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IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF CALIFORNIA

JOSE GONZALEZ, individually, and  
on behalf of other members of the  
general public similarly situated,

Plaintiff,

vs.

UBER TECHNOLOGIES, INC., and  
DOES 1-10, inclusive,

Defendant.

Case No.

**CLASS ACTION COMPLAINT**

- (1) Violation of Unfair Competition Law (Cal. Business & Professions Code §§ 17500 *et seq.*) and
- (2) Violation of Tax Code § 7434 (26 U.S.C. § 7434)
- (3) Negligence/Gross Negligence

**Jury Trial Demanded**

1 Plaintiff Jose Gonzalez (“Plaintiff”), individually and on behalf of all other  
2 members of the public similarly situated, allege as follows:

3 **NATURE OF THE ACTION**

4 1. Plaintiff brings this class action Complaint against Defendant UBER  
5 TECHNOLOGIES, INC. (hereinafter “Defendant”) to stop Defendant’s practice  
6 of submitting fraudulent information returns with the Internal Revenue Service for  
7 a nationwide class of individuals (“Class Members”) who Defendant reported  
8 earned income while working as independent contractors for Defendant, when  
9 such people did not in fact do any work for Defendant.

10 2. Defendant is a Delaware corporation with its headquarters in San  
11 Francisco, California and is engaged in the business of providing rideshare and  
12 deliver services through its online app.

13 **JURISDICTION AND VENUE**

14 3. This class action is brought pursuant to Federal Rule of Civil  
15 Procedure 23.

16 4. This matter is properly venued in the United States District Court for  
17 the Eastern District of California, in that Defendant does business in the Eastern  
18 District of California and a substantial portion of the events giving rise to  
19 Defendant’s liability took place in this district.

20 5. Subject matter jurisdiction exists pursuant to 28 U.S.C. § 1331 and  
21 1367 because this matter arises under a federal statute, namely 26 U.S.C. § 7434.

22 **THE PARTIES**

23 6. Plaintiff Jose Gonzalez is a citizen and resident of the State of  
24 California, County of Kern.

25 7. Defendant Uber Technologies, Inc. is a corporation with its principle  
26 place of business located with its headquarters in the State of California, County  
27 of San Francisco.

1           8. Plaintiff is informed and believes, and thereon alleges, that each and  
2 all of the acts and omissions alleged herein were performed by, or is attributable  
3 to, Defendant and/or its employees, agents, and/or third parties acting on its behalf,  
4 each acting as the agent for the other, with legal authority to act on the other's  
5 behalf. The acts of any and all of Defendant's employees, agents, and/or third  
6 parties acting on its behalf, were in accordance with, and represent, the official  
7 policy of Defendant.

8           9. Plaintiff is informed and believes, and thereon alleges, that said  
9 Defendant is in some manner intentionally, negligently, or otherwise responsible  
10 for the acts, omissions, occurrences, and transactions of each and all its employees,  
11 agents, and/or third parties acting on its behalf, in proximately causing the  
12 damages herein alleged.

13           10. At all relevant times, Defendant ratified each and every act or  
14 omission complained of herein. At all relevant times, Defendant, aided and  
15 abetted the acts and omissions as alleged herein.

16                           **PLAINTIFF'S FACTS**

17           11. In or around February of 2020, Plaintiff unexpectedly received a form  
18 1099-MISC from Defendant, which indicated that it had paid him approximately  
19 \$6,000 in nonemployment compensation.

20           12. Plaintiff, however, had never done any work whatsoever for  
21 Defendant and had never been paid any money from Defendant.

22           13. Plaintiff immediately filed an identity theft report with the Federal  
23 Trade Commission, and reached out to Defendant for an explanation. Defendant  
24 gave Plaintiff the run-around, and Plaintiff never received an explanation for the  
25 1099-MISC.

26           14. Then, on or around August 2, 2021, Plaintiff received a notice from  
27 the federal Internal Revenue Service ("IRS") indicating that it believed he owed  
28

1 approximately \$22,000 in unpaid taxes.

2 15. The notice additionally contained a breakdown of earned income  
3 reported to the IRS on behalf of Plaintiff.

4 16. The notice indicated that Defendant had reported that it had paid  
5 Plaintiff over \$53,000 in tax year 2019 which was reported on a form 1099-K.<sup>1</sup>

6 17. Plaintiff, however, had never worked for Defendant, provided  
7 Defendant with any goods or services, or received any payments from Defendant  
8 whatsoever.

9 18. Plaintiff spent approximately the next year dealing with the IRS in an  
10 effort to resolve this issue.

11 19. On or around May 3, 2022, Plaintiff filed an identity theft affidavit  
12 with the IRS substantiating that he never worked for Defendant or received any  
13 money from Defendant.

14 20. On information and belief, Defendant allowed an unknown person to  
15 work for it as a rideshare or delivery driver using Plaintiff's personal  
16 information—such as name, social security number, and address—without  
17 adequately verifying that the person submitting Plaintiff's information was  
18 actually Plaintiff.

19 21. On information and belief, Defendant routinely allows individuals to  
20 work for it as a rideshare or delivery driver using the personal information of other  
21 individuals.

22 22. On information and belief, Defendant routinely fails to adequately  
23 verify the identities of individuals who work for it as rideshare or delivery drivers.

24 23. Thus, unknowing individuals who have no affiliation with Defendant,  
25 such as Plaintiff, are stuck with an unexpected income tax bill for money they  
26

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27 <sup>1</sup> Form 1099-K is used to report income received for goods or services. Plaintiff  
28 never received a 1099-K from Defendant prior to receiving this notice from the  
IRS.

1 never received.

2 24. Plaintiff alleges, upon information and belief, that Defendant  
3 submitted a fraudulent Form 1099-K to the IRS claiming that Plaintiff had earned  
4 in excess of \$50,000 from Defendant as an independent contractor when, in fact,  
5 Plaintiff had never received any money from Defendant whatsoever.

6 25. In or around January of 2024, Plaintiff received a notice from the  
7 California Franchise Tax Board indicating that it believed that Plaintiff owed back  
8 taxes in the amount of approximately \$3,600 for income he received from  
9 Defendant in 2019. Plaintiff is now dealing with the Franchise Tax Board, as he  
10 did with the IRS, to correct this issue.

11 26. Had Defendant properly verified the identities of the individuals who  
12 drive for it, and submitted correct information returns with the IRS, none of this  
13 would have ever happened.

#### 14 **CLASS ACTION ALLEGATIONS**

15 27. Plaintiff brings this action, on behalf of himself and all others  
16 similarly situated, and thus, seeks class certification under Federal Rule of Civil  
17 Procedure 23.

18 28. The class Plaintiff seeks to represent (the “Class”) is defined as  
19 follows:

20 All individuals in the United States for whom Defendant  
21 reported earned income to the IRS but who did not  
22 receive any money from Defendant for the tax year in  
23 which Defendant reported such income to the IRS,  
within the six years prior to the filing of the instant  
Complaint.

24 29. As used herein, the term “Class Members” shall mean and refer to the  
25 members of the Class described above.

26 30. Plaintiff additionally seeks to represent a subclass (the “Subclass”),  
27 defined as follows:

28 All members of the Class who resided in California at

the time Defendant reported to the IRS that they earned income.

31. As used herein, the term “Subclass Members” shall mean and refer to the members of the Subclass described above.

32. Excluded from the Class and Subclass are Defendant, its affiliates, employees, agents, and attorneys, and the Court.

33. Plaintiff reserves the right to amend the Class and Subclass, and to add additional subclasses, if discovery and further investigation reveals such action is warranted.

34. Upon information and belief, the proposed class is composed of thousands of persons. The members of the class are so numerous that joinder of all members would be unfeasible and impractical.

35. No violations alleged in this complaint are contingent on any individualized interaction of any kind between class members and Defendant.

36. Rather, all claims in this matter arise from Defendant’s uniform practice of allowing individuals to work for it as independent contractors without properly validating their identities, resulting in fraudulent tax documents being filed as described herein.

37. There are common questions of law and fact as to the Class Members that predominate over questions affecting only individual members, including but not limited to:

- (a) Whether Defendant filed fraudulent information statements with the IRS;
- (b) Whether Defendant’s conduct described herein was willful;
- (c) Whether Defendant owed Plaintiff and Class Members a duty of care to properly validate the identities of individuals working for it;
- (d) Whether Defendant breached that duty; and

1 (e) The method of calculation and extent of damages for Plaintiff  
2 and Class Members.

3 38. There are common questions of law and fact as to the Subclass  
4 Members that predominate over questions affecting only individual members,  
5 including but not limited to:

6 (a) Whether Defendant filed fraudulent information statements  
7 with the IRS;

8 (b) Whether Defendant engaged in unfair, unlawful, and/or  
9 deceptive business practices;

10 (c) Whether Plaintiff and Subclass Members are entitled to  
11 equitable relief; and

12 (d) The method of calculation and extent of damages for Plaintiff  
13 and Class Members.

14 39. Plaintiff is a member of the class he seeks to represent

15 40. The claims of Plaintiff are not only typical of all class members, they  
16 are identical.

17 41. All claims of Plaintiff and the class are based on the exact same legal  
18 theories.

19 42. Plaintiff has no interest antagonistic to, or in conflict with, the class.

20 43. Plaintiff is qualified to, and will, fairly and adequately protect the  
21 interests of each Class and Subclass Member. Defendant's unlawful, unfair and/or  
22 fraudulent actions concerns the same business practices described herein  
23 irrespective of where they occurred or were experienced. Plaintiff's claims are  
24 typical of all Class and Subclass Members as demonstrated herein.

25 44. Plaintiff will thoroughly and adequately protect the interests of the  
26 Class and Subclass, having retained qualified and competent legal counsel to  
27 represent himself and the class.  
28

1           45. Common questions will predominate, and there will be no unusual  
2 manageability issues.

3                                   **FIRST CAUSE OF ACTION**

4                                   **Violation of Unfair Business Practices Act**

5                                   **(Cal. Bus. & Prof. Code §§ 17200 *et seq.*)**

6                                   **(Individually and on Behalf of the Subclass)**

7           46. Plaintiff incorporates by reference each allegation set forth above.

8           47. Actions for relief under the unfair competition law may be based on  
9 any business act or practice that is within the broad definition of the UCL. Such  
10 violations of the UCL occur as a result of unlawful, unfair or fraudulent business  
11 acts and practices. A plaintiff is required to provide evidence of a causal  
12 connection between a defendant's business practices and the alleged harm--that is,  
13 evidence that the defendant's conduct caused or was likely to cause substantial  
14 injury. It is insufficient for a plaintiff to show merely that the defendant's conduct  
15 created a risk of harm. Furthermore, the "act or practice" aspect of the statutory  
16 definition of unfair competition covers any single act of misconduct, as well as  
17 ongoing misconduct.

18                                   **UNFAIR**

19           48. California Business & Professions Code § 17200 prohibits any  
20 “unfair ... business act or practice.” Defendant’s acts, omissions, and practices as  
21 alleged herein also constitute “unfair” business acts and practices within the  
22 meaning of the UCL in that its conduct is substantially injurious to consumers,  
23 offends public policy, and is immoral, unethical, oppressive, and unscrupulous as  
24 the gravity of the conduct outweighs any alleged benefits attributable to such  
25 conduct. There were reasonably available alternatives to further Defendant’s  
26 legitimate business interests, other than the conduct described herein. Plaintiff  
27 reserves the right to allege further conduct which constitutes other unfair business  
28



1 acts or practices. Such conduct is ongoing and continues to this date.

2 49. In order to satisfy the “unfair” prong of the UCL, a consumer must  
3 show that the injury: (1) is substantial; (2) is not outweighed by any countervailing  
4 benefits to consumers or competition; and, (3) is not one that consumers  
5 themselves could reasonably have avoided.

6 50. Here, Defendant’s conduct has caused and continues to cause  
7 substantial injury to Plaintiff and members of the Subclass. Plaintiff and members  
8 of the Subclass have suffered injury in fact due to Defendant’s decision to file  
9 fraudulent information statements with the IRS, causing them to incur tax  
10 liabilities that they do not owe. Thus, Defendant’s conduct has caused substantial  
11 injury to Plaintiff and the members of the Subclass.

12 51. Moreover, Defendant’s conduct as alleged herein solely benefits  
13 Defendant while providing no benefit of any kind to any consumer. Such conduct  
14 allowed Defendant to expand its workforce to individuals using stolen identities.  
15 In fact, knowing that individuals were utilizing stolen identities to work as  
16 independent contractors for Defendant, Defendant unfairly profited by expanding  
17 its workforce and thereby being able to provide more delivery and rideshare  
18 services than it otherwise would have been able to. Thus, the injury suffered by  
19 Plaintiff and the members of the Subclass is not outweighed by any countervailing  
20 benefits to consumers.

21 52. Finally, the injury suffered by Plaintiff and members of the Subclass  
22 is not an injury that these consumers could reasonably have avoided. Plaintiff and  
23 members of the Subclass had no business relationship with Defendant and never  
24 received any money from Defendant. They only learned of Defendant’s conduct  
25 upon receiving a Form 1099 from Defendant or a notice from the IRS. There was  
26 no way for Plaintiff and Subclass members to prevent Defendant from engaging  
27 in such conduct. Therefore, the injury suffered by Plaintiff and members of the  
28

1 Class is not an injury which these consumers could reasonably have avoided.

2 53. Thus, Defendant's conduct has violated the "unfair" prong of  
3 California Business & Professions Code § 17200.

4 **FRAUDULENT**

5 54. California Business & Professions Code § 17200 prohibits any  
6 "fraudulent ... business act or practice." In order to prevail under the "fraudulent"  
7 prong of the UCL, a consumer must allege that the fraudulent business practice  
8 was likely to deceive members of the public.

9 55. The test for "fraud" as contemplated by California Business and  
10 Professions Code § 17200 is whether the public is likely to be deceived. Unlike  
11 common law fraud, a § 17200 violation can be established even if no one was  
12 actually deceived, relied upon the fraudulent practice, or sustained any damage.

13 56. Here, not only were Plaintiff and the Subclass members likely to be  
14 deceived, but these consumers were actually deceived by Defendant. Such  
15 deception is evidenced by the fact that Plaintiff did not know that Defendant was  
16 claiming that he had earned income from it until after such income had already  
17 been paid to an unknown individual using Plaintiff's identity

18 57. As explained above, Defendant deceived Plaintiff and other Subclass  
19 Members by filing fraudulent information statements with the IRS indicating that  
20 they had earned income from Defendant when, in fact, they had not.

21 58. Thus, Defendant's conduct has violated the "fraudulent" prong of  
22 California Business & Professions Code § 17200.

23 **UNLAWFUL**

24 59. California Business and Professions Code Section 17200, et seq.  
25 prohibits "any unlawful...business act or practice."

26 60. As explained below, Defendant filed fraudulent information  
27 statements regarding Plaintiff and Subclass members with the IRS, in violation of  
28

1 26 U.S.C. § 7434.

2 61. These representations by Defendant are therefore an “unlawful”  
3 business practice or act under Business and Professions Code Section 17200 *et*  
4 *seq.*

5 62. Defendant has thus engaged in unlawful, unfair, and fraudulent  
6 business acts entitling Plaintiff and Subclass Members to judgment and equitable  
7 relief against Defendant, as set forth in the Prayer for Relief. Additionally,  
8 pursuant to Business and Professions Code section 17203, Plaintiff and Subclass  
9 Members seek an order requiring Defendant to immediately cease such acts of  
10 unlawful, unfair, and fraudulent business practices and requiring Defendant to  
11 correct its actions.

12 **SECOND CAUSE OF ACTION**

13 **Violation of Tax Code § 7434**

14 **(26 U.S.C. § 7434)**

15 **(Individually and on Behalf of the Class and Subclass)**

16 63. Plaintiff incorporates by reference each allegation set forth above  
17 herein.

18 64. 26 U.S.C. § 7434 provides that anyone who “willfully files a  
19 fraudulent information return with respect to payments purported to be made to  
20 any other person, such other person may bring a civil action for damages against  
21 the person so filing such return.”

22 65. By filing Forms 1099 with the IRS indicating that Plaintiff and Class  
23 and Subclass members received payments from Defendant, when in fact such  
24 individuals had not received any money from Defendant, Defendant filed  
25 fraudulent information returns with the IRS within the meaning of 26 U.S.C. §  
26 7434.

27 66. Defendant’s conduct as described herein was willful because  
28

1 Defendant knew or should have known that individuals were utilizing stolen  
2 identities in order to work for it as independent contractors, but nonetheless failed  
3 to properly validate the identities of the individuals working for it.

4 67. Plaintiff and Class and Subclass Members are therefore entitled to the  
5 relief afforded to them by 26 U.S.C. § 7434(b).

### 6 **THIRD CAUSE OF ACTION**

#### 7 **Negligence/Gross Negligence**

#### 8 **(Individually and on Behalf of the Class and Subclass)**

9 75. Defendant owed Plaintiff and Members of the Class and Subclass a  
10 duty to ensure that the individuals working for it as independent contractors were  
11 not utilizing stolen identities to do so, and to ensure that the documents it filed with  
12 the IRS were accurate..

13 76. Defendant breached that duty by failing to properly validate the  
14 identities of the individuals working for it as independent contractors, thereby  
15 breaching its duty of care to Plaintiff and the Class and Subclass

16 77. Plaintiff and Members of the Class and Subclass were harmed thereby  
17 in that they were notified by the IRS that they owed taxes that they, in fact, did not  
18 owe.

19 78. Moreover, Defendant's conduct as described herein is an extreme  
20 departure from what a reasonable person would do under the circumstances such  
21 that Defendant's conduct constitutes gross negligence.

### 22 **MISCELLANEOUS**

23 68. Plaintiff and Class Members allege that they have fully complied with  
24 all contractual and other legal obligations and fully complied with all conditions  
25 precedent to bringing this action or all such obligations or conditions are excused.

### 26 **REQUEST FOR JURY TRIAL**

27 69. Plaintiff requests a trial by jury as to all claims so triable.  
28

**PRAYER FOR RELIEF**

70. Plaintiff, on behalf of himself and the Class and Subclass, requests the following relief:

- (a) An order certifying the Class and Subclass and appointing Plaintiff as Representative of the Class and Subclass;
- (a) An order certifying the undersigned counsel as Class Counsel;
- (b) An order requiring Defendant at its own cost, to notify all Class and Subclass Members of the unlawful and deceptive conduct herein;
- (c) An order requiring Defendant to correct its conduct described herein;
- (d) The greater of \$5,000 in statutory damages per Class and Subclass member, or Actual damages suffered by Plaintiff and Class Members as applicable, pursuant to 26 U.S.C. § 7434(b);
- (e) Punitive damages, as allowable, in an amount determined by the Court or jury;
- (f) All reasonable and necessary attorneys' fees and costs provided by statute, common law or the Court's inherent power;
- (g) Pre- and post-judgment interest; and
- (h) All other relief, general or special, legal and equitable, to which Plaintiff and Class Members may be justly entitled as deemed by the Court.

Dated: October 7, 2024

Respectfully submitted,

LAW OFFICES OF TODD M. FRIEDMAN , PC

By: /s Todd. M. Friedman

TODD M. FRIEDMAN, ESQ.

Attorney for Plaintiff Jose Gonzales

# ClassAction.org

This complaint is part of ClassAction.org's searchable class action lawsuit database and can be found in this post: [Class Action Suit Claims Uber Submitted Fraudulent Returns to IRS, Creating Tax Headaches](#)

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