

UNITED STATES TAX COURT  
WASHINGTON, DC 20217 PA

VISHAL MISHRA & RITU MISHRA, )  
 )  
 Petitioner(s), )  
 )  
 v. ) Docket No. 16492-18.  
 )  
 COMMISSIONER OF INTERNAL REVENUE, )  
 )  
 Respondent )

**ORDER**

This case was continued from the Court’s December 16, 2019, Los Angeles, California, trial session and jurisdiction was retained by the undersigned. On March 4, 2020, the parties filed a Joint Stipulation of Settled Issues that resolved all of the issues in this case. The stipulation reflected concessions by both parties, including petitioners’ concession that they were liable for accuracy-related penalties under I.R.C. § 6662(a) for the 2014 and 2015 tax years.

The Court directed the parties to submit decision documents with original signatures by April 23, 2020. On April 22, 2020, respondent filed a Motion for Entry of Decision. Respondent’s counsel represented that he had obtained tax computations consistent with the parties’ settlement, had prepared a decision document reflecting those computations, and had presented the proposed stipulated decision to petitioners’ counsel for signature. Petitioner’s counsel then informed respondent that petitioners no longer wish to concede liability for the accuracy-related penalties.

In the Tax Court, concessions, compromises, and settlements can be memorialized in various ways, including (as here) by the parties’ execution of a stipulation of settled issues. “[A] settlement stipulation is in all essential characteristics a mutual contract by which each party grants to the other a concession of some rights as a consideration for those secured and the settlement stipulation is entitled to all of the sanctity of any other contract.” Saigh v. Commissioner, 26 T.C. 171, 177 (1956); Applestein v. Commissioner, T.C. Memo. 1989-42, 56 T.C.M. (CCH) 1169, 1170 (quoting Saigh, 26 T.C. at 177). The agreement manifested by a stipu-

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lation of settled issues will not be set aside except as necessary to prevent “manifest injustice,” e.g., in the case of fraud or material misrepresentation of fact. See Rakosi v. Commissioner, T.C. Memo. 1991-630, 62 T.C.M. (CCH) 1563, 1565; Applestein, 56 T.C.M. (CCH) at 1170.

In consideration of the foregoing,

ORDERED that, on or before May 27, 2020, petitioners shall file a response to respondent’s Motion for Entry of Decision, filed April 22, 2020.

**(Signed) Albert G. Lauber  
Judge**

Dated: Washington, D.C.  
April 27, 2020