



For Immediate Release

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IRS Tightens Compliance on Tax Preparers' Own Returns
Service to crack down on scofflaws within tax prep profession

Washington, DC (March 30, 2010)—In its effort to provide oversight of paid preparers, IRS is beginning to implement its ambitious return preparer review program. Starting next filing season, anyone who is paid to file a federal tax return must have registered with IRS and must not only sign but also affix an IRS-issued identifier to each signed return. This requirement will protect taxpayers and increase the professionalism of the tax preparation industry by allowing the agency to track the accuracy of any given preparer.

“IRS is really gearing up to drain the return preparer swamp,” said National Association of Enrolled Agents (NAEA) Senior Director, Government Relations Robert Kerr. “Further, and of note to taxpayers, IRS may conduct compliance checks on return preparers before issuing or reissuing identification numbers. This will help insure that those who are interpreting the tax laws and assisting Americans with their filing responsibilities have actually timely filed and paid their *own* taxes.”

This effort is part of IRS' stated intent to require all signing paid return preparers to register with IRS and receive a preparer tax identification number, commonly referred to as a “PTIN.” Currently, preparers may use multiple numbers (such as social security numbers or business tax I.D.s) when signing a return, making IRS oversight of preparers more difficult. With the dawning of a new era of preparer oversight, each preparer will be assigned one number, which will simplify tracking compliance with the new requirements that are being imposed upon tax preparers.

Other new requirements for tax preparers that will be phased in over the next few years include extending the ethical rules that currently apply only to enrolled agents, certified public accountants and tax attorneys to all paid return preparers, and allowing IRS to suspend or discipline preparers who engage in unethical conduct.

Preparers who are not enrolled agents, certified public accountants or tax attorneys will be required to demonstrate minimal competency by passing a test and must complete 15 hours of annual continuing education.

About NAEA

The National Association of Enrolled Agents (NAEA) is a professional society whose members are dedicated to honest, intelligent and ethical representation of the financial position of taxpayers before the IRS. Its efforts are supported nationwide through a network of affiliated state and local chapters. Members of NAEA must fulfill continuing professional education requirements that exceed the IRS' requirements. NAEA membership also entails stringent adherence to a Code of Ethics and Rules of Professional Conduct, as well as compliance with the Treasury Department's Circular 230 regulations. NAEA members are experienced, well-trained tax professionals who effectively represent their clients and work to ensure the tax code is fairly applied and reasonably enforced.