

Who Needs to Register with CTEC?

There still seems to be some confusion that CTEC registration is no longer required since a federal court ruled in 2013 to suspend the IRS Registered Tax Return Preparer (RTRP) program.

Please be advised that the ruling has absolutely no impact on CTEC.

California still has its own requirements for tax preparers. Providing proof of a valid IRS Preparer Tax Identification Number (PTIN), the only requirement not challenged in the RTRP lawsuit, is not enough to qualify as a legal tax preparer in California.

California law still requires an individual to register with CTEC if he/she...

- Is not an attorney, certified public accountant (CPA) or enrolled agent (EA) and prepares federal and/or state tax returns for compensation.
- Works under the supervision of an attorney, CPA or EA- but signs the client's tax return.
- Assists a CTEC Registered Tax Preparer (CRTP) with tax returns by taking income tax data from a client and enters it into a computer (whether in person or other contact); even if the individual never signs the tax return.
- Is not an attorney, CPA or EA, but passed the IRS competency exam and received the Registered Tax

Welcome Our New CTEC Board Member



Brandon Chanley was appointed by Jackson Hewitt Tax Service. He currently holds the position as Senior Operations Director and has been with the company since 2007, covering many parts of the Western United States.

As part of the operations team, he works with more than 60 franchise-owned operations and three company-owned operations within the State of California.

Brandon has a bachelor's of science degree from the University of Southern Indiana with an emphasis in finance.

Return Preparer (RTRP) designation. Obtaining the RTRP designation, which is now a voluntary certification, does not meet California requirements.

- Is not an attorney, CPA or EA and prepares income tax returns that are bundled or included with other services.

For more information regarding who is required to register with CTEC, visit www.ftb.ca.gov and search the keyword "CTEC."

California Tax Education Council

CTEC

MISSION STATEMENT
The California Tax Education Council (CTEC) will continue to establish professional tax education standards, approve tax education providers who comply with these standards and facilitate tax preparer compliance for the benefit of California taxpayers.

- taxpayers**
Are you looking for a tax preparer? Or want to file a complaint? Click here for search options, complaints, consumer tips and CTEC news.
- education providers**
Are you an approved education provider? Or want to become CTEC-approved? Click here for applications, policies, materials and login access.
- tax professionals**
Are you registered with CTEC? Or want to become registered? Click here to login, register, find an education provider and learn more about CTEC.

Is Your Tax Preparer Legal? [Verify Now](#)

[Click Here to view our Sunset Review Documentation](#)

P.O. Box 2890, Sacramento, CA 95812-2890 tel: (877) 850-2832 fax: (877) 851-2832 email: info@ctec.org Privacy Policy - En Español

CTEC Website Gets Revamped

CTEC launched a new website this spring. One of the main goals of the new layout was to provide easier navigation for consumers, tax preparers and education providers.

Have questions about the new website? Email CTEC at info@ctec.org or call 877-850-2832.

Study Analyzes Public Awareness Efforts

This year, CTEC was required to undergo a periodic review process, also known as “Sunset Review”, by the California State Legislature. During that process the Sunset Review Committee requested CTEC hire an outside research firm to evaluate the effectiveness of its public awareness campaigns. CTEC was given until June 30, 2014 to submit a report.

It is the second independent study CTEC has conducted within the last several years to measure its public awareness efforts. The first study was completed in 2009.

The new study focused on English and Spanish-speaking consumers

The respondents were asked a number of questions to help the board get a better understanding of...

- Initial awareness of CTEC
- How consumers are finding out about CTEC
- Recall of CTEC advertising content through bus signs
- Thoughts about the advertising message

According to the survey results...

- Awareness of CTEC is up to 23 percent, which is considered “strong” awareness. In 2009, awareness was at a “moderate” ten percent.

- The majority of respondents said they found out about CTEC through the Internet or family/friend. Bus sign advertising was the second highest source of awareness.
- Of those who remembered seeing CTEC advertisements, most recalled that CTEC offers legal or registered tax preparers.
- Sixty-one percent of Hispanics also recalled seeing the bus signs in Spanish.

The report was submitted in June to the California State Legislature for review.

IRS Voluntary Tax Preparer Program

The Internal Revenue Service is offering a new program for tax preparers.

The **Voluntary Annual Filing Season Program** will take effect during the 2015 tax season. To take part in the program, tax preparers must obtain a valid PTIN, complete the Annual Federal Tax Refresher (AFTR) course, pass a comprehension test and meet federal continuing education requirements.

Some tax preparers, including CTEC Registered Tax Preparers (CRTPs), who have already completed testing and educational requirements, are exempt from taking the AFTR course with test.

The IRS defines exempt tax preparers as...

- Anyone who passed the

Registered Tax Return Preparer test administered by the IRS between November 2011 and January 2013.

- Tax preparers who are registered with CTEC or licensed with the Oregon Board of Tax Practitioners.
- SEE Part I Test-Passers: Tax practitioners who have passed the Special Enrollment Exam Part I within the past two years as of the first day of the upcoming filing season.
- VITA volunteers: Quality reviewers and instructors with active PTINs.
- Other accredited tax-focused credential-holders: The Accreditation Council for Accountancy and Taxation’s Accredited Business Accountant/Advisor (ABA) and

Accredited Tax Preparer (ATP) programs.

Once all the requirements for the voluntary program have been completed, tax preparers can log onto their PTIN account through the IRS website and print a certificate.

CRTPs and other tax preparers who decide to participate in the voluntary program will also be included on a public listing through the IRS website. The list is scheduled to launch in January 2015.

Please remember the program is **strictly voluntary**. It *does not* replace CTEC registration, which is *required* by California law. For more information on how to participate in the voluntary program, visit www.irs.gov.

Continued from page 1

law, 3 hours of federal tax law updates, 2 hours of ethics and 5 hours of state). The hours must be uploaded into the CTEC database by the education provider.

- A valid PTIN from the IRS.
- Current \$5,000 surety bond.
- Visa or MasterCard to pay the new \$33 registration fee.

To find an approved education provider, visit www.ctec.org. For PTIN renewals, visit www.irs.gov.

Education providers have ten days from the date the course was completed to report the hours to CTEC. Please do not wait until the last minute to complete the

continuing education requirement. It is strongly recommended CRTPs complete their 20 hours of continuing education no later than October 15th to avoid the risk of paying the \$55 late fee.

CRTPs who do not renew by the October 31st deadline have until January 15, 2015 to renew late. CRTPs who do not renew by January 15th, will be required to start over, re-take the 60 hours of qualifying education, pass a final exam from an approved education provider and re-register as a new CRTP.

According to California law, CRTPs cannot prepare any tax returns for a fee until their registration is current with CTEC.

Find CTEC



MARK YOUR CALENDAR! YOU ARE INVITED!

All CTEC committee and board meetings are open to the public

November 20-21, 2014
Palm Springs, CA
May 21-22, 2015
Sacramento, CA

Call **877-850-2832**
if you would like to attend



Non-Profit Org.
U.S. Postage
PAID
Sacramento, CA
Permit No. 1789



OFFICERS

Chair

Mary Beth LaMunyon-Jones, CRTP
Lemoore, CA

Treasurer

John Bishop, CRTP
Oakland, CA

Secretary

Susan Ring, CRTP
Palm Desert, CA

DIRECTORS

Brandon Chanley

Jackson Hewitt Tax Services

C. Lester Crawford, CRTP

Los Angeles, CA

Karen DeVaney, CRTP

CA Society of Tax Consultants

Margaret Dunn, EA

National Association of Enrolled Agents

Ruth Godfrey, EA

National Society of Accountants

Aaron Gray, CRTP

Long Beach, CA

Pamela Jipp, EA

CA Society of Enrolled Agents

Paul Latter

H&R Block Tax Services

Heather Smith

Liberty Tax Service

Katie Tae, CRTP

Gardena, CA

Greta Zeimetz, RTRP

National Association of Tax Professionals

REPRESENTATIVES

Amy Smith

Internal Revenue Service

Armon McConnell

California Franchise Tax Board

California Tax Education Council

P.O. Box 2890 • Sacramento, CA

95812-2890 • (877) 850-CTEC(2832)

www.ctec.org

New and Renewal Registration Fees Increase to \$33

Effective August 1, 2014, CTEC's registration fee will increase from \$25 to \$33.

Why the Fee Increase?

This year, CTEC passed its periodic review (also known as "Sunset Review") by the California State Legislature. The mission of CTEC was evaluated during the review process.

The State Legislature approved the CTEC program to be extended six years before another Sunset Review is required. The mission of CTEC will remain intact and unchanged.

The purpose of CTEC is to ensure registered tax preparers are competent in their profession as a protection to California taxpayers. Quality tax education standards, tax

preparer enforcement and public awareness all play a role in this endeavor.

Recent audits have proven that more attention is needed on the courses offered by education providers. As a result, the board had to allocate more funds toward the oversight of its education providers to ensure the fulfillment of two goals:

- CTEC Registered Tax Preparers (CRTPs) are receiving quality tax education.
- California taxpayers will receive quality tax preparation from CRTPs.

Why Start in August?

CTEC's renewal registration cycle begins August 1st of each year. A fee increase was needed to ensure that CTEC funded its Curriculum Provider Committee, which approves courses offered by education providers.

Why the \$8 Increase?

The board discussed the fee increase at length during its May meeting. All committee budgets were scrutinized before a decision was made to increase the fee.

The additional \$8 was the minimum amount needed to avoid a budget shortfall. This is the first registration fee increase CTEC has ever implemented in its 17-year history.

CTEC Online Registration Required

Renewal registration for CTEC Registered Tax Preparers (CRTPs) starts August 1, 2014. All registrations must be renewed online by October 31, 2014.

To renew, CRTPs will need:

- 20 hours of completed continuing education (10 hours of federal tax

Continued on page 4