



Written by [Veronika Kyrylenko](#) on May 28, 2026

Former Judges Ask Court to Reopen Trump IRS Case, Calling Settlement a Fraud on the Court

Thirty-five former federal judges have asked a federal court in Florida to reopen President Donald Trump's lawsuit against the Internal Revenue Service (IRS) and the Treasury Department.

Their allegation is blunt. They say Trump and his own administration used the court as cover for a settlement the court never saw. That settlement, they argue, created a \$1.776 billion Anti-Weaponization Fund without lawful authority and bundled it with a sweeping release of possible federal claims against Trump, his family, businesses, and related parties.



AP Images

In their words, "The Court was deceived."

[The motion](#), filed Wednesday, asks Judge Kathleen Williams to set aside the dismissal of Trump's case. The judges want the court to examine whether the lawsuit was real litigation or a legal vehicle for a prearranged political payout.

The Case and the Settlement

Trump [filed the lawsuit](#) in January, accusing his IRS of failing to protect his private tax information after former IRS contractor Charles Littlejohn accessed and leaked tax records to media outlets. The breach occurred between 2018 and 2020, during Trump's first term. In January 2024, Littlejohn was [sentenced](#) to five years in prison after pleading guilty to unlawfully accessing and disclosing confidential tax information.

Trump sought \$10 billion. His sons, Donald Trump Jr. and Eric Trump, joined the case, along with the Trump Organization. In February, Treasury Secretary and acting IRS Commissioner Scott Bessent [confirmed](#) that if Trump prevailed, the money would come from Treasury's general funds. In plain terms, taxpayers would pay.

Then, on May 18, Trump voluntarily dismissed the lawsuit with prejudice, ending the case permanently. The court noted a critical detail. [The dismissal notice](#) said nothing about a settlement. It did not ask the judge to approve one. In other words, no settlement was before the court when the case was dismissed.

Soon after, the Justice Department [announced](#) that the case had, in fact, been settled. Acting Attorney General Todd Blanche said Trump had agreed to drop the suit in exchange for the creation of the [Anti-Weaponization Fund](#). The department said Trump and the other plaintiffs would receive a formal apology, but no monetary damages.

But that was not the end of it.

The next day, the Justice Department [issued](#) a sweeping addendum. It purported to release "any and all



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claims” against Trump and his family and business network, including matters before the IRS or other agencies.

“A Product of Collusion”

The former judges do not describe the dispute as an ordinary settlement fight. They frame it as an alleged abuse of the judicial process itself.

“Movants submit that this ‘settlement’ is a product of collusion and is itself a fraud on the Court,” they wrote.

Their argument turns on timing, nondisclosure, and jurisdiction.

The court had already raised the threshold question of whether the case presented a real Article III [controversy](#). That question mattered because Trump was suing federal agencies within the executive branch he controls.

Before the court completed that inquiry, Trump filed a voluntary dismissal with prejudice. The notice disclosed no settlement. Only after the case was dismissed did the Justice Department announce an agreement and then the release that had not been placed before the court.

The judges say that sequence corrupted the judicial process. In their view, the parties used the lawsuit to create the appearance of a settlement while preventing the court from deciding whether it had jurisdiction over the case in the first place.

That point is central. Federal courts may decide only genuine cases or controversies. A lawsuit cannot serve as a manufactured vehicle for executive action, public spending, or private legal protection.

As the motion puts it, the parties allegedly used the proceeding “as a legal pretext” while trying to deprive the court of the chance to determine whether the litigation was real.

The Fund and the Release

The \$1.776 billion Anti-Weaponization Fund sits at the center of the dispute, but the release attached to it may be just as important.

The Justice Department says the fund will compensate people harmed by government weaponization and lawfare, with “no partisan requirements to file a claim.” The former judges focus on a more basic legal issue: whether the fund has any lawful foundation at all.

They argue that the administration cannot use the Judgment Fund (from which the Anti-Weaponization Fund draws, and which allows the Justice Department to settle and pay cases) or federal settlement authority unless there is a legitimate claim or genuine litigation against the United States. In their view, a collusive lawsuit cannot unlock taxpayer money.

“To be clear,” they wrote, “the parties’ settlement was not, and never will be, legally justified.”

The same concern applies to the release. According to the motion, the Justice Department addendum does far more than settle Trump’s IRS privacy claim. Indeed, Blanche declared that the United States “RELEASES, WAIVES, ACQUITS, and FOREVER DISCHARGES” each plaintiff, and is “FOREVER BARRED AND PRECLUDED” from pursuing covered claims. The language reached claims “whether presently known or unknown,” including matters before the IRS or other agencies. In practical terms, the addendum extended protection to Trump, his family, his businesses, and related parties.



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The former judges say the government gave away those extraordinary protections without meaningful consideration in return.

That is why they want Judge Williams to reopen the case. If the dismissal is set aside, the settlement may no longer be final. The administration also may lose the legal basis it cites for both the fund and the release.

The point is simple. The government may settle real disputes. It may not manufacture one, dismiss it before judicial review, and then use it to move \$1.776 billion from the Treasury while shielding the president's family and businesses from possible federal claims.

Rule 60

The former judges ask the court to reopen the case under [Rule 60](#) of the Federal Rules of Civil Procedure.

Rule 60 allows a court to set aside a judgment, order, or proceeding in limited circumstances, including fraud and misconduct.

The judges argue that Trump's voluntary dismissal with prejudice can still be reviewed under that rule. They also argue that non-parties may raise fraud on the court when the circumstances are extraordinary.

But they give Judge Williams another route. Even if she does not treat their filing as a direct Rule 60 motion, they say, the court may act on its own.

That matters because federal courts have inherent authority to protect their own proceedings. If the court was used to facilitate a fraudulent settlement, the judges argue, it has the power to investigate.

The motion does not ask Judge Williams to decide every legal issue immediately. It asks her to set aside the dismissal and reopen the case long enough to examine what happened.

The question now is not only whether Trump received a favorable deal. It is whether a president can sue his own government, settle with his own Justice Department, keep the settlement from the court, and then use the dismissed case to move public money and extinguish possible public claims. The former judges say the answer must come from a court, not from the administration that wrote the deal.



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