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UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA

Federal Trade Commission, and

State of Nevada,

Plaintiffs,

v.

American Tax Service LLC, a limited liability company,

American Tax Solutions, a corporation,

American Tax Solutions LLC, a limited liability company,

ATS Tax Group LLC, a limited liability company,

Elite Sales Solutions, a corporation, also d/b/a American Tax Service,

2:25-cv-01894-GMN-EJY

No. 25-cv-_____

FILED UNDER SEAL

Complaint for Permanent Injunction, Monetary Judgment, and Other Relief

GetATaxLawyer.com LLC, a limited liability company,

TNT Holdings Group LLC, a limited liability company,

TNT Services Group LLC, a limited liability company,

TNT Tax Associates Inc., a corporation,

Terrance Selb, individually and as an officer of American Tax Service LLC, 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, and TNT Tax Associates Inc., and

Tyler Bennett, individually and as an officer of American Tax Service LLC, 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, and TNT Tax Associates Inc.,

Defendants.

Plaintiffs, the Federal Trade Commission ("FTC" or "Commission") and the State of Nevada, for their Complaint allege:

1. The FTC brings this action for Defendants' violations of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), Section 521 of the Gramm-Leach-Bliley Act ("GLB Act"), 15 U.S.C. § 6821, the Trade Regulation Rule on Impersonation of Government and Businesses ("Impersonation Rule"), 16 C.F.R. part 461, and the Telemarketing Sales Rule ("TSR"), 16 C.F.R. part 310.

2. The State of Nevada, by and through the Office of the Attorney General, Aaron D. Ford, and Consumer Advocate, Ernest D. Figueroa, Deputy Attorney General Ziwei Zheng, and Senior Deputy Attorney General Samantha B. Feeley, brings this action pursuant to the Deceptive Trade Provisions of Chapter 598 of the Nevada Revised Statutes ("NRS") and violations of the TSR. This action is brought by the State of Nevada and its residents as *parens patriae* to protect the interests of persons harmed by unlawful conduct. Attorney General Ford is

acting pursuant to his authority under, inter alia, NRS §§ 228.310, 228.380, 228.390, and 598.0963(3).

3. For these violations, Plaintiffs seek relief, including a temporary, preliminary, and permanent injunction, monetary relief, and other relief, including an asset freeze, the appointment of a receiver, and immediate access to Defendants' business premises, pursuant to Sections 13(b) and 19 of the FTC Act, 15 U.S.C. §§ 53(b) and 57b, Section 522(a) of the GLB Act, 15 U.S.C. § 6822(a), the Impersonation Rule, the TSR, and NRS §§ 598.0915(5)(9) and § 598.0923(1)(c).

SUMMARY OF THE CASE

4. Millions of Americans are behind on their taxes. In 2023, the IRS estimated that nearly 11.4 million taxpayers owed more than $158 billion in back taxes, penalties, and interest. Although many taxpayers quickly resolve their tax debts, others cannot, which sometimes leads the IRS to file a Notice of Federal Tax Lien ("NFTL") to protect its interests in case of taxpayer bankruptcy. In Fiscal Year 2023, the IRS filed nearly 180,000 NFTLs. Because NFTLs and state equivalents make tax debts a matter of public record, taxpayers with tax liens soon become the target of relentless deceptive marketing campaigns from tax debt relief schemes, including the enterprise run by Defendants in this case.

5. Defendants start their targeted marketing campaign by sending taxpayers letters like this one:

Lien Filing
Filing Date: 8/7/2017
Tax Group Lien ID#: 84756-MN4

Form DR-1024

[redacted]

Filing No: 17F-114874
Date: 11/26/2024
Debt: $41,318.00
The Federal Tax Authorities

Tax Processing Unit
Internal Processing Service
Palm Beach County
Public Judgement Records

[redacted],

YOUR PROPERTY WILL BE SEIZED

FINAL DEMAND FOR PAYMENT FOR NONPAYMENT OF TAXES TO THE FEDERAL TAX AUTHORITIES

The Federal Tax Authorities has attempted to collect the overdue above debt which has not been paid.

You must call (800) 220-7836 by 12/13/2024.

The Federal Tax Authorities will seize this property for nonpayment of taxes, penalties, and interest due to the State. During this seizure it will be against the law to enter, dismantle, take possession of or remove anything from your property. The Federal Tax Authorities may impose garnishment on all bank accounts and income in the name of [redacted]

NOTE: To avoid enforcement, call (800) 220-7836 by 12/13/2024 or further actions will be taken in exacting the value by levying.

DR-1024

(Government Exhibit 8)

6. Defendants use these mailers to scare taxpayers into calling the toll-free number listed on the letter. Defendants' mailers appear to be from a government entity and typically demand payment and threaten to seize the letter recipient's property. When taxpayers call the number, they reach Defendants' sales representatives who then pitch the caller on Defendants' purported tax debt relief services.

7. Defendants sell taxpayers on their services by making false or misleading claims about the work they will do and the tax debt resolution outcomes they can obtain. For example, Defendants have claimed they can settle taxpayers' back taxes for "pennies on the dollar" or for only a "fraction" of what taxpayers owe. Defendants often make these claims before even evaluating the taxpayer's circumstances.

8. In addition to their deceptive mailers, Defendants advertise their purported tax debt relief services on the internet, TV, radio, and a popular podcast. As a guest on a popular podcast, Defendant Tyler Bennett claimed that Defendants had saved listeners of the show between $20,000,000 and $22,000,000 in back taxes.

9. After consumers hire Defendants to resolve their back taxes, Defendants fail to deliver the promised results and often take no action to reduce consumers' tax debts. Consumers who pay Defendants for their purported tax debt relief services often lose tens of thousands of dollars to Defendants' service fees while their tax debts accrue more penalties and interest. Some consumers report being blindsided by IRS levies on their bank accounts or garnishments of their wages because they had trusted Defendants' promise to prevent such action.

10. Each year, Defendants take in tens of millions of dollars in payments from consumers. In 2024 alone, Defendants' total revenue exceeded $36 million.

11. Through this action, the FTC and the State of Nevada seek to put an end to Defendants' illegal scheme and secure redress for the consumers whom Defendants have harmed through their violations of multiple federal and state laws and regulations.

JURISDICTION AND VENUE

12. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331, 1337(a), and 1345.

13. Venue is proper in this District under 28 U.S.C. § 1391(b)(1), (b)(2), (c)(1), (c)(2), and (d), and 15 U.S.C. § 53(b).

PLAINTIFFS

14. The FTC is an agency of the United States Government created by the FTC Act, which authorizes the FTC to commence this district court civil action by its own attorneys. 15 U.S.C. §§ 41–58. The FTC enforces Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), which prohibits unfair or deceptive acts or practices in or affecting commerce. The FTC also enforces the GLB Act, 15 U.S.C. §§ 6821-27, which prohibits any person from obtaining or attempting to obtain customer information of a financial institution relating to another person by making a false, fictitious, or fraudulent statement or representation to a customer of a financial institution. The FTC also enforces the Impersonation Rule, 16 C.F.R. Part 461, which prohibits the impersonation of government and businesses. The FTC also enforces the Telemarketing Sales Rule, ("TSR"), 16 C.F.R. Part 310, which prohibits deceptive and abusive telemarketing acts or practices.

15. Plaintiff State of Nevada is one of the sovereign states of the United States. Attorney General Aaron D. Ford is the chief law enforcement officer of the State of Nevada, and his appointed Consumer Advocate, Ernest D. Figueroa, is vested with the authority to enforce NRS § 598.0903 *et seq.* ("Nevada Deceptive Trade Practices Act" or "DTPA"). The Attorney General, by and through the Consumer Advocate and undersigned counsel, brings this action pursuant to NRS §§ 228.380 and 598.0963(3).

DEFENDANTS

16. Defendant **American Tax Service LLC** is a Wyoming limited liability company with its principal place of business at 1055 W. 7th St., Suite 1600, Los Angeles, California 90017. It also operates from 101 Convention Center Dr., Suite 1200, Las Vegas, Nevada 89109. It has also operated from 2300 W Sahara Ave., Suite 700, Las Vegas, Nevada 89102 and 6255 W. Sunset Blvd., Suite 650, Los Angeles, California 90028. American Tax Service LLC transacts or has transacted business in this District and throughout the United States.

17. Defendant **American Tax Solutions** is a California corporation with its principal place of business at 6255 W. Sunset Blvd., Suite 850, Los Angeles, CA 90028. It also operates from 101 Convention Center Dr., Suite 1200, Las Vegas, Nevada 89109. It has also operated from 1055 W. 7th St., Suite 1600, Los Angeles, California 90017 (it has also been associated with Suites 1760 and 3050 at that address). American Tax Solutions transacts or has transacted business in this District and throughout the United States.

18. Defendant **American Tax Solutions LLC** is a Delaware limited liability company with its principal place of business at 1055 W. 7th St., Suite 1600, Los Angeles, California 90017. American Tax Solutions LLC transacts or has transacted business in this District and throughout the United States.

19. Defendant **ATS Tax Group LLC** is a Wyoming limited liability company with its principal place of business at 101 Convention Center Dr., Suite 1200, Las Vegas, Nevada 89109. It has also operated from 6255 W. Sunset Blvd., Suite 650, Los Angeles, California 90028 and 811 Wilshire Blvd, Suite 1700, Los Angeles, California 90017. ATS Tax Group LLC transacts or has transacted business in this District and throughout the United States.

20. Defendant **Elite Sales Solutions**, also doing business as American Tax Service, is a Wyoming limited liability company with its principal place of business at 101 Convention Center Dr., Suite 1200, Las Vegas, Nevada 89109. It has also operated from 2300 W Sahara Ave., Suite 700, Las Vegas, Nevada 89102 (it has also been associated with Suite 430 at that address). Elite Sales Solutions transacts or has transacted business in this District and throughout the United States.

21. Defendant **GetaTaxLawyer.com LLC** is a Delaware limited liability company with its principal place of business at 1055 W. 7th St., Suite 1600, Los Angeles, California 90017. It has also operated from 25910 Acero, Suite 140, Mission Viejo, California 92691 (it has also been associated with Suite 306 at that address). GetaTaxLawyer.com LLC transacts or has transacted business in this District and throughout the United States.

22. Defendant **TNT Holdings Group LLC** is a Wyoming limited liability company with its principal place of business at 101 Convention Center Dr., Suite 1200, Las Vegas, Nevada

89109. TNT Holdings Group LLC transacts or has transacted business in this District and throughout the United States.

23. Defendant **TNT Services Group LLC** is a Wyoming limited liability company with its principal place of business at 101 Convention Center Dr., Suite 1200, Las Vegas, Nevada 89109. TNT Services Group LLC transacts or has transacted business in this District and throughout the United States.

24. Defendant **TNT Tax Associates Inc.** is a Nevada corporation with its principal place of business at Residential Address West Hollywood, California [redacted]. It has also operated from 1055 W. 7th St., Suite 1760, Los Angeles, California 90017. TNT Tax Associates Inc. transacts or has transacted business in this District and throughout the United States.

25. 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. are referred to collectively as the "**ATS Enterprise**," or "**ATS**."

26. Defendant **Terrance Selb** is a Manager of American Tax Service LLC, the CEO, Secretary, and co-owner of American Tax Solutions; Member/Manager and Chairman of American Tax Solutions LLC; Managing Member of ATS Tax Group LLC; CEO and Secretary of Elite Sales Solutions; CEO and Member of GetaTaxLawyer.com LLC; Managing Member of TNT Holdings Group LLC; Managing Member of TNT Services Group LLC; and President, Secretary, Treasurer, and Director of TNT Tax Associates Inc. At all times relevant to this Complaint, acting alone or in concert with others, he has formulated, directed, controlled, had the authority to control, or participated in the acts and practices of the ATS Enterprise, including the acts and practices described in this Complaint. Defendant Selb resides in this District and, in connection with the matters alleged herein, transacts or has transacted business in this District and throughout the United States.

27. Defendant **Tyler Bennett** is the Manager of American Tax Service LLC; CEO, Director, and co-owner of American Tax Solutions; Member/Manager and Secretary of

American Tax Solutions LLC; Managing Member of ATS Tax Group, LLC; President, Treasurer, and COO of Elite Sales Solutions also d/b/a American Tax Service; Member of GetaTaxLawyer.com LLC; Managing Member of TNT Holdings Group LLC; and Managing Member of TNT Services Group LLC. He also signed a letter to the State of North Dakota Office of Attorney General on behalf of TNT Tax Associates Inc. At all times relevant to this Complaint, acting alone or in concert with others, he has formulated, directed, controlled, had the authority to control, or participated in the acts and practices of the ATS Enterprise, including the acts and practices described in this Complaint. Defendant Bennett resides in this District and, in connection with the matters alleged herein, transacts or has transacted business in this District and throughout the United States.

COMMON ENTERPRISE

28. The corporate Defendants constituting the ATS Enterprise have operated as a common enterprise while engaging in the deceptive acts and practices and other violations of law alleged below. The ATS Enterprise has conducted the business practices described below through an interrelated network of companies that have common ownership, officers, managers, business functions, employees, and office locations, and commingled funds. Because the ATS Enterprise has operated as a common enterprise, each of its constituent corporate Defendants is liable for the acts and practices alleged below.

COMMERCE

29. At all times relevant to this Complaint, Defendants have maintained a substantial course of trade in or affecting commerce, as "commerce" is defined in Section 4 of the FTC Act, 15 U.S.C. § 44.

DEFENDANTS' TAX DEBT RELIEF SCAM

30. Since at least 2021, Defendants have misled consumers to sell their supposed tax debt relief services across the country. Defendants have carried out their tax debt relief scam by: (1) mailing or causing the mailing of deceptive and threatening letters that impersonate the government, including local, state, or federal tax authorities, to solicit inbound telemarketing calls; and (2) making false or misleading statements about their purported tax debt relief services

and the outcomes they can obtain for consumers. Defendants fail to provide consumers with the contracted services or obtain the promised results, and they often refuse consumers' refund requests. Through this scheme, Defendants have cost consumers tens of millions of dollars every year.

A. Defendants' Deceptive Mailers

31. Since at least 2021, Defendants have mailed, or caused the mailing of, letters to individuals and small businesses, demanding payment for past due state or federal tax debts. These letters appear to be from government tax authorities and threaten the recipient with severe consequences, including property seizure or wage garnishment. To avoid these consequences, the letters instruct the recipient to call a toll-free number by a certain date.

32. Many consumers believe these letters are legitimate government communications. Consumers who have received these mailers have said that they found the letters frightening and alarming, and many have reported them to the IRS seeking to clarify whether the mailer was really from the IRS.

33. Defendants designed the mailers to look like real letters that the IRS sends to taxpayers who have outstanding tax debts. Defendants work with third-party marketing firms to arrange for the mailers to be sent to individuals against whom the IRS or a state has filed a tax lien. Defendants' mailers are designed to scare recipients into calling the toll-free number listed on the letter. When letter-recipients call the number on their letters, they reach Defendants, who have a dedicated intake team of telemarketers to receive these incoming calls.

34. When consumers reach Defendants' telemarketers on the phone, they typically vaguely identify themselves as working for "the tax group." Only later in the sales pitch do the telemarketers finally disclose that they work for American Tax Service (or one of several other fronts Defendants use or have used).

35. Defendants' telemarketers are quick to disclaim responsibility for the deceptive mailers. On a call with an FTC undercover investigator in May 2025, one of Defendants' sales representatives told the investigator his company simply paid a third-party marketing company to put its phone number on the letter. The sales representative also stated that the letters were

"just to get [consumers] on the phone with an attorney." However, Defendants' telemarketers that handle the incoming calls from the mailers are not attorneys.

36. Defendants have known for years that their mailers deceptively and illegally impersonate the government; but they continue to use them to solicit inbound telemarketing calls anyway.

37. In March 2021, Defendant TNT Tax Associates Inc. entered into an Assurance of Voluntary Compliance agreement with the State of North Dakota to resolve allegations that its deceptive mailers violated N.D.C.C. § 51-15-02, which prohibits deceptive and fraudulent acts and practices in sales or advertising. Under this agreement, Defendant TNT Tax Associates Inc. agreed to "cancel and refund all existing agreements with North Dakota consumers," and permanently cease "engaging in the sale or advertisement of any merchandise, as defined in N.D.C.C. § 51-15-01(3), in the State of North Dakota."

38. Additionally, in November 2022, Defendant American Tax Solutions entered into a consent decree with the State of Wisconsin to resolve allegations that its mailers unlawfully impersonated the government in violation of Wisconsin's consumer protection regulations, Wis. Admin. Code. Ch. ATCP 127, and illegally operated as an Adjustment Service Company in Wisconsin without a license, in violation of Wis. Stat. § 218.02. Under the settlement, Defendant American Tax Solutions was ordered to stop operating in Wisconsin and pay $328,000 in consumer restitution and forfeitures.

39. Despite these actions by law enforcement agencies, Defendants continue to send deceptive mailers that falsely impersonate the government, demand payment, and threaten letter recipients to drive inbound telemarketing calls.

B. Defendants' Deceptive Sales Calls

40. Although many consumers call Defendants after receiving their deceptive mailers, others call them after seeing an advertisement on TV or the internet or after hearing an endorsement on a radio show or a popular podcast.

41. On these calls, Defendants' sales representatives tell consumers that if they hire Defendants, they can immediately protect them from IRS levies and garnishments. Defendants'

sales representatives typically make this claim before evaluating whether the consumer is eligible for non-collectible status or other mitigations under IRS regulations.

42. Defendants' sales representatives also tell consumers that they can substantially reduce or eliminate their tax debts. For example, Defendants' sales representatives have claimed they can resolve consumers' tax debts for just a fraction of what they owe, or for "pennies on the dollar." Defendants often make these claims before even reviewing the consumer's financial situation.

43. Defendants' sales representatives also falsely claim that Defendants are a "firm of tax attorneys, CPAs, and enrolled agents" who have been in business for 14 years and resolved tax debts for at least 35,000 people. Defendants' sales representatives further claim that, because Defendants have resolved so many tax debts, they can search their database for similar cases to cite as persuasive precedent for the IRS during negotiations. Defendants' sales representatives assure consumers that this strategy works 99 times out of 100, and the remaining 1% of the time, Defendants just "beat [the IRS] over the head with appeals until they get tired of it, and they settle anyway."

44. Contrary to Defendants' claim that the ATS Enterprise is a "firm of tax attorneys, CPAs, and enrolled agents," Defendants employ very few, if any, attorneys, CPAs or enrolled agents. Most of Defendants employees are actually telemarketers. Moreover, in January 2024, after investigating multiple "Nonattorney Unlicensed Practice of Law Complaints" filed by Defendants' clients, the State Bar of California's Office of Chief Trial Counsel sent a cease-and-desist letter to Defendant Bennett, d/b/a Get a Tax Lawyer and Got a Tax Letter, informing him that the office believed he had engaged in the "unauthorized practice of law."

45. Sometimes Defendants' sales representatives also lie to consumers about the severity of their tax debt issues to scare them into paying for Defendants' purported tax debt relief services. For example, Defendants have falsely told consumers that the IRS is currently investigating them or that the IRS has "red flagged" their account or marked it as "high risk."

C. Defendants' Purported Tax Debt Relief Services

1. The Initial Sign-Up Period

46. Once consumers agree to pay for Defendants' services, Defendants do little—if any—of the promised work and seldom—if ever—obtain the promised results. If Defendants perform any services, they are often performed incorrectly, to consumers' detriment, and contrary to Defendants' representations to consumers in the initial sales pitch.

47. After Defendants' telemarketers complete their pitches, they ask consumers to sign IRS Form 2848 (Power of Attorney and Declaration of Representative), IRS Form 8821 (Tax Information Authorization), and an ATS service agreement. Defendants then file the signed 2848 and 8821 Forms with the IRS, which allows them to access the consumer's IRS transcript and communicate with the IRS on the consumer's behalf.

48. If a consumer tells Defendants' telemarketers that they cannot afford Defendants' fees, the telemarketer will offer to spread the fees out on a monthly payment plan or arrange for the consumer to take out a loan or retail installment contract from a financing company. These loans or retail installment contracts invariably include large financing fees and high interest rates.

49. Often, Defendants first charge consumers approximately $250 for a full "forensic analysis" of their financial situation even though Defendants do not have any forensic accountants on staff.

50. Defendants then assign consumers to a "case manager." Case managers handle incoming communications from clients, but they are not trained tax professionals. Former employees report that case managers are never offered any tax training and that clients typically never speak with anyone who would be qualified or licensed to represent them before the IRS. After signup, case managers sometimes request that consumers provide additional financial information or fill out "tax organizers."

2. The Waiting Period

51. After consumers have submitted their initial paperwork and taken out a financing loan or begun making payments to Defendants, they stop hearing from Defendants for weeks or

months at a time. In a welcome letter included with one consumer's service agreement, Defendants' employee wrote: "[P]lease remember that in many cases, 'no news is good news.' While you may not hear from us constantly, rest assured that we are actively working on your case behind the scenes."

52. Because Defendants tell consumers that they have matters in hand, and consumers should not deal with the IRS themselves, consumers sometimes overlook their worsening tax situation until they suddenly find themselves subject to garnishments and levies.

53. When consumers call Defendants to follow up on the status of their case, they are often unable to reach their case manager or obtain any information about their case status. Consumers who request a call-back often never receive one.

54. Defendants fire and replace case managers every few months and often cite case manager turnover as an explanation for the delay in resolving consumers' tax debts when unhappy clients call to follow up on their stagnant cases. Many consumers accept this explanation the first or second time it is offered, causing them to continue making payments to Defendants or on their financing loan.

3. Subsequent Sales Pitches

55. For some consumers, it gets worse yet. According to a former employee, Defendants' client database is open to all of its salespeople. Any sales representative can telemarket to any client any time and try to extract more money. For example, Defendants' sales representatives periodically call clients to inform them of an urgent upcoming hearing, sometimes purportedly scheduled for later that day or the next day. On these calls, Defendants' sales representatives falsely claim that Defendants can finally and completely resolve the client's tax debts at the hearing, but only if the client immediately makes another substantial payment.

56. During the "hearing" sales pitch, Defendants falsely tell consumers that this substantial payment will completely resolve their tax debt, causing many consumers to believe that Defendants will forward some or all of the payment to the IRS or state tax authority to settle the debt. However, Defendants never forward payments to the IRS or state tax authorities.

57. After Defendants' "hearing" pitch, many consumers respond that they cannot afford the substantial payment Defendants are demanding. In these cases, Defendants then offer to quickly arrange a loan or retail installment contract for the consumer to make the payment, just as they sometimes do with initial payments. As before, Defendants then work with the consumer and a financing company to obtain a high-interest loan or retail installment contract to cover the substantial fee.

* * *

58. Based on the facts and violations of law alleged in this Complaint, the FTC has reason to believe that Defendants are violating or are about to violate laws enforced by the Commission because, among other things:

a) Defendants continue to send deceptive mailers that impersonate the government, even after receiving warnings from at least two state law enforcement agencies.

b) Defendants continue to make false or misleading claims to consumers to sell their purported tax debt relief services.

VIOLATIONS OF THE FTC ACT

59. Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), prohibits "unfair or deceptive acts or practices in or affecting commerce."

60. Misrepresentations or deceptive omissions of material fact constitute deceptive acts or practices prohibited by Section 5(a) of the FTC Act.

Section 5 Misrepresentations

Count I—Deceptive Representations

(*by Plaintiff Federal Trade Commission*)

61. In numerous instances, in connection with the advertising, marketing, promotion, offering for sale, or sale of tax resolution or tax debt relief services, Defendants represent, directly or indirectly, expressly or by implication, that:

a) Defendants are a federal, state and/or local government entity responsible for tax collection;

b) Defendants are affiliated with a federal, state and/or local government entity responsible for tax collection, including the Internal Revenue Service;

c) Defendants will protect consumers from levies and garnishments;

d) Defendants will reduce or eliminate consumers' tax debt;

e) Defendants will perform work for consumers in furtherance of items (c) and (d);

f) Defendants have resolved tax debts for tens of thousands of clients; and/or

g) Defendants will forward some or all of consumers' payments to the IRS or relevant state tax authority.

62. Defendants' representations as described in Paragraph 63 are false or misleading.

63. Therefore, Defendants' representations as described in Paragraph 63 constitute a deceptive act or practice in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

VIOLATIONS OF THE GRAMM-LEACH-BLILEY ACT

64. Section 521(a) of the GLB Act, 15 U.S.C. § 6821(a), prohibits any person from "obtain[ing] or attempt[ing] to obtain … customer information of a financial institution relating to another person … by making a false, fictitious, or fraudulent statement or representation to a customer of a financial institution."

65. The GLB Act defines "customer" to mean "with respect to a financial institution, any person (or authorized representative of a person) to whom the financial institution provides a product or service, including that of acting as a fiduciary." 15 U.S.C. § 6827(1).

66. The GLB Act defines "customer information of a financial institution" as "any information maintained by or for a financial institution which is derived from the relationship between the financial institution and a customer of the financial institution and is identified with the customer." 15 U.S.C. § 6827(2).

67. The GLB Act defines "financial institution" to include "any institution engaged in the business of providing financial services to customers who maintain a credit, deposit, trust, or other financial account or relationship with the institution." 15 U.S.C. § 6827(4)(A).

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

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

70. Section 19(a)(1) of the FTC Act, 15 U.S.C. § 57b(a)(1), provides that the FTC may commence a civil action against "any person, partnership, or corporation" who "violates any rule … respecting unfair or deceptive acts or practices." Section 19(b) of the FTC Act, 15 U.S.C. § 57b(b), provides that in any action commenced under Section 19(a)(1), the court has "jurisdiction to grant such relief as the court finds necessary to redress injury to consumers." "Such relief may include, but [is not] limited to, rescission or reformation of contracts, [and] the refund of money or return of property."

Count II—Use of False Statements to Obtain Customer Information

(by Plaintiff Federal Trade Commission)

71. In numerous instances, in connection with the advertising, marketing, promotion, offering for sale, or sale of tax resolution or tax debt relief services, Defendants have made false, fictitious, or fraudulent statements or representations to customers of financial institutions to obtain or attempt to obtain customer information of a financial institution, such as credit or debit card numbers, bank account numbers, and routing numbers, including by representing, directly or indirectly, expressly or by implication, that:

a) Defendants are a federal, state and/or local government entity responsible for tax collection;

b) Defendants are affiliated with a federal, state and/or local government entity responsible for tax collection, including the Internal Revenue Service;

c) Defendants will protect consumers from levies and garnishments;

d) Defendants will reduce or eliminate consumers' tax debt;

e) Defendants will perform work for consumers in furtherance of items (c) and (d);

f) Defendants have resolved tax debts for tens of thousands of clients; and/or

g) Defendants will forward some or all of consumers' payments to the IRS or relevant state tax authority.

72. Therefore, Defendants' acts and practices as set forth in Paragraph 7371 violate Section 521(a) of the GLB Act, 15 U.S.C. § 6821(a).

VIOLATIONS OF THE IMPERSONATION RULE

73. The Impersonation Rule, promulgated by the FTC under Section 18 of the FTC Act, 15 U.S.C. § 57a, became effective on April 1, 2024. The Impersonation Rule is codified at 16 C.F.R. part 461.

74. Section 461.2(a) of the Impersonation Rule prohibits "materially and falsely pos[ing] as, directly or by implication, a government agency or officer thereof, in or affecting commerce as *commerce* is defined in the Federal Trade Commission Act (15 U.S.C. 44)."

75. Section 461.2(b) of the Impersonation Rule prohibits "materially misrepresent[ing], directly or by implication, affiliation with, including endorsement or sponsorship by, a government entity or officer thereof, in or affecting commerce as *commerce* is defined in the Federal Trade Commission Act (15 U.S.C. 44)."

76. The Impersonation Rule defines "materially" to mean "likely to affect a person's choice of, or conduct regarding, goods or services." 16 C.F.R. § 461.1. The Impersonation Rule

defines "government" to include "federal, state, local, and tribal governments as well as agencies and departments thereof." *Id.*

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

78. Section 19(a)(1) of the FTC Act, 15 U.S.C. § 57b(a)(1), provides that the FTC may commence a civil action against "any person, partnership, or corporation" who "violates any rule … respecting unfair or deceptive acts or practices." Section 19(b) of the FTC Act, 15 U.S.C. § 57b(b), provides that in any action commenced under Section 19(a)(1), the court has "jurisdiction to grant such relief as the court finds necessary to redress injury to consumers." "Such relief may include, but [is not] limited to, recission or reformation of contracts, [and] the refund of money or return of property."

Count III—Prohibited Impersonation of Government

(*by Plaintiff Federal Trade Commission*)

79. In numerous instances on or after April 1, 2024, in connection with the advertising, marketing, promotion, offering for sale, or sale of tax resolution or tax debt relief services, Defendants have:

a) Materially and falsely posed as, directly or by implication, a government entity or officer thereof; and/or

b) Materially misrepresented, directly or by implication, that they are affiliated with a government entity.

80. Therefore, Defendants' misrepresentations as set forth in Paragraph 81 violate Section 461.2 of the Impersonation Rule, 16 C.F.R. § 461.2, and Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

VIOLATIONS OF THE TELEMARKETING SALES RULE

81. The TSR, promulgated by the FTC pursuant to the Telemarketing and Consumer Fraud and Abuse Prevention Act, 15 U.S.C. §§ 6101–08, is codified at 16 C.F.R. part 310.

82. Defendants are "seller[s]" or "telemarketer[s]" engaging in "telemarketing" as defined by the TSR, 16 C.F.R. § 310.2(ee), (hh), and (ii). A "seller" means any person who, in connection with a telemarketing transaction, provides, offers to provide, or arranges for others to provide goods or services to a customer in exchange for consideration. 16 C.F.R. § 310.2(ee). A "telemarketer" means any person who, in connection with telemarketing, initiates or receives telephone calls to or from a customer or donor. 16 C.F.R. § 310.2(hh). "Telemarketing" means a 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. 16 C.F.R. § 310.2(ii).

83. The TSR prohibits sellers and telemarketers from misrepresenting directly or by implication any material aspect of the performance, efficacy, nature, or central characteristics of goods or services that are the subject of a sales offer. 16 C.F.R. § 310.3(a)(2)(iii).

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

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

86. Section 19(a)(1) of the FTC Act, 15 U.S.C. § 57b(a)(1), provides that the FTC may commence a civil action against "any person, partnership, or corporation" who "violates any rule … respecting unfair or deceptive acts or practices." Section 19(b) of the FTC Act, 15 U.S.C. § 57b(b), provides that in any action commenced under Section 19(a)(1), the court has "jurisdiction to grant such relief as the court finds necessary to redress injury to consumers." "Such relief may include, but [is not] limited to, rescission or reformation of contracts, [and] the refund of money or return of property."

Count IV—Material Misrepresentations of Performance, Efficacy, Nature, or Central Characteristics

(*by all Plaintiffs*)

87. In numerous instances, in connection with the telemarketing of tax resolution or tax debt relief services, Defendants have misrepresented, directly or indirectly, expressly or by implication, material aspects of the performance, efficacy, nature, or central characteristics of their tax resolution or tax debt relief services, including but not limited to, that:

a) Defendants will protect consumers from levies and garnishments;

b) Defendants will reduce or eliminate consumers' tax debt;

c) Defendants will perform work for consumers in furtherance of items (a) and (b);

d) Defendants have resolved tax debts for tens of thousands of clients; and/or

e) Defendants will forward some or all of consumers' payments to the IRS or relevant state tax authority.

88. Therefore, Defendants' acts or practices as described in Paragraph 870 violate Section 310.3(a)(2)(iii) of the TSR, 16 C.F.R. § 310.3(a)(2)(iii), and Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

VIOLATIONS OF NEVADA'S DECEPTIVE TRADE PRACTICES ACT

89. Plaintiff State of Nevada repeats and realleges each and every preceding allegation as if fully set forth herein.

90. Pursuant to NRS § 0.039, each of Defendants is a "person" for the purpose of the Nevada Deceptive Trade Practices Act ("NDTPA").

Count V—Violations of Nevada Revised Statute § 598.0915(5)

(*by Plaintiff State of Nevada*)

91. Pursuant to NRS § 598.0915(5), "[a] person engages in a 'deceptive trade practice' if, in the course of his or her business occupation, he or she … knowingly makes a false representation as to the characteristics, ingredients, uses, benefits, alterations or quantities of

goods or services for sale or lease or a false representation as to the sponsorship, approval, status, affiliation or connection of a person therewith."

92. In numerous instances, in connection with the advertising, marketing, promotion, offering for sale, or sale of tax resolution or tax debt relief services, Defendants made false, fictitious, or fraudulent representations that:

a) Defendants are a federal, state, and/or local government entity responsible for tax collection;

b) Defendants are affiliated with a federal, state, and/or local government entity responsible for tax collection, including the Internal Revenue Service;

c) Defendants will protect consumers from levies and garnishments;

d) Defendants will reduce or eliminate consumers' tax debt;

e) Defendants will perform work for consumers in furtherance of items (c) and (d);

f) Defendants have resolved tax debts for tens of thousands of clients; and/or

g) Defendants will forward some or all of the consumers' payments to the IRS or the relevant state tax authority.

93. Defendants' representations as described in Paragraph 92 are false or misleading in the characteristics of the services Defendants provide.

94. Therefore, Defendants' representations described in Paragraph 92 constitute a deceptive act or practice in violation of NRS § 598.0915(5).

Count VI— Violations of Nevada Revised Statute § 598.0915(9)

(by Plaintiff State of Nevada)

95. Pursuant to NRS § 598.0915(9), "[a] person engages in a 'deceptive trade practice' if, in the course of his or her business occupation, he or she … advertises goods or services with intent not to sell or lease them as advertised."

96. In numerous instances, in connection with the advertising, marketing, promotion, offering for sale, or sale of tax resolution or tax debt relief services, Defendants made false, fictitious, or fraudulent statements or representations to consumers regarding their ability to

resolve tax debts. After consumers enrolled in these services, Defendants routinely failed to provide the promised assistance. Customers' files were often neglected or left inactive. When a customer called for case updates, Defendants' employees frequently transferred the call to another representative, who then attempted to solicit additional fees for unnecessary services.

97. Defendants advertise services without the intention of performing the service agreed upon between Defendants and customers.

98. Therefore, Defendants' intention not to carry out the agreed-upon service violates NRS § 598.0915(9).

Count VII— Violations of NRS §598.0923(1)(c)

(by Plaintiff State of Nevada)

99. Pursuant to NRS § 598.0923(1)(c), "[a] person engages in a 'deceptive trade practice' when in the course of his or her business occupation he or she knowingly … violates a state or federal statute or regulation relating to the sale or lease of goods or services."

100. As alleged herein, Defendants have violated Section 521(a) of the GLB Act, 15 U.S.C. § 6821(a), in the course of conducting business and thus have violated NRS § 598.0923(1)(c).

101. As alleged herein, Defendants have violated The Impersonation Rule, Section 18 of the FTC Act, 15 U.S.C. § 57a, in the course of conducting business and thus have violated NRS § 598.0923(1)(c).

102. As alleged herein, Defendants have violated the TSR in the course of conducting business and thus have violated NRS § 598.0923(1)(c).

103. Therefore, each of the Defendants' acts or practices that violate a state or federal statute or regulation relating to the sale of services is a violation of Chapter 598 of the Nevada Revised Statutes, NRS § 598.0923(1)(c).

CONSUMER INJURY

104. Consumers are suffering, have suffered, and will continue to suffer substantial injury as a result of Defendants' violations of the FTC Act, the GLB Act, the Impersonation

Rule, the TSR, and Nevada law. Absent injunctive relief by this Court, Defendants are likely to continue to injure consumers and harm the public interest.

PRAYER FOR RELIEF

Wherefore, the FTC and the State of Nevada request that the Court:

A. Enter a permanent injunction to prevent future violations of the FTC Act, the GLB Act, the Impersonation Rule, the TSR, and Nevada law;

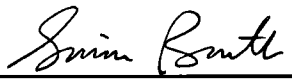
B. Grant preliminary injunctive and ancillary relief;

C. Award monetary and other relief within the Court's power to grant; and

D. Award any additional relief as the Court determines to be just and proper.

Respectfully submitted,

Dated: October 6, 2025



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