



California Tax Education Council

Newsletter News & Views

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Renewal Registration Starts Now

The 2017/2018 CTEC renewal registration cycle starts August 1, 2017. If you already completed the continuing education requirements (15 hours federal and five hours state), now is the time to renew.

To register online, visit **ctec.org**, go to the *Tax Professionals* box located on the homepage and click on *Register/Renew Now*.

To renew, you must have:

- Basic personal information.
- Current bond information.
- A renewed IRS Preparer Tax Identification Number (PTIN).
- 20 hours of continuing education (10 hours of federal tax law, three hours of federal tax law updates, 2 hours of ethics and 5 hours of state) already uploaded into the CTEC database.
- A Visa or MasterCard to pay the \$33 registration fee.

To renew online, all your education must have been electronically reported to CTEC by your education provider. If your education is not showing up, call your education provider(s) to upload the hours into the system. CTEC policy allows education providers 10 days from the date the course was completed to report hours earned so please plan ahead.

Important Note: CTEC Registered Tax Preparers (CRTPs) who plan to participate in the IRS voluntary Annual Filing Season Program (AFSP) must have their CTEC renewal registration completed no later than December 31, 2017, *which is required by the IRS.*

CRTPs who plan to represent clients during IRS examinations must participate in the program to receive limited representation rights.

Limited representation rights are defined as tax preparers that can represent clients whose tax returns they prepared and signed, but only before revenue agents, customer service representatives and similar IRS employees, including the Taxpayer Advocate Service.

To have limited practice rights, CRTPs must be an AFSP participant in both the year the tax return was prepared and the year of representation.

To learn more, visit **irs.gov/tax-professionals/annual-filing-season-program**.

Top Five Renewal Facts

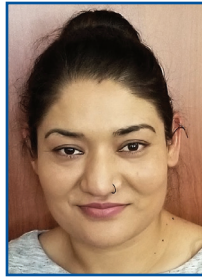
1. You must have a social security number to register with CTEC.
2. You must have a valid PTIN from the IRS to register with CTEC.
3. Education providers are responsible for reporting all hours earned at least 10 days from the date the course was completed. If your education is not showing online, call your education provider.
4. Unless specified, education providers do not register students with CTEC.
5. Personal information changes must be submitted in writing to CTEC or edited by you through your online account.

Cybercriminals Attacking Tax Professionals

Tax professionals are increasingly becoming targets of cybercriminals seeking access to client data. Criminals use the stolen information to file fraudulent tax returns for refunds. Be prepared to protect your clients and yourself by taking a few critical steps. Visit irs.gov and search “Data theft information for tax professionals.”

Should you experience a data compromise, there are certain basic steps you should take. To learn more, visit irs.gov and search “What to do if you suffer from a data breach.”

Welcome Our New CTEC Board Members



Ruby Bains is a CTEC Registered Tax Preparer (CRTP) and has been preparing tax returns for 12 years.

Ruby currently serves as Treasurer of the California Society of Tax Consultants (CSTC). She is also a member of the National Society of Accountants (NSA) and the IRS Stake Holder Liaison for Fresno.

Ruby lives in Modesto and is an active member of the local Sikh community.



Marie Archibeque is a CTEC Registered Tax Preparer (CRTP) and has been preparing tax returns for more than 20 years. In addition to preparing tax returns, she also works as a consultant specializing in bookkeeping and accounting for the small business construction industry.

Marie currently serves as President of the California Society of Tax Consultant’s Central Valley Chapter. She lives in Modesto.

“Ghost” Tax Preparers Public Awareness Focus

CTEC will expand its 2018 public awareness campaign to target tax preparers who do not sign client tax returns, also known as “ghost tax preparers.”

During the 2017 tax season, CTEC launched new social media videos and a microsite that focused on educating the public about ghost tax preparers.

CTEC received an eight percent increase of microsite traffic from the outdoor advertisements and a 10 percent increase of clicks on Google advertisements compared to the 2016 campaign. More than 80,000 taxpayers also watched CTEC videos; almost double the number of views compared to the 2016 campaign.



**Mark Your Calendar!
You are Invited!**

**CTEC meetings are open
to the public**

November 16-17, 2017
Oakland

May 16-18, 2018
Sacramento

Please call **877-850-2832** if
you would like to attend.

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IRS Loses PTIN Lawsuit

On June 1, 2017, the U.S. District Court for the District of Columbia upheld the IRS’s authority to require the use of a Preparer Tax Identification Number (PTIN) by tax preparers; however, the court ruled the IRS couldn’t charge a user fee for issuing and renewing PTINs.

After shortly shutting down the PTIN system, the IRS reopened the system and continues to issue PTINs while

deciding how to address the court order, which may require the IRS to refund tax preparers.

The IRS said it is working with the Department of Justice. As more information becomes available, it will be posted on the IRS’s “Tax Pros” page.

PTINs are still required for CTEC registration.

Enforcement Continues to Collect Penalties

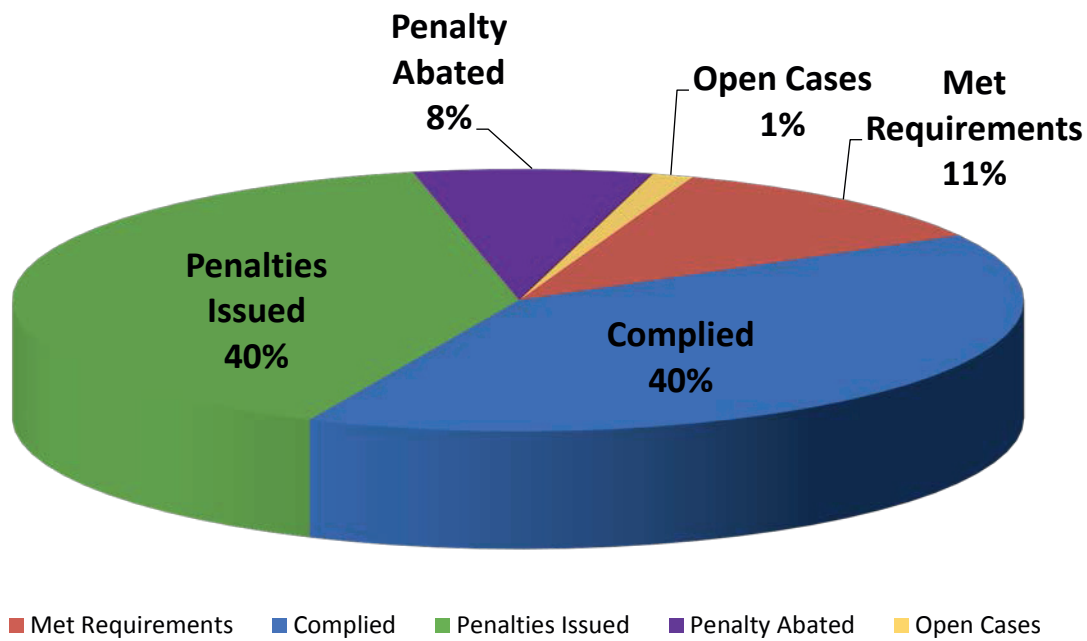
Unregistered tax preparers who are caught preparing, or assisting with preparing, tax returns for a fee will be issued a \$2,500 penalty letter from the Franchise Tax Board (FTB). They have 90 days to register with CTEC before the penalty is enforced.

If a tax preparer does not comply, the \$2,500 penalty is assessed. If a tax preparer still fails to comply the next year, a \$5,000 penalty will be issued each year until they either register with CTEC or agree to stop preparing tax returns for a fee.

CTEC pays for the entire enforcement program. All penalties collected by FTB are deposited into the state’s general fund.

To report an unregistered tax preparer, visit ctec.org.

2016/2017 Contact Results



Results as of June 30, 2017

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