief is appropriate because any harm to AHS Defendants caused by an injunction preventing them from continuing their illegal schemes is substantially outweighed by the harm they cause to the United States and to the public. Further, an injunction stopping AHS Defendants' illegal activity is in the public interest.

**COUNT IV: DISGORGEMENT UNDER I.R.C. § 7402(a)**

116. The United States realleges paragraphs 1 through 94.

117. Section 7402 of the Internal Revenue Code authorizes a district court to issue orders, judgments, and decrees as may be necessary or appropriate for the enforcement of the internal revenue laws.

118. AHS Defendants' conduct substantially interferes with the enforcement of the internal revenue laws and causes the United States to issue tax refunds to individuals not entitled to receive them. AHS Defendants have unjustly profited at the expenses of the United States by subtracting their fees from those refunds.

119. AHS Defendants are not entitled to these ill-gotten gains.

120. But for AHS Defendants' conduct, these bogus refunds would not have been issued.

121. Using its broad authority under I.R.C. § 7402(a), the Court should enter an order requiring AHS Defendants to disgorge to the United States the receipts (in the form of fees earned by engaging in false or fraudulent conduct) for preparing federal tax returns that make false or fraudulent claims in an amount to be determined by the Court.

### **RELIEF REQUESTED**

The United States respectfully requests that the Court:

A. Find that AHS Defendants have repeatedly and continually engaged in conduct subject to penalty under I.R.C. §§ 6694 and 6695, injunctive relief is appropriate under I.R.C. § 7407 to prevent recurrence of that conduct, and a narrower injunction would not be sufficient to prevent the recurrence of AHS Defendants' conduct;

B. Find that AHS Defendants have repeatedly and continually engaged in conduct that substantially interferes with the proper enforcement and administration of the internal revenue laws and that injunctive relief is appropriate under I.R.C. § 7408 to prevent recurrence of that conduct;

C. Find that AHS Defendants have repeatedly and continually engaged in conduct that substantially interferes with the proper enforcement and administration of the internal revenue laws and that injunctive relief is appropriate under I.R.C. § 7402(a) and this Court's equitable authority to prevent recurrence of that conduct;

D. Enter a permanent injunction prohibiting AHS Defendants, and another other person or entity working in concert or participation with them, from directly or indirectly:

1. Preparing, filing, directing, or assisting in the preparation or filing of federal tax returns, amended returns, and other tax-related documents and forms,

including any electronically-submitted tax returns or tax-related documents, for any entity or person other than themselves;

2. Filing, assisting in the filing of, or directing the filing of federal tax returns, amended returns, or other tax-related documents or forms, including any electronically submitted tax returns or tax-related documents, for any entity or person other than themselves;
  3. Using a false or fictitious EIN, TIN, PTIN, EFIN, SSN, or any other federally issued identification number to file or remit federal tax returns;
  4. Using an EFIN, EIN, TIN, PTIN, SSN, or any other federally issued identification that belongs to another to file or remit federal tax returns;
  5. Allowing others the use of an EFIN, EIN, TIN, PTIN, or any other federally issued identification number to prepare or file federal tax returns;
  6. Using, maintaining, renewing, obtaining, transferring, selling, or assigning any PTIN or EFIN;
  7. Owning, managing, assisting, working for, profiting from, or volunteering for any individual, business, or entity that prepares or assists in the preparation of tax returns, amended returns, or other tax-related documents or forms, including any electronically submitted tax returns or tax-related documents;
  8. Transferring, selling, or assigning their customer lists and/or other customer information;
  9. Engaging in activity subject to penalty under I.R.C. §§ 6694, 6695, or 6701;
- and

10. Engaging in conduct that substantially interferes with the proper administration and enforcement of tax laws.

- E. Enter an injunction requiring AHS Defendants, at their own expense, to:
1. Send by certified mail, return receipt requested, a copy of the final injunction entered against AHS Defendants, as well as a copy of the Complaint setting forth the allegations as to how AHS Defendants fraudulently prepared federal tax returns, to each person for whom AHS Defendants prepared federal tax returns or any other federal tax forms after January 1, 2021, within 30 days of entry of the final injunction;
  2. Turn over to the United States copies of all returns and claims for refund that AHS Defendants prepared after January 1, 2021;
  3. Provide the United States with a list of names, Social Security numbers, addresses, phone numbers, and email addresses of each person for whom AHS Defendants prepared tax returns, other tax forms, or claims for refund after January 2, 2021, within 30 days of entry of the final injunction;
  4. Prominently post, within 10 days of entry of the final injunction, in AHS Defendants' place of business where they prepared tax returns: a statement that they have been enjoined from the preparation of tax returns;
  5. Post for two years, on all social media accounts and websites AHS Defendants use to advertise their tax preparation services: a statement that they have been enjoined from the preparation of tax returns, a copy of the injunction, and a hyperlink to any press release regarding the injunction that the Department of Justice may issue;



6. Deliver a copy of the injunction to any employees, contractors, and vendors of AHS Defendants, if any, within 30 days of entry of the final injunction;
7. File a sworn statement with the Court evidencing AHS Defendants compliance with the foregoing directives within 45 days of entry of the final injunction; and
8. Keep records of AHS Defendants' compliance with the foregoing directives, which may be produced to the Court, if requested, or the United States pursuant to paragraph F, below;

F. Enter an order allowing the United States to monitor AHS Defendants' compliance with the injunction and to engage in post-judgment discovery, including depositions, in accordance with the Federal Rules of Civil Procedure;

G. Order, without further proceedings, the immediate revocation of any and all PTINs and EFINs held by, assigned to, or used by AHS Defendants issued under I.R.C. § 6109;

H. After a period of discovery to determine an appropriate amount of disgorgement, order AHS Defendants to disgorge their ill-gotten gains to the United States;

I. Retain jurisdiction over AHS Defendants and this action to enforce any permanent injunction entered; and

J. Award the United States its costs incurred in connection with this action, along with such other relief as justice requires.

Dated: January 16, 2025

Respectfully submitted,

DAVID A. HUBBERT  
Deputy Assistant Attorney General

/s/ Elizabeth N. Duncan  
ELIZABETH N. DUNCAN  
Virginia Bar No. 90685

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*Of Counsel*

MARKENZY LAPOINTE  
United States Attorney  
Southern District of Florida

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 as 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 NEXT PAGE OF THIS FORM.)

I. (a) PLAINTIFFS
United States of America
(b) County of Residence of First Listed Plaintiff
(c) Attorneys (Firm Name, Address, and Telephone Number)
Elizabeth N. Duncan, Tom Scott-Sharoni
U.S. Department of Justice, P.O. Box 14198
Washington, D.C. 20044, (202) 514-6546

DEFENDANTS
Sunil Ramchandani and SR Chandra Inc. dba AHS Income Tax Service
County of Residence of First Listed Defendant Broward
NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.
Attorneys (If Known)

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)
X 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)
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 State 5 5
Citizen or Subject of a Foreign Country 3 3 Foreign Nation 6 6

IV. 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 (Excludes Veterans)
153 Recovery of Overpayment of Veteran's Benefits
160 Stockholders' Suits
190 Other Contract
195 Contract Product Liability
196 Franchise
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
362 Personal Injury - Medical Malpractice
PERSONAL INJURY
365 Personal Injury - Product Liability
367 Health Care/Pharmaceutical 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
FORFEITURE/PENALTY
625 Drug Related Seizure of Property 21 USC 881
690 Other
LABOR
710 Fair Labor Standards Act
720 Labor/Management Relations
740 Railway Labor Act
751 Family and Medical Leave Act
790 Other Labor Litigation
791 Employee Retirement Income Security Act
IMMIGRATION
462 Naturalization Application
465 Other Immigration Actions
BANKRUPTCY
422 Appeal 28 USC 158
423 Withdrawal 28 USC 157
PROPERTY RIGHTS
820 Copyrights
830 Patent
840 Trademark
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
375 False Claims Act
376 Qui Tam (31 USC 3729(a))
400 State Reapportionment
410 Antitrust
430 Banks and Banking
450 Commerce
460 Deportation
470 Racketeer Influenced and Corrupt Organizations
480 Consumer Credit
490 Cable/Sat TV
850 Securities/Commodities/Exchange
890 Other Statutory Actions
891 Agricultural Acts
893 Environmental Matters
895 Freedom of Information Act
896 Arbitration
899 Administrative Procedure Act/Review or Appeal of Agency Decision
950 Constitutionality of State Statutes

V. ORIGIN (Place an "X" in One Box Only)
X 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

VI. CAUSE OF ACTION
Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity):
26 U.S.C. 7402, 7407, and 7408
Brief description of cause:
Suit to enjoin defendants from preparing tax returns and for disgorgement order

VII. REQUESTED IN COMPLAINT:
CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P. DEMAND \$
CHECK YES only if demanded in complaint: JURY DEMAND: Yes No

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

DATE 01/16/2025 SIGNATURE OF ATTORNEY OF RECORD /s/ Elizabeth N. Duncan /s/ Tom Scott-Sharoni

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

## INSTRUCTIONS FOR ATTORNEYS COMPLETING CIVIL COVER SHEET FORM JS 44

### Authority For Civil Cover Sheet

The JS 44 civil cover sheet and the information contained herein neither replaces nor supplements the filings and service of pleading or other papers as required by law, except as 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. Consequently, a civil cover sheet is submitted to the Clerk of Court for each civil complaint filed. The attorney filing a case should complete the form as follows:

- I.(a) Plaintiffs-Defendants.** Enter names (last, first, middle initial) of plaintiff and defendant. If the plaintiff or defendant is a government agency, use only the full name or standard abbreviations. If the plaintiff or defendant is an official within a government agency, identify first the agency and then the official, giving both name and title.
- (b) County of Residence.** For each civil case filed, except U.S. plaintiff cases, enter the name of the county where the first listed plaintiff resides at the time of filing. In U.S. plaintiff cases, enter the name of the county in which the first listed defendant resides at the time of filing. (NOTE: In land condemnation cases, the county of residence of the "defendant" is the location of the tract of land involved.)
- (c) Attorneys.** Enter the firm name, address, telephone number, and attorney of record. If there are several attorneys, list them on an attachment, noting in this section "(see attachment)".
- II. Jurisdiction.** The basis of jurisdiction is set forth under Rule 8(a), F.R.Cv.P., which requires that jurisdictions be shown in pleadings. Place an "X" in one of the boxes. If there is more than one basis of jurisdiction, precedence is given in the order shown below.  
 United States plaintiff. (1) Jurisdiction based on 28 U.S.C. 1345 and 1348. Suits by agencies and officers of the United States are included here.  
 United States defendant. (2) When the plaintiff is suing the United States, its officers or agencies, place an "X" in this box.  
 Federal question. (3) This refers to suits under 28 U.S.C. 1331, where jurisdiction arises under the Constitution of the United States, an amendment to the Constitution, an act of Congress or a treaty of the United States. In cases where the U.S. is a party, the U.S. plaintiff or defendant code takes precedence, and box 1 or 2 should be marked.  
 Diversity of citizenship. (4) This refers to suits under 28 U.S.C. 1332, where parties are citizens of different states. When Box 4 is checked, the citizenship of the different parties must be checked. (See Section III below; **NOTE: federal question actions take precedence over diversity cases.**)
- III. Residence (citizenship) of Principal Parties.** This section of the JS 44 is to be completed if diversity of citizenship was indicated above. Mark this section for each principal party.
- IV. Nature of Suit.** Place an "X" in the appropriate box. If the nature of suit cannot be determined, be sure the cause of action, in Section VI below, is sufficient to enable the deputy clerk or the statistical clerk(s) in the Administrative Office to determine the nature of suit. If the cause fits more than one nature of suit, select the most definitive.
- V. Origin.** Place an "X" in one of the six boxes.  
 Original Proceedings. (1) Cases which originate in the United States district courts.  
 Removed from State Court. (2) Proceedings initiated in state courts may be removed to the district courts under Title 28 U.S.C., Section 1441. When the petition for removal is granted, check this box.  
 Remanded from Appellate Court. (3) Check this box for cases remanded to the district court for further action. Use the date of remand as the filing date.  
 Reinstated or Reopened. (4) Check this box for cases reinstated or reopened in the district court. Use the reopening date as the filing date.  
 Transferred from Another District. (5) For cases transferred under Title 28 U.S.C. Section 1404(a). Do not use this for within district transfers or multidistrict litigation transfers.  
 Multidistrict Litigation. (6) Check this box when a multidistrict case is transferred into the district under authority of Title 28 U.S.C. Section 1407. When this box is checked, do not check (5) above.
- VI. Cause of Action.** Report the civil statute directly related to the cause of action and give a brief description of the cause. **Do not cite jurisdictional statutes unless diversity.** Example: U.S. Civil Statute: 47 USC 553 Brief Description: Unauthorized reception of cable service
- VII. Requested in Complaint.** Class Action. Place an "X" in this box if you are filing a class action under Rule 23, F.R.Cv.P.  
 Demand. In this space enter the actual dollar amount being demanded or indicate other demand, such as a preliminary injunction.  
 Jury Demand. Check the appropriate box to indicate whether or not a jury is being demanded.
- VIII. Related Cases.** This section of the JS 44 is used to reference related pending cases, if any. If there are related pending cases, insert the docket numbers and the corresponding judge names for such cases.

**Date and Attorney Signature.** Date and sign the civil cover sheet.

AO 440 (Rev. 06/12) Summons in a Civil Action

UNITED STATES DISTRICT COURT

for the

Southern District of Florida

United States of America

Plaintiff(s)

v.

Sunil Ramchandani and SR Chandra, Inc. dba AHS  
Income Tax Service

Defendant(s)

Civil Action No.

SUMMONS IN A CIVIL ACTION

To: (Defendant's name and address) Sunil Ramchandani  
4704 Hibbs Grove  
Cooper City, Florida 33330

A lawsuit has been filed against you.

Within 21 days after service of this summons on you (not counting the day you received it) — or 60 days if you are the United States or a United States agency, or an officer or employee of the United States described in Fed. R. Civ. P. 12 (a)(2) or (3) — you must serve on the plaintiff an answer to the attached complaint or a motion under Rule 12 of the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff or plaintiff's attorney, whose name and address are:

Elizabeth N. Duncan  
Trial Attorney, Tax Division  
U.S. Department of Justice  
P.O. Box 14198  
Ben Franklin Station  
Washington, D.C. 20044

If you fail to respond, judgment by default will be entered against you for the relief demanded in the complaint. You also must file your answer or motion with the court.

CLERK OF COURT

Date: 01/16/2025

Signature of Clerk or Deputy Clerk

AO 440 (Rev. 06/12) Summons in a Civil Action (Page 2)

Civil Action No. \_\_\_\_\_

**PROOF OF SERVICE**

*(This section should not be filed with the court unless required by Fed. R. Civ. P. 4 (l))*

This summons for *(name of individual and title, if any)* \_\_\_\_\_  
was received by me on *(date)* \_\_\_\_\_ .

I personally served the summons on the individual at *(place)* \_\_\_\_\_  
\_\_\_\_\_ on *(date)* \_\_\_\_\_ ; or

I left the summons at the individual's residence or usual place of abode with *(name)* \_\_\_\_\_  
\_\_\_\_\_, a person of suitable age and discretion who resides there,  
on *(date)* \_\_\_\_\_ , and mailed a copy to the individual's last known address; or

I served the summons on *(name of individual)* \_\_\_\_\_ , who is  
designated by law to accept service of process on behalf of *(name of organization)* \_\_\_\_\_  
\_\_\_\_\_ on *(date)* \_\_\_\_\_ ; or

I returned the summons unexecuted because \_\_\_\_\_ ; or

Other *(specify)*: \_\_\_\_\_

My fees are \$ \_\_\_\_\_ for travel and \$ \_\_\_\_\_ for services, for a total of \$ \_\_\_\_\_ 0.00 .

I declare under penalty of perjury that this information is true.

Date: \_\_\_\_\_

\_\_\_\_\_  
*Server's signature*

\_\_\_\_\_  
*Printed name and title*

\_\_\_\_\_  
*Server's address*

Additional information regarding attempted service, etc:

AO 440 (Rev. 06/12) Summons in a Civil Action

UNITED STATES DISTRICT COURT

for the

Southern District of Florida

United States of America

Plaintiff(s)

v.

Sunil Ramchandani and SR Chandra, Inc. dba AHS  
Income Tax Service

Defendant(s)

Civil Action No.

SUMMONS IN A CIVIL ACTION

To: (Defendant's name and address) SR Chandra Inc. dba AHS Income Tax Service  
c/o Sunil Ramchandani, Registered Agent  
251 S State Road 7  
Plantation, Florida 33317

A lawsuit has been filed against you.

Within 21 days after service of this summons on you (not counting the day you received it) — or 60 days if you are the United States or a United States agency, or an officer or employee of the United States described in Fed. R. Civ. P. 12 (a)(2) or (3) — you must serve on the plaintiff an answer to the attached complaint or a motion under Rule 12 of the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff or plaintiff's attorney, whose name and address are:

Elizabeth N. Duncan  
Trial Attorney, Tax Division  
U.S. Department of Justice  
P.O. Box 14198  
Ben Franklin Station  
Washington, D.C. 20044

If you fail to respond, judgment by default will be entered against you for the relief demanded in the complaint. You also must file your answer or motion with the court.

CLERK OF COURT

Date: 01/16/2025

Signature of Clerk or Deputy Clerk

AO 440 (Rev. 06/12) Summons in a Civil Action (Page 2)

Civil Action No. \_\_\_\_\_

**PROOF OF SERVICE**

*(This section should not be filed with the court unless required by Fed. R. Civ. P. 4 (l))*

This summons for *(name of individual and title, if any)* \_\_\_\_\_  
was received by me on *(date)* \_\_\_\_\_ .

I personally served the summons on the individual at *(place)* \_\_\_\_\_  
\_\_\_\_\_ on *(date)* \_\_\_\_\_ ; or

I left the summons at the individual's residence or usual place of abode with *(name)* \_\_\_\_\_  
\_\_\_\_\_, a person of suitable age and discretion who resides there,  
on *(date)* \_\_\_\_\_ , and mailed a copy to the individual's last known address; or

I served the summons on *(name of individual)* \_\_\_\_\_ , who is  
designated by law to accept service of process on behalf of *(name of organization)* \_\_\_\_\_  
\_\_\_\_\_ on *(date)* \_\_\_\_\_ ; or

I returned the summons unexecuted because \_\_\_\_\_ ; or

Other *(specify)*: \_\_\_\_\_

My fees are \$ \_\_\_\_\_ for travel and \$ \_\_\_\_\_ for services, for a total of \$ \_\_\_\_\_ 0.00 \_\_\_\_\_ .

I declare under penalty of perjury that this information is true.

Date: \_\_\_\_\_

\_\_\_\_\_  
*Server's signature*

\_\_\_\_\_  
*Printed name and title*

\_\_\_\_\_  
*Server's address*

Additional information regarding attempted service, etc: