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9 *Attorneys for the United States of America*

10
11 IN THE UNITED STATES DISTRICT COURT
12 DISTRICT OF ARIZONA

13 UNITED STATES OF AMERICA,

14 Plaintiffs,

15 v.

16 JOSEPH J. LIPARI, EILEEN H. LIPARI and
EXETER TRINITY PROPERTIES, L.L.C.,

17 Defendants.

Civ. No.

COMPLAINT

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19
20
21 The United States of America, through undersigned counsel, claims and alleges against the
22 defendants as follows:

23 1. This is a civil action to reduce to judgment outstanding federal tax assessments against
24 Joseph J. Lipari and Eileen H. Lipari and to foreclose the statutory liens that arose from those
25 assessments upon certain real property described below.

26 2. This action is commenced pursuant to 26 U.S.C. §§ 7401 and 7403 at the direction of
27 the Attorney General of the United States, and at the request and with the authorization of the Chief
28

1 Counsel of the Internal Revenue Service, a delegate of the Secretary of the Treasury of the United
2 States.

3 3. Jurisdiction over this action is conferred on this Court by 28 U.S.C. §§ 1340 and 1345,
4 and 26 U.S.C. § 7402.

5 4. Venue is proper in this judicial district pursuant to 28 U.S.C. §§ 1391 and 1396
6 because the liabilities that are the subject of this action accrued in this district and because the real
7 property at issue herein is located in this district.

8 **IDENTIFICATION OF THE DEFENDANTS**

9 5. Defendant Joseph J. Lipari resides within the jurisdiction of this Court. He is made
10 a party to this suit because he has unpaid federal tax assessments and has an ownership interest in
11 the real property in question.

12 6. Defendant Eileen H. Lipari resides within the jurisdiction of this Court. She is
13 made a party to this suit because she has unpaid federal tax assessments and has an ownership
14 interest in the real property in question.

15 7. Exeter Trinity Properties, L.L.C. is named as a defendant since it might claim an
16 interest in the Property.

17 **IDENTIFICATION OF THE PROPERTY IN QUESTION**

18 8. The property which is the subject of this action (hereafter “the Property”) is located
19 at 1001 S. 6th Street, Cottonwood, Arizona and bears the following legal description:

20 The West one-half of the West one-half of Lot 9, VERDE PALISADES, PLAT 2,
21 according to the plat of record on file in the office of the County Recorder of
22 Yavapai County, Arizona, in Book 7 of Maps, page 31.

23 Except all oil, minerals, ores and metals of every kind, as reserved in Deed
24 recorded in Book 187, page 331, records of Yavapai County, Arizona.

25 **ALLEGATIONS ABOUT THE PURCHASE, AND PURPORTED**
26 **TRANSFERS, OF THE PROPERTY**

27 9. On or about April 17, 1989, the Property was purchased by Joseph J. Lipari and
28 Eileen H. Lipari.

1 10. On or about March 24, 1993, Joseph J. Lipari and Eileen H. Lipari allegedly
2 transferred the Property to the Ponderosa Trust by Warranty Deed.

3 11. On or about September 1, 1999, the Ponderosa Trust allegedly transferred the
4 Property to Exeter Trinity Properties, LLC by Warranty Deed.

5 12. At the time of the alleged transfers described in paragraphs 10 and 11, above,
6 Donna Chisum was the Trustee of the Ponderosa Trust.

7 13. Donna Chisum, who was also known as Donna Lucille Lundstrom, died on October
8 9, 2007.

9 14. Based on information and belief, no successor trustee for the Ponderosa Trust was
10 named or appointed after Donna Chisum's death.

11 15. Terry Major is the Statutory Agent of Exeter Trinity Properties, L.L.C. pursuant to
12 the Arizona Corporation Commission's records.

13 **ASSESSMENTS MADE AGAINST JOSEPH J. LIPARI AND EILEEN H.**
14 **LIPARI FOR THEIR 1993 AND 1998 THROUGH 2004 INCOME TAX YEARS**

15 16. On the dates and in the amounts set forth below, a duly authorized delegate of the
16 Secretary of the Treasury made timely assessments for federal individual income taxes, plus
17 statutory penalties and interest accruing thereto, against Joseph J. Lipari and Eileen H. Lipari, as
18 follows:

Tax Period Ending	Tax Type	Assessment Date	Assessed Amount
12/31/1993	Income	2/12/2001	\$44,011.00 (T) 8,802.00 (AP) 12,500.00 (MP) 41,427.74 (I)
		10/5/2009	14.00 (FC) 10.00 (FC) 3.00 (FC) 8.00 (FC) 10,993.87 (FPP) 8.00 (FC)

1	12/31/1998	Income	10/15/2007	\$ 9,465.00 (T) 429.61 (ETP) 2,129.62 (LFP) 2,366.25 (FPP) 8,960.48 (I)
2				8.00 (FC)
3	12/31/1999	Income	10/22/2007	\$ 11,566.00 (T) 505.08 (ETP) 2,602.35 (LFP) 2,891.50 (FPP) 9,041.01 (I)
4	12/31/2000	Income	8/11/2008	\$ 8,986.00 (T) 2,246.50 (LFP) 6,516.89 (I)
5	12/31/2001	Income	10/22/2007	\$ 10,726.00 (T) 424.49 (ETP) 2,413.35 (LFP) 2,681.50 (FPP) 5,227.64 (I)
6	12/31/2002	Income	7/28/2008	\$ 153.00 (ETP) 4,581.00 (T) 1,145.25 (LFP) 2,233.29 (I)
7				8.00 (FC)
8	12/31/2003	Income	12/3/2007	\$ 2,379.00 (T) 61.00 (ETP) 535.27 (LFP) 523.38 (FPP) 797.69 (I)
9	12/31/2004	Income	12/10/2007	\$ 1,564.00 (T) 40.00 (ETP) 313.87 (LFP) 223.20 (FPP) 369.36 (I)

T=Tax
 LFP=Late Filing Penalty
 FPP=Failure to Pay Tax Penalty
 ETP=Estimated Tax Penalty
 AP=Accuracy Penalty under IRC § 6662
 MP=Miscellaneous Penalty under IRC § 6673
 I=Interest
 FC=Fees and Collection Costs

1 17. The tax liabilities and penalties owed by Joseph J. Lipari and Eileen H. Lipari for
 2 their 1993 tax year which gave rise to the assessments in paragraph 16 were adjudicated in the
 3 United States Tax Court.

4 18. Timely notice has been given and demand for payment of the assessments
 5 described in paragraph 16, above, was made.

6 19. Despite timely notice and demand, Joseph J. Lipari and Eileen H. Lipari neglected,
 7 failed or refused to pay fully the assessments described in paragraph 16, above, plus accrued
 8 interest.

9 20. Since the date of the assessments described in paragraph 16, above, interest has
 10 accrued as provided by law. The total amount due and owing on the assessments described in
 11 paragraph 16, above, as of July 1, 2010 was \$285,416.32.

12 **ASSESSMENTS MADE AGAINST JOSEPH J. LIPARI**
 13 **FOR HIS 1994 THROUGH 1997 INCOME TAX YEARS**

14 21. On the dates and in the amounts set forth below, a duly authorized delegate of the
 15 Secretary of the Treasury made timely assessments for federal individual income taxes, plus
 16 statutory penalties and interest accruing thereto, against Joseph J. Lipari, as follows:

Tax Period Ending	Tax Type	Assessment Date	Assessed Amount
12/31/1994	Income	3/27/2000	\$ 12,079.00 (LFP) 48,317.00 (T) 31,770.34 (I) 11,837.66 (FPP)
		10/5/2009	6.00 (FC)
		3/22/2010	241.58 (FPP)
			2,489.37 (ETP) 5,284.35 (LFP)

1	12/31/1995	Income	3/27/2000	\$ 21,143.00 (LFP)
2				84,572.00 (T)
3			10/5/2009	41,454.21 (I)
4				21,143.00 (FPP)
5			3/22/2010	4,616.87 (ETP)
				5,196.15 (LFP)
6	12/31/1996	Income	10/30/2000	\$ 16,463.00 (LFP)
7				73,169.00 (T)
8			10/5/2009	30,916.92 (I)
9				18,292.24 (FPP)
			3/22/2010	3,894.41 (ETP)
				4,152.38 (LFP)
10	12/31/1997	Income	3/7/2003	\$ 13,312.00 (T)
11				5,938.52 (I)
12			8/4/2003	2,662.40 (AP)
13				2,995.20 (LFP)
14				712.21 (ETP)
15				3,328.00 (FPP)
16				3,081.83 (I)
17				10.00 (FC)
18				16.00 (FC)
			6/7/2010	4,835.00 (FPP)
				717.13 (ETP)
				4,351.50 (LFP)
				6,028.00 (T)

19 T=Tax
 20 LFP=Late Filing Penalty
 21 FPP=Failure to Pay Tax Penalty
 22 ETP=Estimated Tax Penalty
 23 AP=Accuracy Penalty under IRC § 6662
 24 I=Interest
 25 FC=Fees and Collection Costs

26 22. The dates by which the assessments had to be made for Joseph J. Lipari's 1994 and
 27 1995 income tax years were tolled based on Collection Due Process rights of which he availed
 28 himself.

29 23. Timely notice has been given and demand for payment of the assessments

1 described in paragraph 21, above, was made.

2 24. Despite timely notice and demand, Joseph J. Lipari neglected, failed or refused to
3 pay fully the assessments described in paragraph 21, above, plus accrued interest.

4 25. Since the date of the assessments described in paragraph 21, above, interest has
5 accrued as provided by law. The total amount due and owing on the assessments described in
6 paragraph 21, above, as of July 1, 2010, was \$458,541.97.

7 **ASSESSMENTS MADE AGAINST EILEEN H. LIPARI**
8 **FOR HER 1994 THROUGH 1997 INCOME TAX YEARS**

9 26. On the dates and in the amounts set forth below, a duly authorized delegate of the
10 Secretary of the Treasury made timely assessments for federal individual income taxes, plus
11 statutory penalties and interest accruing thereto, against Eileen H. Lipari, as follows:

Tax Period Ending	Tax Type	Assessment Date	Assessed Amount
12/31/1994	Income	3/27/2000	\$ 3,764.00 (LFP) 15,055.00 (T) 9,899.41 (I)
		11/5/2007	14.00 (FC) 10.00 (FC) 3.00 (FC) 3,763.75 (FPP)
12/31/1995	Income	3/27/2000	\$ 7,595.00 (LFP) 30,382.00 (T) 14,891.99 (I)
		11/5/2007	7,595.50 (FPP)
12/31/1996	Income	10/30/2000	\$ 20,687.00 (LFP) 91,946.00 (T) 38,850.68 (I)
		11/5/2007	22,986.50 (FPP)

12/31/1997	Income	11/11/2002	\$193,864.00 (T) 81,573.03 (I)
		5/19/2003	48,466.00 (LFP) 29,907.26 (I)
			10.00 (FC)
		11/5/2007	48,466.00 (FPP)
			8.00 (FC)

T=Tax
LFP=Late Filing Penalty
FPP=Failure to Pay Tax Penalty
I=Interest
FC=Fees and Collection Costs

27. The dates by which the assessments had to be made for Eileen H. Lipari's 1994 and 1995 income tax years were tolled based on Collection Due Process rights of which she availed herself.

28. Timely notice has been given and demand for payment of the assessments described in paragraph 26, above, was made.

29. Despite timely notice and demand, Eileen H. Lipari neglected, failed or refused to pay fully the assessments described in paragraph 26, above, plus accrued interest.

30. Since the date of the assessments described in paragraph 26, above, interest has accrued as provided by law. The total amount due and owing on the assessments described in paragraph 26, above, as of July 1, 2010, was \$632,707.33.

FIRST CLAIM FOR RELIEF: REDUCE ASSESSMENTS MADE AGAINST JOSEPH J. LIPARI AND EILEEN H. LIPARI FOR THEIR 1993 AND 1998 THROUGH 2004 INCOME TAX YEARS TO JUDGMENT

31. The United States realleges paragraphs 1 through 30, above.

32. Joseph J. Lipari and Eileen H. Lipari remain indebted for the balance of the assessments described in paragraph 16, above, above, plus accrued interest and statutory additions according to law, less any payments or credits.

1 **SECOND CLAIM FOR RELIEF: REDUCE ASSESSMENTS**
2 **MADE AGAINST JOSEPH J. LIPARI FOR HIS 1994 THROUGH**
3 **1997 INCOME TAX YEARS TO JUDGMENT**

33. The United States realleges paragraphs 1 through 32, above.

34. Joseph J. Lipari remains indebted for the balance of the assessments described in paragraph 21, above, above, plus accrued interest and statutory additions according to law, less any payments or credits.

7 **THIRD CLAIM FOR RELIEF: REDUCE ASSESSMENTS**
8 **MADE AGAINST EILEEN H. LIPARI FOR HER 1994 THROUGH**
9 **1997 INCOME TAX YEARS TO JUDGMENT**

35. The United States realleges paragraphs 1 through 34, above.

36. Eileen H. Lipari remains indebted for the balance of the assessments described in paragraph 26, above, above, plus accrued interest and statutory additions according to law, less any payments or credits.

13 **FOURTH CLAIM FOR RELIEF: EXETER TRINITY PROPERTIES, LLC**
14 **IS A NOMINEE/ALTER EGO OF JOSEPH J. AND EILEEN H. LIPARI**

37. The United States realleges paragraphs 1 through 36, above.

38. Defendants Joseph J. Lipari and Eileen H. Lipari received inadequate consideration for the purported conveyances of the Property described in paragraphs 10 and 11, above, and have remained in continuous possession and enjoyment of the Property since they purchased it in April, 1989.

39. Defendants Joseph J. Lipari and Eileen H. Lipari have lived in the Property continuously since the purported conveyances thereof described in paragraphs 10 and 11 and have enjoyed the benefits of living in the property to the exclusion of all others.

40. Defendant Exeter Trinity Properties, LLC holds title to the Property described in paragraph 8, above, if at all, as a nominee and/or alter ego of defendants Joseph J. Lipari and Eileen H. Lipari.

41. The Property is encumbered with liens for the unpaid tax assessments described in paragraphs 16, 21 and 26, above.

**FIFTH CLAIM FOR RELIEF: TO SET
ASIDE FRAUDULENT CONVEYANCES**

42. The United States realleges paragraphs 1 through 41, above.

43. The purported Property transfers described in paragraphs 10 and 11, above, constituted fraudulent transfers as to the United States under the Arizona Uniform Fraudulent Transfer Act, A.R.S. § 44-1001, *et seq*, because the transfers were made with the actual intent to hinder, delay, or defraud the United States of present value, and future lawful taxes. As such, the purported conveyances have no effect as to the United States under the law of the State of Arizona, and the conveyances should be set aside.

44. Joseph J. Lipari and Eileen H. Lipari are the owners of the Property despite the purported conveyances described in paragraphs 10 and 11, above.

**SIXTH CLAIM FOR RELIEF: TO FORECLOSE
FEDERAL TAX LIENS AGAINST THE PROPERTY**

45. The United States realleges paragraphs 1 through 44, above.

46. Pursuant to 26 U.S.C. §§ 6321 and 6322, on the dates of the assessments set forth in paragraphs 16, 21 and 26 above, liens arose in favor of the United States and attached to all property and rights to property of Joseph J. Lipari and Eileen H. Lipari, including their interest in the Property described in paragraph 8, above.

47. The tax liens arising from the assessments described in paragraph 16, 21 and 26 continue to attach to the Property.

48. On or about December 17, 2001, a delegate of the Secretary of the Treasury recorded in the County Recorder's Office for Yavapai County, Arizona a Notice of Federal Tax Lien (NFTL) in the name of Joseph Lapaeri (sic) with respect to the income tax and related assessments made against Joseph J. Lapari for his 1994, 1995 and 1996 income tax years. This NFTL attached to all property and rights to property of Joseph J. Lipari, including his interest in the Property.

49. On or about December 19, 2001, a delegate of the Secretary of the Treasury recorded in the County Recorder's Office for Yavapai County, Arizona a NFTL in the name of

1 Eileen Lipari with respect to the income tax and related assessments made against her for her
2 1994, 1995 and 1996 income tax years. This NFTL attached to all property and rights to property
3 of Eileen H. Lipari, including her interest in the Property.

4 50. On or about December 19, 2001, a delegate of the Secretary of the Treasury
5 recorded in the County Recorder's Office for Yavapai County, Arizona a NFTL in the name of
6 Joseph Lapaeri (sic) with respect to the income tax and related assessments made against Joseph
7 J. Lipari for his 1993 income tax year. This NFTL attached to all property and rights to property
8 of Joseph J. Lipari, including his interest in the Property.

9 51. On or about March 19, 2002, a delegate of the Secretary of the Treasury recorded
10 in the County Recorder's Office for Yavapai County, Arizona a NFTL in the name of Joseph
11 Lapari with respect to the income tax and related assessments made against him for his 1994,
12 1995 and 1996 income tax years. This NFTL attached to all property and rights to property of
13 Joseph J. Lipari, including his interest in the Property.

14 52. On or about May 7, 2002, a delegate of the Secretary of the Treasury recorded in
15 the County Recorder's Office for Yavapai County, Arizona a NFTL in the name of Joseph Lapari
16 with respect to the income tax and related assessments made against him for his 1993 income tax
17 year. This NFTL attached to all property and rights to property of Joseph J. Lipari, including his
18 interest in the Property.

19 53. On or about August 5, 2003, a delegate of the Secretary of the Treasury recorded in
20 the County Recorder's Office for Yavapai County, Arizona a NFTL in the name of Exeter Trinity
21 Properties, LLC, as Nominee, Transferee, and/or Alter Ego of Joseph Lipari with respect to the
22 income tax and related assessments made against him for his 1993, 1994, 1995 and 1996 income
23 tax years. This NFTL attached to all property and rights to property of Joseph J. Lipari, including
24 his interest in the Property.

25 54. On or about August 5, 2003, a delegate of the Secretary of the Treasury recorded in
26 the County Recorder's Office for Yavapai County, Arizona a NFTL in the name of Exeter Trinity
27 Properties, LLC, as Nominee, Transferee, and/or Alter Ego of Eileen Lipari with respect to the
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1 income tax and related assessments made against her for her 1994, 1995 and 1996 income tax
2 years. This NFTL attached to all property and rights to property of Eileen H. Lipari, including
3 her interest in the Property.

4 55. On or about August 14, 2003, a delegate of the Secretary of the Treasury recorded
5 in the County Recorder's Office for Yavapai County, Arizona a NFTL in the name of Joseph
6 Lapari with respect to the income tax and related assessments made against him for his 1997
7 income tax year. This NFTL attached to all property and rights to property of Joseph J. Lipari,
8 including his interest in the Property.

9 56. On or about August 14, 2003, a delegate of the Secretary of the Treasury recorded
10 in the County Recorder's Office for Yavapai County, Arizona a NFTL in the name of Eileen
11 Lipari with respect to the income tax and related assessments made against her for her 1997
12 income tax year. This NFTL attached to all property and rights to property of Eileen H. Lipari,
13 including her interest in the Property.

14 57. On or about January 23, 2008, a delegate of the Secretary of the Treasury recorded
15 in the County Recorder's Office for Yavapai County, Arizona a NFTL in the name of Joseph J.
16 And Eileen H. Lipari with respect to the income tax and related assessments made against them
17 for their 1998, 1999, 2001, 2003 and 2004 income tax years. This NFTL attached to all property
18 and rights to property of Joseph J. Lipari and Eileen H. Lipari, including their interest in the
19 Property.

20 58. On or about August 21, 2008, a delegate of the Secretary of the Treasury recorded
21 in the County Recorder's Office for Yavapai County, Arizona a NFTL in the name of Joseph J.
22 And Eileen H. Lipari with respect to the income tax and related assessments made against them
23 for their 1993 income tax year. This NFTL attached to all property and rights to property of
24 Joseph J. Lipari and Eileen H. Lipari, including their interest in the Property.

25 59. On or about September 29, 2008, a delegate of the Secretary of the Treasury
26 recorded in the County Recorder's Office for Yavapai County, Arizona a NFTL in the name of
27 Joseph J. And Eileen H. Lipari with respect to the income tax and related assessments made
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1 against them for their 1993 income tax year. This NFTL attached to all property and rights to
2 property of Joseph J. Lipari and Eileen H. Lipari, including their interest in the Property.

3 60. On or about October 10, 2008, a delegate of the Secretary of the Treasury recorded
4 in the County Recorder's Office for Yavapai County, Arizona a NFTL in the name of Joseph J.
5 And Eileen H. Lipari with respect to the income tax and related assessments made against them
6 for their 2000 and 2002 income tax years. This NFTL attached to all property and rights to
7 property of Joseph J. Lipari and Eileen H. Lipari, including their interest in the Property.

8 61. On January 26, 2009, a delegate of the Secretary of the Treasury recorded in the
9 County Recorder's Office for Yavapai County, Arizona a NFTL in the name of Exeter Trinity
10 Properties, LLC, as Nominee, Transferee, and/or Alter Ego of Joseph J. and Eileen H. Lipari with
11 respect to the income tax and related assessments made against them for their 1998, 1999, 2000,
12 2001, 2002, 2003 and 2004 income tax years. This NFTL attached to all property and rights to
13 property of Joseph J. Lipari and Eileen H. Lipari, including their interest in the Property.

14 62. On or about January 26, 2009, a delegate of the Secretary of the Treasury recorded
15 in the County Recorder's Office for Yavapai County, Arizona a NFTL in the name of Exeter
16 Trinity Properties, LLC, as Nominee, Transferee, and/or Alter Ego of Joseph Lipari with respect
17 to the income tax and related assessments made against him for his 1997 income tax year and the
18 IRC Section 6662 penalty assessment made against him for his 1997 income tax year. This
19 NFTL attached to all property and rights to property of Joseph J. Lipari, including his interest in
20 the Property.

21 63. On or about November 20, 2009, a delegate of the Secretary of the Treasury
22 recorded in the County Recorder's Office for Yavapai County, Arizona a NFTL in the name of
23 Exeter Trinity Properties, LLC, as Nominee/Alter Ego of Eileen H. Lipari with respect to the
24 income tax and related assessments made against her for her 1997 income tax year. This NFTL
25 attached to all property and rights to property of Eileen H. Lipari, including her interest in the
26 Property.

27 64. On or about November 20, 2009, a delegate of the Secretary of the Treasury
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1 recorded in the County Recorder's Office for Yavapai County, Arizona a NFTL in the name of
2 Exeter Trinity Properties, LLC, as Nominee/Alter Ego of Eileen H. Lipari with respect to the
3 income tax and related assessments made against her for her 1993 income tax year. This NFTL
4 attached to all property and rights to property of Eileen H. Lipari, including her interest in the
5 Property.

6 65. On or about July 6, 2010, a delegate of the Secretary of the Treasury recorded in
7 the County Recorder's Office for Yavapai County, Arizona a NFTL in the name of Joseph Lipari
8 with respect to the income tax and related assessments made against him for his 1997 income tax
9 year. This NFTL attached to all property and rights to property of Joseph J. Lipari, including his
10 interest in the Property.

11 66. On or about July 26, 2010, a delegate of the Secretary of the Treasury recorded in
12 the County Recorder's Office for Yavapai County, Arizona a NFTL in the name of Exeter Trinity
13 Properties, LLC, as Nominee/Alter Ego of Joseph J. Lipari with respect to the income tax and
14 related assessments made against him for his 1997 income tax year. This NFTL attached to all
15 property and rights to property of Joseph J. Lipari, including his interest in the Property.

16 WHEREFORE, plaintiff, the United States of America, respectfully prays:

17 A. For judgment in favor of the United States and against Joseph J. Lipari and Eileen
18 H. Lipari in the amount of \$285,416.32 based on the assessments referenced in paragraph 16,
19 above, plus interest accruing after July 1, 2010 and any other statutory additions as provided by
20 law, less any payments or credits;

21 B. For judgment in favor of the United States and against Joseph J. Lipari, in the
22 amount of \$458,541.97 based on the assessments referenced in paragraph 21, above, plus interest
23 accruing after July 1, 2010 and any other statutory additions as provided by law, less any
24 payments or credits;

25 C. For judgment in favor of the United States and against Eileen H. Lipari, in the
26 amount of \$632,707.33 based on the assessments referenced in paragraph 26, above, plus interest
27 accruing after July 1, 2010 and any other statutory additions as provided by law, less any
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1 payments or credits;

2 D. That the Court determine that, by virtue of the assessments identified in paragraphs
3 16, 21 and 26 above, the United States has valid and subsisting tax liens that attach to all
4 property and rights to property of Joseph J. Lipari and Eileen H. Lipari, including their interest in
5 the Property;

6 E. That the Court find that Exeter Trinity Properties, LLC holds title to the Property, if
7 at all, as a nominee or alter ego of Joseph J. Lipari and Eileen H. Lipari;

8 F. That the Court set aside the fraudulent transfers of the Property described in
9 paragraphs 10 and 11, above;

10 G. That the Court order that the tax liens identified above be foreclosed against the
11 Property, that the Property be sold pursuant to 26 U.S.C. § 7403 and 28 U.S.C. § 2001, and that
12 the sales proceeds be distributed in accordance with the Court's findings as to the validity and
13 priority of the parties in the Property; and

14 H. For such other and further relief as the Court deems just and proper.

15 DATED this 5th day of August, 2010.

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DENNIS K. BURKE
United States Attorney

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/s/ Charles M. Duffy
CHARLES M. DUFFY
Trial Attorney, Tax Division
U.S. Department of Justice
Attorneys for the United States of America

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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.

I. (a) PLAINTIFFS

UNITED STATES OF AMERICA,

(b) County of Residence of First Listed Plaintiff (EXCEPT IN U.S. PLAINTIFF CASES)

(c) Attorney's (Firm Name, Address, and Telephone Number) Charles M. Duffy, US Dept. of Justice, Tax Division, PO Box 683. Ben Franklin Station, Washington DC 20044 (202) 307-6406

DEFENDANTS

JOSEPH J. LIPARI, EILEEN H. LIPARI and EXETER TRINITY PROPERTIES, L.L.C.

County of Residence of First Listed Defendant (IN U.S. PLAINTIFF CASES ONLY)

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

Attorneys (If Known)

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)

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

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)

- Citizen of This State, Citizen of Another State, Citizen or Subject of a Foreign Country, PTF 1, DEF 1, PTF 2, DEF 2, PTF 3, DEF 3, PTF 4, DEF 4, PTF 5, DEF 5, PTF 6, DEF 6

IV. NATURE OF SUIT (Place an "X" in One Box Only)

Table with 5 columns: CONTRACT, REAL PROPERTY, TORTS, CIVIL RIGHTS, PRISONER PETITIONS, FORFEITURE/PENALTY, LABOR, IMMIGRATION, BANKRUPTCY, SOCIAL SECURITY, FEDERAL TAX SUITS, OTHER STATUTES. Includes categories like Personal Injury, Real Property, Labor, and Social Security.

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

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

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. §§ 7401 and 7403. Brief description of cause: The United States seeks to foreclose federal tax liens upon and enforce a judgment against real property.

VII. REQUESTED IN COMPLAINT:

CHECK IF THIS IS A CLASS ACTION UNDER F.R.C.P. 23, DEMAND \$ 1,376,665.62, CHECK YES only if demanded in complaint: JURY DEMAND: Yes No

VIII. RELATED CASE(S) IF ANY

(See instructions): JUDGE, DOCKET NUMBER

DATE, SIGNATURE OF ATTORNEY OF RECORD

08/05/2010, /s/ Charles M. Duffy

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.C.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; 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 clerks 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 seven 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.

Appeal to District Judge from Magistrate Judgment. (7) Check this box for an appeal from a magistrate judge's decision.

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 dollar amount (in thousands of dollars) 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.