

# The Supreme Court of Ohio

## BEFORE THE BOARD ON THE UNAUTHORIZED PRACTICE OF LAW

DISCIPLINARY COUNSEL,

RELATOR,

v.

PAUL CARLSON,

Case No. UPL 20-01

RESPONDENT.

### ORDER NUNC PRO TUNC – Effective June 30, 2021

This matter is before the Board upon the Parties' Joint Supplemental Brief in support filed on January 29, 2021. Upon consideration thereof, and consistent with the panel report and recommendation, the Board finds that Respondent engaged in the unauthorized practice of law and approves the Settlement Agreement jointly filed by the parties.

It is ordered that the Joint Proposed Settlement Agreement is approved.

It is further ordered that Respondent pay a civil penalty of \$200.00 to the Board on the Unauthorized Practice of Law by check or money order on or before 90 days from the date of this order.

It is further ordered that the Complaint in this matter is hereby dismissed in accordance with Gov.Bar R. VII, Sec. 5b(D)(1).

It is further ordered that the signed Settlement Agreement be recorded for reference pursuant to Gov.Bar R. VII, Sec. 5b(H).

**SO ORDERED.**

/s/David E. Tschantz, Chair

**BOARD ON THE UNAUTHORIZED  
PRACTICE OF LAW**

**BEFORE A PANEL OF THE  
BOARD ON THE UNAUTHORIZED PRACTICE OF LAW  
OF  
THE SUPREME COURT OF OHIO**

<b>DISCIPLINARY COUNSEL</b>	:	
Relator,	:	
	:	<b>UPL 20-01</b>
<b>v.</b>	:	<b><u>PANEL REPORT</u></b>
	:	
<b>PAUL CARLSON</b>	:	<b>(Settlement Agreement)</b>
Respondent.	:	<b>Gov. Bar R. VII, Sec. 5b</b>

**I. SUMMARY**

This matter was initiated before the Board on the Unauthorized Practice of Law (“Board”) on January 31, 2020, when Relator, Disciplinary Counsel, filed a Complaint alleging the unauthorized practice of law against Respondent Paul Carlson. The Complaint alleged that Carlson provided legal services to James and Erica Blom by: (1) filing a petition in the United States Tax Court regarding the Bloms’ tax deficiency; and (2) drafting and filing articles of incorporation on behalf of the Bloms for their new entity, J&M Custom Construction, Inc., and, further advising them on the type of entity they should incorporate. Respondent filed an Answer, and commissioners Kiffner (panel chair), Hilow, and Kutik were appointed to hear the matter.

The parties filed a Joint Proposed Settlement Agreement (the “Settlement Agreement”) and motion for the panel to approve the agreement on November 30, 2020. Pursuant to the Settlement Agreement, Respondent admitted to having engaged in the unauthorized practice of law, and the parties proposed a civil penalty of \$200.00. Upon receipt and review of the Settlement Agreement, the panel convened a status conference on January 19, 2021. As a result of this status conference, the panel requested additional information related to certain of the proposed findings of fact in the Settlement Agreement, and it issued an order for the parties to file a supplemental brief in support of the recommended civil penalty of \$200.00. On January 29, 2021, the parties filed a joint supplemental brief in support of the Settlement Agreement.

The panel has reviewed the supplemental brief and hereby recommends that the Board accept the Settlement Agreement and dismiss the Complaint in accordance with Gov.Bar R. VII(5b)(D)(1).

## II. FINDINGS OF FACT

The panel hereby fully adopts the stipulated facts presented by the parties in the November 30, 2020 Proposed Joint Settlement Agreement, attached hereto and made a part hereof.

## III. CONCLUSIONS OF LAW

1. The Supreme Court of Ohio has original jurisdiction regarding admission to the practice of law, the discipline of persons so admitted, and all other matters relating to the practice of law. Ohio Constitution, Article IV, Section 2(B)(1)(g); *Royal Indemnity Co. v. J.C. Penney Co.*, 27 Ohio St.3d 31, 501 N.E.2d 617 (1986); *Judd v. City Trust & Sav. Bank*, 133 Ohio St. 81, 12 N.E.2d 288 (1937). Accordingly, the Court has exclusive jurisdiction over the regulation of the unauthorized practice of law in Ohio. *Greenspan v. Third Fed. S. & L. Assn.*, 122 Ohio St. 3d 455, 2009 Ohio 3508, 912 N.E.2d 567, 2009 Ohio LEXIS 1938 (Ohio 2009); *Lorain Cty. Bar Assn. v. Kocak*, 121 Ohio St.3d 396, 2009-Ohio-1430, 904 N.E.2d 885, at ¶ 16.

2. The unauthorized practice of law is the rendering of legal services for another by any person not admitted or otherwise registered or certified to practice law in Ohio. Gov.Bar R. VII(2)(A).

3. The Court has consistently held that “[t]he practice of law is not limited to appearances in court, but also includes giving legal advice and counsel and the preparation of legal instruments and contracts by which legal rights are preserved.” *Miami Cty. Bar Assn. v. Wyandt & Silvers, Inc.*, 107 Ohio St.3d 259, 2005-Ohio-6430, 838 N.E.2d 655, at ¶ 11 (emphasis added), quoting *Cleveland Bar Assn. v. Misch*, 82 Ohio St.3d 256, 259, 695 N.E.2d 244 (1998); *Land Title Abstract & Trust Co. v. Dworken*, 129 Ohio St. 23, 28, 193 N.E. 650 (1934).

4. In *Wyandt & Silvers*, Respondent was an accountant who gave legal advice to clients and “filled out and perhaps filed basic forms available from the Ohio Secretary of State to establish articles of incorporation and appoint a statutory agent.” *Id.* This court determined that the accountant had engaged in the unauthorized practice of law by drafting documents to create a business entity for the clients. *Id.* at ¶ 11.

5. In *Mahoning Cty. Bar Assn. v. Amatore*, the court cited *Wyandt & Silvers*, stating it “recognized that there are many issues in choosing a business structure, which “ordinarily requires a significant amount of legal judgment” in addition to other considerations. *Mahoning Cty. Bar Assn. v. Amatore Miami Cty. Bar Assn.* 2021-Ohio-22 quoting *Wyandt & Silvers, Inc.*, 107 Ohio St.3d 259, 2005-Ohio-6430, 838 N.E.2d 655, at ¶ 11; *Cleveland Bar Assn. v. Misch*, 82 Ohio St.3d 256, 259, 695 N.E.2d 244 (1998); *Land Title Abstract & Trust Co. v. Dworken*, 129 Ohio St. 23, 28, 193 N.E. 650 (1934).*Id.* at ¶ 12.

#### **IV. PRINCIPAL TERMS OF SETTLEMENT AGREEMENT**

1. Respondent admits that he engaged in the unauthorized practice of law as set forth in the complaint and the Settlement Agreement. (Settlement Agreement, Page 1, ¶ 4).

2. Respondent agrees to cease and desist from filing documents on behalf of clients in the US Tax Court and preparing document creating businesses on behalf of clients with the Ohio Secretary of State. (Settlement Agreement, Page 6).

3. Respondent further agrees to an injunction prohibiting the future unauthorized practice of law.

4. Respondent agrees to pay a civil penalty in the amount of \$200.00

#### **V. PANEL ANALYSIS**

1. Review of Settlement Agreement Using Factors in Gov.Bar R.VII (5b)(C)

When evaluating a settlement agreement, the Board is required to consider the factors set forth in Gov.Bar R. VII(5b)(C). The Panel has reviewed the Settlement Agreement using the factors stated in Section 5b(C) and finds the following:

A. The resolution is submitted in the proper form, and includes the required waiver of notice and hearing under Gov.Bar R. VII(7)(H);

B. Respondent admits to the material allegations of the unauthorized practice of law as stated in the Complaint;

C. The public is sufficiently protected from future harm, as Respondent has ceased the conduct alleged in the Complaint;

D. Respondent has agreed to cease and desist from engaging in activities that constitute the unauthorized practice of law;

E. The Settlement Agreement resolves all material allegations of the unauthorized practice of law;

F. The Settlement Agreement furthers public policy by both ensuring a cessation of the unauthorized practice of law and, because the Settlement Agreement will be posted for reference by the Board in accordance with Gov.Bar R. VII(5b)(H), placing the public on notice that Respondent's conduct is prohibited;

G. The parties' collaborative efforts to resolve this matter by entering into the Settlement Agreement further the purposes of Gov.Bar. R. VII to prevent protracted litigation.

Based upon these findings, the Panel recommends that the Settlement Agreement be accepted by the Board, and that the Board Chair issue an order dismissing the Complaint as required by Gov.Bar R. VII(5b)(D)(1).

2. Applicability of Civil Penalties Based on Factors in Gov.Bar R. VII(8)(B) and UPL Reg. 400

When determining whether to recommend that the Supreme Court impose civil penalties in an unauthorized practice of law case, the Board is required to base its recommendation on the factors set forth in Gov.Bar R. VII(8)(B) and UPL Reg. 400(F). Additionally, UPL Reg. 400(F) specifies aggravating and mitigating factors that the Board may use to justify an enhanced or a reduced penalty. The Panel considered the general, aggravating, and mitigating factors as described below.

A. General Civil Penalty Factors

With regard to the general civil penalty factors listed in Gov.Bar R. VII(8)(B)(1)-(5) and UPL Reg. 400(F)(1) and (2), the Panel finds:

- i. Respondent cooperated with Relator's investigation;
- ii. The record fails to contain any evidence of flagrancy by Respondent;
- iii. Relator has not sought the imposition of a civil penalty;

B. Aggravating Civil Penalty Factors

Reviewing the aggravating factors of UPL Reg. 400(F)(3)(a)-(g), which are the basis for a recommendation of a more severe penalty, the Panel finds that the record does not contain evidence or statements establishing any of these factors.

C. Mitigating Civil Penalty Factors

Applying the mitigating factors of UPL Reg. 400(F)(4)(a)-(g), which are the basis for a recommendation of civil penalty, the Panel finds:

- i. Respondent was unaware at the time that his activities constituted the unauthorized practice of law in Ohio.
- ii. Respondent has admitted the allegations stated in the Complaint;
- iii. Respondent has admitted his conduct constituted the unauthorized practice of law; and

iv. Respondent has agreed to cease and desist from similar conduct in the future, and has taken steps to inform clients that he is not authorized to



Joint Proposed Settlement Agreement  
Joint Supplemental Brief in Support of F practice law in Ohio.

D. Conclusion Regarding Civil Penalties

The panel, having reviewed the Settlement Agreement and supplemental submission from the parties, agrees with the parties' proposed civil penalty. This case is distinguishable from *Ohio State Bar Association v. Dalton*, 124 Ohio St.3s 625, 2010-Ohio-619, where the respondent displayed disregard for the Board's proceedings and refused to cooperate with the Relator, which in turn prevented Relator from identifying any other improper acts constituting the unauthorized practice of law. Here, to the contrary, Respondent has cooperated fully with Relator during the process. Accordingly, based upon these findings and precedent in *Dalton*, the Panel agrees with Relator that a \$200 civil penalty is adequate, thereby adding further justification for acceptance of the Settlement Agreement.

VI. PANEL RECOMMENDATION

The Panel recommends that the Board accept the Settlement Agreement in the form submitted by the parties, and that the Chair issue an order dismissing the Complaint as required by Gov.Bar R. VII(5b)(D)(1).

**FOR THE BOARD ON THE  
UNAUTHORIZED PRACTICE OF  
LAW**

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Kent C. Kiffner., Panel Chair  
Roseann Hilow, Panel Member  
David A. Kutik, Panel Member

**BEFORE THE BOARD ON THE UNAUTHORIZED  
PRACTICE OF LAW OF THE SUPREME COURT OF OHIO**

Disciplinary Counsel

Relator,

v.

Case No. 20-01U

Paul Carlson,

Respondent.



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Joint Proposed Settlement Agreement

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Relator filed a formal Complaint against respondent on January 31, 2020 alleging that respondent engaged in the unauthorized practice of law. Respondent filed his Answer to relator's Complaint on March 19, 2020. Relator and respondent now enter into this Proposed Settlement Agreement under Gov.Bar R. VII, Section 5b.

Stipulated Facts

1. Respondent currently resides at 7539 N. 15<sup>th</sup> Avenue, Phoenix, Arizona 85021.
2. At all relevant times alleged in this complaint, respondent was a resident of the State of Ohio.
3. Respondent is not an attorney in the state of Ohio under Gov.Bar R. I or XII, registered under Gov.Bar R. VI, or certified under Gov.Bar R. II, IX, or XI. Respondent is not licensed to practice law in any other jurisdiction.
4. Respondent's actions as described herein constituted the unauthorized practice of law. Specifically, respondent prepared and filed a Petition on behalf of his accounting clients, James and Erica Blom, with the United States Tax Court. Respondent also prepared and

filed Articles of Incorporation with the Ohio Secretary of State to form a business on behalf of his accounting clients, the Bloms.

5. James and Erica Blom reside in Ohio. Respondent was the Bloms' accountant.
6. On July 26, 2013, the IRS sent a notice of deficiency to the Bloms and respondent. The notice indicated that the Bloms had a \$65,516 deficiency in 2010 and a \$101,422 deficiency in 2011.
7. On October 29, 2013, respondent filed a petition on behalf of the Bloms with the United States Tax Court regarding the Bloms' tax deficiency determination (United States Tax Court Docket No. 25446-13).
8. Respondent signed the petition on the "Signature of Counsel" line, wrote his name on the "Name of Counsel" line, and left the "Tax Court Bar No." line blank.
9. Respondent is not admitted to practice before the United States Tax Court.
10. Respondent also drafted Articles of Incorporation for the Bloms new business, J&M Custom Construction, Inc., and advised them of the type of entity under which they should incorporate.
11. On November 7, 2013, respondent filed the Articles of Incorporation for J&M Custom Construction, Inc., with the Ohio Secretary of State. Respondent is listed in the Articles of Incorporation as the Statutory Agent.
12. On November 7, 2013, the United States Tax Court sent respondent a letter stating that its records do not show him to be admitted to practice before the court and that he cannot be recognized as counsel of record.
13. On November 8, 2013, the United States Tax Court issued an order stating that the petition filed was not properly executed because it was not signed by a person admitted to

practice before the Tax Court.

14. In that same order, the court ordered that the petitioners must sign and file an *Amendment to Petition* indicating that they ratified and affirmed the filing of the petition.
15. On November 8, 2013, the United States Tax Court also issued an *Order to Show Cause* stating that the Bloms, through respondent, elected to have the deficiency case proceed under the small tax case procedures; however, the amount in dispute exceeds \$50,000 making the small tax procedures inapplicable. The Bloms were ordered to show cause as to why the Tax Court should not remove the case from the small tax case designation.
16. On December 11, 2013, the United States Tax Court issued an order stating that the Bloms failed to file an *Amendment to Petition* ratifying it, and also failed to file a response to the *Order to Show Cause* regarding removing the small claims designation from their case. The court removed the small claims designation from the Bloms case.
17. On January 6, 2014, the Bloms filed an *Amendment to Petition* ratifying and affirming the filing of the petition filed by respondent.
18. On December 31, 2014, Gary Shuler, the attorney representing the Internal Revenue Service, filed a *Motion for Entry of Decision*, requesting that the Tax Court issue a decision determining the Bloms' tax deficiency to be \$6,580 for 2010 and \$37,006 for 2011. Schuler included a proposed decision with the motion.
19. On January 9, 2015, the Tax Court issued an order that the petitioners must file a *Notice of Objection* to the IRS's *Motion for Entry of Decision* by January 26, 2015. No objection was received.
20. On February 12, 2015, the United States Tax Court issued an *Order and Decision* finding that the Bloms owed income tax deficiencies in the amounts of \$6,580 for 2010 and

\$37,006 for 2011.

21. On February 16, 2015, respondent gave the Bloms a document titled "DECISION". The document was the same proposed decision that Schuler included for the court with his Motion for Entry of Decision; however, the \$37,006 deficiency for 2011 was crossed out and "\$5,911.00" was written underneath with the initials "G.S." next to the change. Additionally, the statement "THAT THERE WILL BE NO INTEREST CHARGED" was handwritten in the decision with the initials "G.S." written beside it.
22. Respondent had made the changes on the document, signed Schuler's initials, and presented the document to the Bloms as a reduction in the amount of their deficiency that was agreed to by the IRS attorney.
23. Schuler did not agree to a reduction of the deficiency and he did not place the initials on the Decision.
24. The Bloms initialed the changes and signed the document.
25. Believing that a settlement had been reached, the Bloms sent a check for \$12,491 dated February 16, 2015 to the United States Treasury to pay their income tax deficiency per the erroneous decision presented to them by respondent. The check was processed by the IRS on December 10, 2015.
26. The Bloms actually owed \$43,586.
27. On October 22, 2015, the IRS recorded a lien against the Bloms in the amount of \$541,264.93 for tax deficiencies from 2010 through 2013.
28. The Bloms were unaware that the entry they signed was erroneous until they consulted with a tax attorney in 2017. The attorney indicated that the document was not valid and expressed concern that he was familiar with Schuler's handwriting and that he did not

believe the writing on the decision was Schuler's.

29. The Bloms currently pay \$640 a month toward their delinquent taxes.

30. While respondent did not initially cooperate with relator's investigation, he has been fully cooperative since relator filed its complaint.

31. Respondent has no prior involvement with this Board relating to the unauthorized practice of law.

32. Respondent understands how his conduct constituted the unauthorized practice of law and has committed to avoiding similar misconduct.

#### Stipulated Exhibits

- Stip. Ex. 1 Grievance filed February 9, 2018
- Stip. Ex. 2 Letter from respondent to relator dated June 5, 2018
- Stip. Ex. 3 Letter from grievant to relator dated May 1, 2019
- Stip. Ex. 4 United States Tax Court case file for Case No. 25446-13 (James H Blom and Erica M. Blom)
- Stip. Ex. 5 Petition filed with United States Tax Court by respondent on behalf of grievant
- Stip. Ex. 6 Email from United States Tax Court confirming respondent is not admitted to practice law in that court
- Stip. Ex. 7 Letter with supporting documents from relator to Gary Shuler dated October 15, 2019
- Stip. Ex. 8 Check from grievant to the United States Treasury dated February 16, 2015
- Stip. Ex. 9 Email from grievant to relator dated October 15, 2019
- Stip. Ex. 10 Letter from Gary Shuler to relator dated November 6, 2019 (without attached exhibits)
- Stip. Ex. 11 Letter from United States Tax Court Deputy Clerk to respondent dated November 7, 2013
- Stip. Ex. 12 Letter from grievant to relator

Stip. Ex. 13 Business information from Ohio Secretary of State for J&M Construction

Stip. Ex. 14 Certificate from the Supreme Court of Ohio's Office of Attorney Services regarding respondent Paul Carlson's non-attorney status.

#### Waiver of Notice and Hearing

Relator and respondent waive the right to appearance at a formal hearing in this proceeding.

#### Stipulated Resolution

As set forth in Gov.Bar R. VII (5b)(C):

- Respondent admits the material allegation of the unauthorized practice of law as set forth in relator's complaint and proposed consent decree;
- Respondent admits that the allegations as set forth in relator's complaint and the proposed settlement agreement constitute the unauthorized practice of law;
- Respondent agrees to cease and desist from filing documents on behalf of clients in the United States Tax Court and preparing documents creating businesses on behalf of clients with the Ohio Secretary of State. Respondent also agrees to an injunction prohibiting future unauthorized practice of law;
- Respondent agrees to pay a \$200 fine;
- The parties agree to waive the right to notice of and appearance at the formal hearing before the hearing panel as stated in Gov.Bar R. VII(7)(H). The parties further understand and agree that the hearing panel shall render its decision based upon the pleadings, stipulation, and other evidence admitted with this proposed settlement agreement;
- The public is protected from future harm and any substantial injury is remedied by this agreement;

- This proposed settlement agreement resolves the material allegations of the unauthorized practice of law;
- This proposed settlement agreement does not involve any public policy issues or encroach upon the jurisdiction of the Supreme Court to regulate the practice of law; and
- This proposed settlement agreement furthers the stated purposes of Gov.Bar R. VII and complies with the requirements of Gov.Bar R. VII(5b).

Conclusion

The above is stipulated to and entered into by agreement by the undersigned parties on this 30<sup>th</sup> day of November, 2020.

Respectfully submitted,

/s Joseph M. Caligiuri  
Joseph M. Caligiuri (0074786)  
Disciplinary Counsel  
*Relator*

SEE ATTACHED  
Paul Carlson  
*Respondent*

s/ Lia J. Meehan  
Lia J. Meehan (0082133)  
Assistant Disciplinary Counsel  
Michelle R. Bowman (0074233)  
Assistant Disciplinary Counsel  
Office of Disciplinary Counsel  
65 East State Street, Suite 1510  
Columbus, Ohio 43215-4215  
Telephone: (614) 387-9700  
lia.meehan@sc.ohio.gov  
michelle.bowman@sc.ohio.gov  
*Co-Counsel for Relator*

- This proposed settlement agreement resolves the material allegations of the unauthorized practice of law;
- This proposed settlement agreement does not involve any public policy issues or encroach upon the jurisdiction of the Supreme Court to regulate the practice of law; and
- This proposed settlement agreement furthers the stated purposes of Gov.Bar R. VII and complies with the requirements of Gov.Bar R. VII(5b).

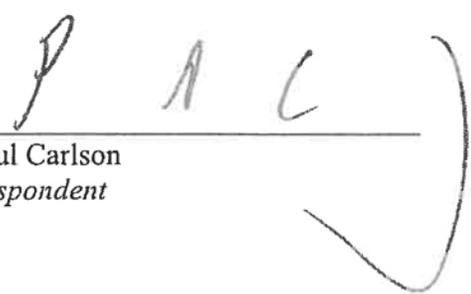
Conclusion

The above is stipulated to and entered into by agreement by the undersigned parties on this 17<sup>th</sup> of November, 2020.

Respectfully submitted,

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Joseph M. Caligiuri (0074786)  
Disciplinary Counsel  
*Relator*

  
Paul Carlson  
*Respondent*

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Lia J. Meehan (0082133)  
Assistant Disciplinary Counsel  
Michelle R. Bowman (0074233)  
Assistant Disciplinary Counsel  
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65 East State Street, Suite 1510  
Columbus, Ohio 43215-4215  
Telephone: (614) 387-9700  
lia.meehan@sc.ohio.gov  
michelle.bowman@sc.ohio.gov  
*Co-Counsel for Relator*

Certificate of Service

I hereby certify that a true and correct copy of the foregoing Joint Proposed Settlement Agreement was served on respondent, Paul Carlson, by electronic mail at paulcarlson13.1@gmail.com on this 30<sup>th</sup> day of November, 2020.

/s Lia J. Meehan  
Lia J. Meehan (0082133)  
*Counsel for Relator*

February 7, 2018

**Office of Disciplinary Counsel**  
Unauthorized Practice of Law Committee  
250 Civic Center Drive, Suite 325  
Columbus OH 43215

**RECEIVED**  
INTAKE  
FEB 09 2018

**Disciplinary Counsel  
Supreme Court of Ohio**

**Re:** *James H. Blom and Erica H. Blom v. Commissioner of Internal Revenue*  
United States Tax Court Docket No. 25446-13

To whom it may concern:

I am writing on behalf of my clients, Erica and James Blom, regarding an individual that may have committed the Unauthorized Practice of Law and/or other violation. My goal is simply to provide you with the facts, and assist them in filing a complaint. If you believe the Office of the Disciplinary Counsel is not the proper authority to investigate the matter, please either forward this Complaint to the proper body or direct me to another State or Federal agency. Thank you for reviewing the matter.

**Introduction**

This matter arises out of accounting and tax services provided by Paul Carlson (“Carlson”) to James and Erica Blom (the “Bloms”). The Bloms engaged Carlson, whom they believed was a CPA and/or capable of handling their tax-related financial and legal issues stemming from an audit. Below is a brief synopsis of facts related to services Carlson provided to the Bloms.

**Facts**

On July 26, 2013, Carlson, a non-lawyer, filed a petition with the United States Tax Court on behalf of the Bloms, disputing a Notice of Deficiency and a Notice of Determination. See Exhibit 1, attached. The disagreement concerned whether or not the petitioners were given enough time to assemble their tax information to the tax compliance officer and/or whether enough time was given to meet with the tax compliance officer once information was prepared for an audit. Carlson prepared Exhibit 1, signing as “counsel” of the Bloms. He did not supply a tax court bar number or any other bar number.

On November 7, 2013, Carlson received a letter from Craig Taublib, the Deputy Clerk of the United States Tax Court, informing Carlson that there were no records acknowledging him as a licensed attorney. See Exhibit 2, attached. The Court refused to recognize Carlson as counsel

of record over the Blom's matters. The matter progressed a copy of the docket is attached as Exhibit 3, with Carlson representing the Bloms despite the notice to cease representation. Despite the Court's docket stating the Bloms were "pro se," Carlson remained involved. Furthermore, Carlson continued to act in a legal manner by drafting the articles of incorporation of the Bloms new business, J&M Custom Construction Inc., advising the type of entity and filing documents with the Ohio Secretary of State. See Exhibit 8.

On September 25, 2014, the parties faxed a stipulation of Settled Issues with the Tax Court that resolved all issues in controversy. See Exhibit 4, at p. 2. On October 3, 2014, the parties filed a Stipulation of Settled Issues with the Tax Court bearing the signature of the parties dated September 29, 2014. *Id.* The Court records that "Counsel for respondent signed and dated the document on October 1, 2014. The parties were given 60 days or until November 24, 2014 to finalize final documents in conformity with the agreement to the Tax Court. *Id.*

On November 21, 2014, Respondent's counsel contacted the Bloms, who told counsel they needed to speak to their CPA. After the Bloms contacted Carlson, Carlson contacted the Respondent's counsel and indicated that he computed a different deficiency for the taxable year of 2011 than what was agreed upon in the stipulation. At this point, Carlson indicated that he needed to talk to petitioners when there was a disagreement as to the stipulated agreement. On December 1, 2014, Carlson attempted to contact the Respondent's counsel at 6 am, leaving a message that he would try back again. Carlson never attempted to contact Respondent's counsel again. See Exhibit 4, at p. 3. The Court granted an extension and gave the parties until January 5, 2015 to submit a decision document. *Id.* The facts are that Respondent's counsel attempted to accommodate Carlson's request for a meeting, but Carlson stopped communicating on behalf of the Bloms. See Exhibit 4, at p. 4.

On December 31, 2014, the Respondent's counsel filed a motion for entry of decision based on the Blom's failure to sign and submit the stipulation documents, asking the Court to enter a decision requiring petitioners to pay tax deficiencies in the amounts of \$6,580.00 for 2010 and \$37,006.00 for 2011. See Exhibit 4, at p. 4; Exhibit 5, attached. On January 9, 2015, the Court ordered that Petitioners file any objections to the motion for entry by January 26, 2015. No objections were ever received. *Id.* On February 12, 2015, the Court granted Respondents' motion for entry. Exhibit 6, attached. The Court ordered deficiencies in income tax due in amounts of \$6,580 and \$37,006 against the Bloms. *Id.*

On or about February 16, 2015, Carlson presented the Bloms with a document with the caption of "DECISION." See Exhibit 7, attached. Carlson indicated it was a settlement and the actual numbers agreed-to stemming from the Blom's United States Tax Court matter. Carlson indicated that Respondent's counsel, Attorney Gary R. Shuler, Jr., drafted the document, crossed-out figures, and personally initialed it. The Bloms were told that instead of owing \$37,006, they would only owe \$5,911 and \$6,580 for deficiencies. They were told by Carlson that there will be no interest charged, and that Respondent's counsel personally wrote and initialed the document. In other words, Carlson forged the entire document, presenting an agreement to the Bloms—that the Tax Court and Respondent's counsel were never aware of or privy to. Further, the Tax Court had already ordered deficiencies in income tax due in amounts of \$6,580 and \$37,006 against the Bloms. The Bloms paid the \$5,911 and \$6,580 amounts to the US Treasury thinking the matter was resolved.

The Bloms later learned that Carlson did not negotiate or otherwise litigate successfully on their behalf, and have caused the Bloms further damages due to penalties, interest and other damages.

## Law and Argument

### **Unauthorized Practice of Law**

The Supreme Court of Ohio has original jurisdiction regarding admission to the practice of law, the discipline of persons so admitted, and all other matters relating to the practice of law in Ohio. Article IV, Section 2(B)(1)(g), Ohio Constitution; *Royal Indemn. Co. v. J.C. Penney Co., Inc.*, 27 Ohio St. 3d 31, 34, 27 Ohio B. 447, 501 N.E.2d 617 (1986).

The purpose of that regulation is to "protect the public against incompetence, divided loyalties, and other attendant evils that are often associated with unskilled representation." *Cleveland Bar Assn. v. CompManagement, Inc.*, 104 Ohio St.3d 168, 2004-Ohio-6506, 818 N.E.2d 1181, ¶ 40.

The unauthorized practice of law is the rendering of legal services for another by any person not admitted or otherwise certified to practice law in Ohio. Gov.Bar R. VII(2)(A). This includes the "preparation of pleadings and other papers incident to actions and special proceedings and the management of such actions and proceedings on behalf of clients before judges and the courts." *Land Title Abstract & Trust Co. v. Dworken*, 129 Ohio St. 23, 28, 193 N.E. 650 (1934), quoting *People v. Alfani*, 227 N.Y. 334, 337-338, 125 N.E. 671, 38 N.Y. Cr. 117 (1919).

The unauthorized practice of law also encompasses the representation of another during discovery, settlement negotiations, and pretrial conferences. *Ohio State Bar Assn. v. Kolodner*, 103 Ohio St. 3d 504, 2004-Ohio-5581, 817 N.E.2d 25

In this case, the facts show that Carlson engaged in the unauthorized practice of law by (a) not being a properly licensed attorney (b) preparing and submitting pleadings and other papers incident to actions and special proceedings (c) representing the Bloms in open court and (d) forging documents and (e) negotiating settlements on behalf of the Bloms, all before Judge Foley in the US Tax Court.

## Conclusion

For these reasons, all the elements appear present to hold Paul Carlson liable for the unauthorized practice of law. At this juncture it is unclear the damages resulting from Carlson's UPL, but the Bloms, through the undersigned, is asking that you open an investigation into the matter or forward the case to the proper authorities.

Best regards,

  
David D. Brannon

/ddb

Grievance Form

Ms.  Mrs.  Miss.  Mr.

YOUR NAME: Blom James MI 937-673-1880  
Last First MI Phone No.

PERMANENT ADDRESS: 132 New Burlington Road blom-erieconstruction@gmail  
Street Email Address

Wilmington Clinton OH 45177  
City County State Zip Code

ABOUT WHOM ARE YOU COMPLAINING ?

(Please circle) ATTORNEY or JUDGE

NAME: Carlson Paul MI   
Last First MI Phone No.

ADDRESS: \_\_\_\_\_  
Street

City County State Zip Code

Have you filed this grievance with any other agency or bar association?  Yes  No

If yes, provide name of that agency and date of filing: \_\_\_\_\_ date: \_\_\_\_\_

Did you receive a response?:  Yes  No IF YES, PLEASE ATTACH A COPY

Did this attorney represent you?  Yes  No Type of case: tax

Date the attorney was hired: approx 7/26/13 Does s/he still represent you?:  Yes  No

Did you pay the attorney a fee/retainer?  Yes  No If yes, how much?: approx \$10,000 over course of 1-2 years

Did you sign a written fee agreement/contract?  Yes  No IF YES, PLEASE ATTACH A COPY

Has the attorney sued you for fees?  Yes  No

Have you brought civil or criminal court action against this attorney or judge?  Yes  No - still may do so

If yes, provide name of court and case number \_\_\_\_\_

Result of court action: \_\_\_\_\_

Name and contact information for attorney currently representing you, if different than attorney about whom you are complaining:

David Brennan 130 W. Second St. Suite 900 Dayton, Ohio 45402 Phone 937-228-2306

Does this grievance involve a case that is still pending before a court?  Yes  No

If yes, provide name of court and case number: \_\_\_\_\_

What action or resolution are you seeking from this office? Damages, injunction, penalties



Lined area for text entry.

The Rules of the Supreme Court of Ohio require that investigations be confidential. Please keep confidential the fact that you are submitting this grievance. The party against whom you are filing your grievance will receive notice of your grievance and may receive a copy of your grievance and be asked to respond to your allegations.

David D. Brannen (0079711) for  
Signature  
James and  
Erine Blom

2-7-2018  
Date

UNITED STATES TAX COURT

www.ustaxcourt.gov

JAMES H  
(FIRST) (MIDDLE)

BLOM  
(LAST)

KARLA M  
(PLEASE TYPE OR PRINT)

BLOM  
Petitioner(s)

v.

COMMISSIONER OF INTERNAL REVENUE,

Respondent

Docket No.

PETITION

1. Please check the appropriate box(es) to show which IRS NOTICE(s) you dispute:

Notice of Deficiency

Notice of Determination Concerning Your Request for Relief From Joint and Several Liability. (If you requested relief from joint and several liability but the IRS has not made a determination, please see the Information for Persons Representing Themselves Before the U.S. Tax Court booklet or the Tax Court's Web site.)

Notice of Determination Concerning Collection Action

Notice of Determination Concerning Worker Classification

2. Provide the date(s) the IRS issued the NOTICE(s) checked above and the city and State of the IRS office(s) issuing the NOTICE(S): JULY 26 2013 CINCINNATI OHIO

3. Provide the year(s) of period(s) for which the NOTICE(S) was/were issued: 2010 2011

4. SELECT ONE OF THE FOLLOWING:

If you want your case conducted under small tax case procedures, check here:

(CHECK ONE BOX)

If you want your case conducted under regular tax case procedures, check here:

NOTE: A decision in a "small tax case" cannot be appealed to a Court of Appeals by the taxpayer or the IRS. If you do not check either box, the Court will file your case as a regular tax case.

5. Explain why you disagree with the IRS determination in this case (please list each point separately):

DISAGREE WITH THE IRS DETERMINATION BECAUSE THE TAXPAYERS WERE NOT GIVEN ENOUGH TIME TO ASSEMBLE TAX INFORMATION TO THE TAX COMPLIANCE OFFICER.

NOT ENOUGH TIME TO MEET WITH THE TAX COMPLIANCE OFFICER WAS GRANTED AFTER TAXPAYERS PREPARED TAX INFORMATION FOR AUDIT

6. State the facts upon which you rely (please list each point separately):

- SEE ITEMS LISTED IN "5"
- WE ARE REQUESTING ANOTHER OFFICE VISIT WITH A TAX COMPLIANCE OFFICER SO TO FINALIZE THE AVOID INFORMATION TO BE SUBMITTED
- WE ARE CONSIDERING THIS A SMALL TAX CASE PROCEDURE PROVIDING THAT AFTER THE AVOID INFORMATION IS CONSIDERED, IT WILL SUPPORT THE ORIGINAL TAX RETURNS FILED.

You may use additional pages to explain why you disagree with the IRS determination or to state additional facts. Please do not submit tax forms, receipts, or other types of evidence with this petition.

ENCLOSURES: Please check the appropriate boxes to show that you have enclosed the following items with this petition:

- A copy of the Determination or Notice the IRS issued to you
- Statement of Taxpayer Identification Number (Form 4) (See PRIVACY NOTICE below)
- The Request for Place of Trial (Form 5)       The filing fee

PRIVACY NOTICE: Form 4 (Statement of Taxpayer Identification Number) will not be part of the Court's public files. All other documents filed with the Court, including this Petition and any IRS Notice that you enclose with this Petition, will become part of the Court's public files. To protect your privacy, you are strongly encouraged to omit or remove from this Petition, from any enclosed IRS Notice, and from any other document (other than Form 4) your taxpayer identification number (e.g., your Social Security number) and certain other confidential information as specified in the Tax Court's "Notice Regarding Privacy and Public Access to Case Files", available at [www.ustaxcourt.gov](http://www.ustaxcourt.gov).

James H Brown, P A C      10.24.13      937.426.2105  
 SIGNATURE OF PETITIONER      DATE      (AREA CODE) TELEPHONE NO.

132 NEW BURLINGTON ROAD      WILMINGTON OHIO 45177-9638  
 MAILING ADDRESS      CITY, STATE, ZIP CODE

State of legal residence (if different from the mailing address): \_\_\_\_\_

EMMA M Brown, P A C      10.24.13      937.426.2105  
 SIGNATURE OF ADDITIONAL PETITIONER (e.g., SPOUSE)      DATE      (AREA CODE) TELEPHONE NO.

132 NEW BURLINGTON ROAD      WILMINGTON OHIO 45177-9638  
 MAILING ADDRESS      CITY, STATE, ZIP CODE

State of legal residence (if different from the mailing address): \_\_\_\_\_

P A C      PAUL CARLSON  
 SIGNATURE OF COUNSEL, IF RETAINED BY PETITIONER(S)      NAME OF COUNSEL      TAX COURT BAR NO.

Po Box 24595      10.24.13      937.304.8931  
 MAILING ADDRESS, CITY, STATE, ZIP CODE      DATE      (AREA CODE) TELEPHONE NO.

HUBER HEIBRMS OHIO 45424



UNITED STATES TAX COURT

WASHINGTON, DC 20217

11-7-13

Paul Carlson  
P.O. Box 24595  
Huber Heights, OH 45424

In Re: James H. Blom & Erica M. Blom  
Docket No. 25446-13S

Dear Mr. Carlson:

The petition submitted in the above-entitled case has been filed in order to protect the taxpayers' interest to the extent possible. Our records do not show you to be admitted to practice before this Court. Therefore, you cannot be recognized as counsel of record. Accordingly, all future communications by the Court will be made directly with the petitioner(s). The Court does not recognize Powers of Attorney.

Since it appears you are not an attorney, you can only be admitted to practice by taking a written examination which is given at Washington, D.C. no less often than every two years. If you wish to pursue this avenue of admission, please contact me and I will furnish you with additional information. Also, if you wish to obtain a copy of the Tax Court's Rules of Practice and Procedure, you will need to submit a check or money order to the Intake Section of this Court in the amount of \$20.00, payable to the Clerk, U.S. Tax Court. The Tax Court Rules are also available at the U.S. Tax Court's official web site, [www.ustaxcourt.gov](http://www.ustaxcourt.gov).

Sincerely,

A handwritten signature in black ink, appearing to read "Craig Taublib".

Craig Taublib  
Deputy Clerk

cc: James H. Blom & Erica M. Blom



**UNITED STATES TAX COURT  
DOCKET ENTRIES**

Docket No. 025446-13

INDEX

James H. Blom & Erica M. Blom

v. COMMISSIONER OF INTERNAL REVENUE

James H. Blom  
Erica M. Blom

Petitioner Counsel (Total 01)

PRO SE

Respondent Counsel (Total 02)

KR0360 Kaiser, Robert D.  
Enquirer Bldg.  
312 Elm Street, Suite 2300  
Cincinnati, OH 45202-2723

SG0615 Shuler, Jr., Gary R.  
312 Elm Street  
Suite 2300  
Enquirer Building  
Cincinnati, OH 45202-2723

NO.	DATE	EVENT	FILINGS AND PROCEEDINGS	ACT/STAT DTE	SERVED	M
0001	10/29/2013	PF	PETITION Filed:Fee Paid		R 11/08/2013	
0002	10/29/2013	REQT	REQUEST for Place of Trial at Cincinnati, OH		R 11/08/2013	
0003	11/08/2013	O	ORDER pets. by 11/29/13 show cause why "S" should not be removed.	ORD 12/11/2013	B 11/08/2013	
0004	11/08/2013	ORAP	ORDER for Amendment to Petition by 11/29/13		B 11/08/2013	
0005	12/10/2013	ACS	ANSWER (C/S 12/10/2013).			
0006	12/11/2013	ODS	ORDER that the letter "S" is deleted from the Dkt. No. Court's 11-8-13 Order to Show Cause is made absolute. Time extended to 12-31-13 for pets. to file amendment to petition. Clerk shall, in addition to regular service, serve a copy of this order on pets. at address listed herein. Clerk shall attach amendment to petition form to copies of this order served on pets.		B 12/11/2013	
0007	01/06/2014	ATP	AMENDMENT TO PETITION (Per Chief Judge)		R 01/07/2014	
0008	02/19/2014	AATP	ANSWER TO AMENDMENT TO PETITION by Resp.		P 02/19/2014	
0009	04/21/2014	NTD	NOTICE OF TRIAL ON 9/22/2014 AT CINCINNATI, OH.		B 04/21/2014	
0010	04/21/2014	SPTO	STANDING PRE-TRIAL ORDER ATTACHED TO NOTICE OF TRIAL		B 04/21/2014	
0011	08/20/2014	PMT	PRETRIAL MEMORANDUM by Resp.		P 08/20/2014	
0012	09/22/2014	HEAR	HEARING BEFORE JUDGE FOLEY AT CINCINNATI, OH (RECALLED 9-25-14.) ORIGINAL STIPULATION OF SETTLED ISSUES DUE 10-3-14. STIP. DECISION DUE 11-24-14. JURISDICTION RETAINED BY JUDGE FOLEY.	JR 09/22/2014		
0013	09/25/2014	MISL	FAXED STIPULATION OF SETTLED ISSUES (LODGED)			



NO.	DATE	EVENT	FILINGS AND PROCEEDINGS	ACT/STAT DTE	SERVED	M
 0014	10/03/2014	STST	STIPULATION OF SETTLED ISSUES by Resp. & Petrs. James H. Blom & Erica M. Blom		C 10/15/2014	
 0015	10/22/2014	TRAN	TRANSCRIPT OF 9/22/14 RECEIVED. (CAL. CALL)			
 0016	10/31/2014	TRAN	TRANSCRIPT OF SEPTEMBER 25, 2014 RECEIVED. (RECALL)			
 0017	12/03/2014	M011	MOTION FOR EXTENSION OF TIME OF THIRTY DAYS IN WHICH TO SUBMIT DECISION by Resp.	ORD 12/04/2014	P 12/03/2014	
 0018	12/04/2014	O	ORDER MOTION FOR EXTENSION OF TIME IS GRANTED, AND TIME IS EXTENDED TO 1-5-15 FOR THE PARTIES TO SUBMIT A DECISION DOCUMENT.		B 12/04/2014	
 0019	12/31/2014	M007	MOTION FOR ENTRY OF DECISION by Resp.	ORD 02/12/2015	P 12/31/2014	
 0020	01/09/2015	O	ORDER THAT PETR'S. BY 1/26/15 FILE A NOTICE OF OBJECTION TO RESP'S. MOTION FOR ENTRY OF DECISION.		B 01/09/2015	
 0021	02/12/2015	OAD	ORDER AND DECISION ENTERED, JUDGE FOLEY. MOTION FOR ENTRY OF DECISION IS GRANTED.		B 02/12/2015	C

UNITED STATES TAX COURT

JAMES H. BLOM & ERICA M. BLOM, )  
 )  
 Petitioners, )  
 )  
 v. ) Docket No. 25446-13  
 )  
 COMMISSIONER OF INTERNAL REVENUE, ) Filed Electronically  
 )  
 Respondent. )

MOTION FOR ENTRY OF DECISION

RESPONDENT MOVES, pursuant to the provisions of Tax Court Rule 50, that the Court enter a decision in this case pursuant to the agreement of the parties and in accordance with the attached proposed decision document and stipulation (Exhibit A), which reflects the following tax deficiencies and penalties:

<u>Year</u>	<u>Deficiency</u>	<u>Addition to Tax/Penalty</u> <u>I.R.C. § 6662(a)</u>
2010	\$6,580.00	\$0.00
2011	\$37,006.00	\$0.00

IN SUPPORT THEREOF, respondent respectfully states:

1. This case was scheduled for trial during the calendar in Cincinnati, Ohio, commencing on September 22, 2014.



2. On September 25, 2014, the parties lodged a faxed Stipulation of Settled Issues with the Tax Court that resolved all issue in controversy.

3. On October 3, 2014, the parties filed a Stipulation of Settled Issues with the Tax Court bearing the parties original signatures. Specifically, petitioners signed and dated the document on September 29, 2014. Counsel for respondent signed and dated the document on October 1, 2014.

4. The Court granted the parties sixty days, or, until November 24, 2014, to submit a decision document in conformity with their settlement.

5. On November 5, 2014, counsel for respondent mailed petitioners a decision document and stipulation that reflected the amount owed based on the parties settlement. Counsel for respondent also provided petitioners a statement of account, statement of income tax changes, a calculation of estimated interest, and Publication 594, which explains the collection process.

6. On November 21, 2014, counsel for respondent called petitioners to inquire about the decision document and stipulation. Petitioner Erica Blom indicated that she needed to talk to her CPA.

7. On November 21, 2014, petitioners' CPA contacted counsel for respondent to discuss the computations. The CPA indicated that he computed a different deficiency for the taxable year 2011. The CPA derived a different number for the cost of goods deduction that was allowed. Counsel for respondent explained that the petitioners claimed a deduction of \$301,158.00 on their return. In the Stipulation of Settled Issues, the parties agreed that petitioners were entitled to a cost of goods sold deduction of \$245,193.47 (Para. 4), resulting in an adjustment of \$55,965.00. The CPA did not explain how he computed the costs of goods sold deduction for 2011 that differs from the amount contained in respondent's computations. The CPA further indicated that he needed to talk to petitioners.

8. On December 1, 2014, petitioners' CPA left a message for counsel for respondent at 6:00 a.m. and indicated that he was out of the office but would call counsel respondent on Tuesday, December 2, 2014. Petitioners' CPA did not contact counsel for respondent on December 2, 2014.

9. On December 3, 2014, counsel for respondent filed a Motion for Extension of Time to Submit Decision.

10. By Order dated December 4, 2014, the Court gave the parties until January 5, 2015, to submit a decision document.

11. On December 12, 2014, counsel for respondent called and left a message for petitioners' CPA requesting that he call him.

12. On December 22, 2014, petitioners' CPA left a message for respondent's counsel requesting that they meet to finalize petitioners' case.

13. Upon his return to the office on December 29, 2014, counsel for respondent called petitioners' CPA and left a message indicating that he was available for such a meeting. However, counsel for respondent indicated that he did not foresee much utility to a meeting as petitioners simply needed to sign and return the documents that were mailed to them.

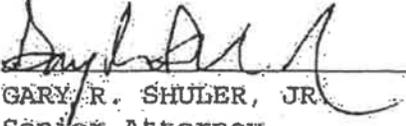
14. Petitioners' CPA failed to reply to the message left on December 29, 2014.

15. Not having received any communication from petitioners' representative by December 31, 2014, this motion is submitted to the Court in order that the agreement reached by petitioners and respondent, as represented to the Court on October 3, 2014, might be effectuated by the Court by entering a decision determining deficiencies in income tax due from petitioners for the taxable years 2010 and 2011 in the amounts of \$6,580.00 and \$37,006.00, respectively, as shown in Exhibit A.

WHEREFORE, it is prayed that this motion be granted.

WILLIAM J. WILKINS  
Chief Counsel  
Internal Revenue Service

Date: DEC 3 12014

By:   
GARY R. SHULER, JR.  
Senior Attorney  
(Small Business/Self-Employed)  
Tax Court Bar No. SG0615  
Enquirer Bldg.  
312 Elm St.  
Suite 2300  
Cincinnati, OH 45202-2727  
Telephone: (513) 263-4894

OF COUNSEL:  
THOMAS R. THOMAS  
Division Counsel  
(Small Business/Self-Employed)  
JOSEPH T. FERRICK  
Area Counsel  
(Small Business/Self-Employed; Area 4)  
ROBERT D. KAISER  
Associate Area Counsel  
(Small Business/Self-Employed)

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UNITED STATES TAX COURT  
 WASHINGTON, DC 20217

JAMES H. BLOM & ERICA M. BLOM,	)	
	)	
Petitioner(s),	)	
	)	
v.	)	Docket No. 25446-13.
	)	
COMMISSIONER OF INTERNAL REVENUE,	)	
	)	
Respondent	)	
	)	
	)	
	)	

**ORDER AND DECISION**

This case was called from the calendar at the Court’s September 22, 2014, Cincinnati, Ohio trial session. Respondent’s counsel appeared at calendar call, informed the Court that petitioners agreed to sign a decision document and advised the Court that petitioners would not appear at calendar call. Respondent requested 60 days to submit the signed decision document. The undersigned retained jurisdiction and gave the parties until November 24, 2014, to submit the decision document. On December 3, 2014, the Court filed respondent’s Motion for Extension of time. The Court granted respondent’s motion and gave the parties until January 5, 2015, to submit a decision document.

On December 31, 2014, the Court filed respondent’s Motion for Entry of Decision asking the Court to enter a decision in this case pursuant to the agreement of the parties in accordance with the decision document attached as Exhibit A to respondent’s motion.

On January 9, 2015, the Court ordered petitioners to file, on or before January 26, 2015, a written notice of any objection to respondent’s motion for entry of decision. As of this date, no objection has been received.

Upon due consideration of the foregoing, and in accordance with the decision attached as Exhibit A to respondent’s motion, it is

SERVED Feb 12 2015



ORDERED that respondent's motion for entry of decision, filed December 31, 2014, is granted. It is further

ORDERED AND DECIDED that there are deficiencies in income tax due from petitioners relating to 2010 and 2011 in the amounts of \$6,580.00 and \$37,006.00, respectively; and

That there are no penalties due from petitioners relating to 2010 and 2011, under the provisions of I.R.C. section 6662(a).

**(Signed) Maurice B. Foley  
Judge**

Entered: **FEB 12 2015**

