

Public Awareness Gets More Social

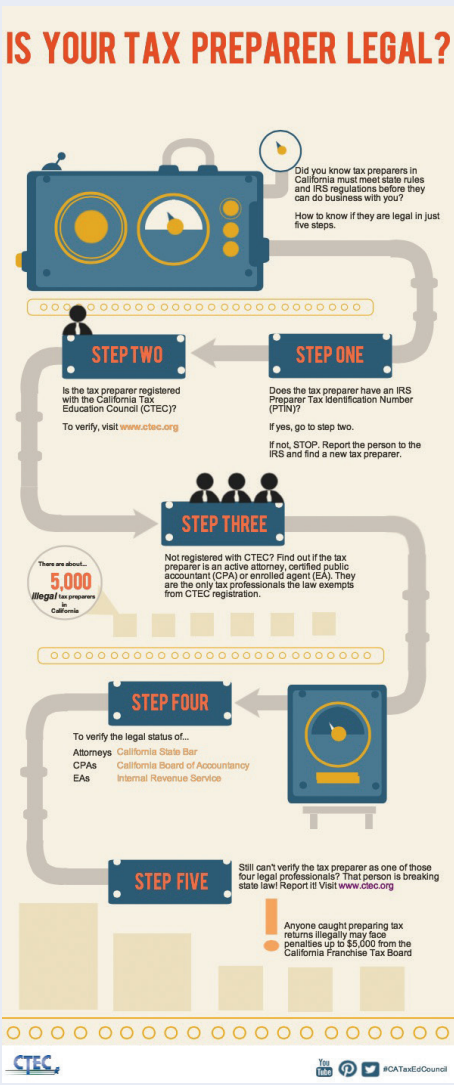
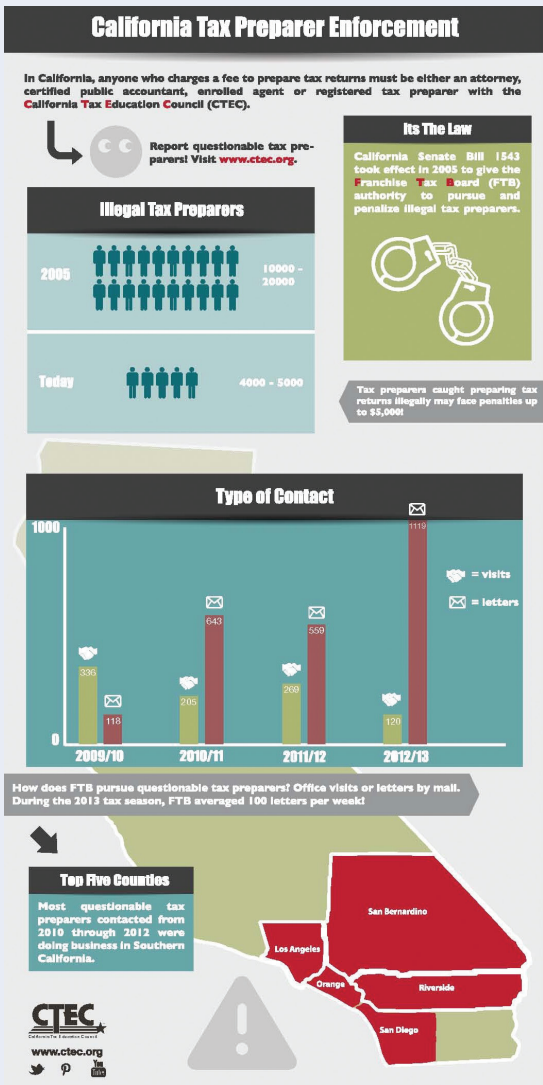
CTEC is launching a new visual marketing campaign to help get its message out to California consumers. The new campaign will focus on promoting CTEC infographics through social media sites and social media news releases. CTEC also plans to expand its advertising campaigns on Facebook and You Tube during the 2014 tax season.

As with past years, CTEC will continue to advertise with bus signs and billboards. The bus signs will run in Los Angeles, San Diego and Bakersfield. The billboards will run in San Francisco and Fresno.

Most of the outdoor advertisements will be posted in English and Spanish from early January through mid-April. The decision to advertise in the listed markets was based on demographics and enforcement reports from the Franchise Tax Board.

To help secure media coverage, CTEC will send press releases to editors, reporters and news producers statewide. The message will focus on CTEC and the requirements **CTEC Registered Tax Preparers (CRTPs) must complete**. CTEC public service announcements will also be sent in English and Spanish to California radio stations.

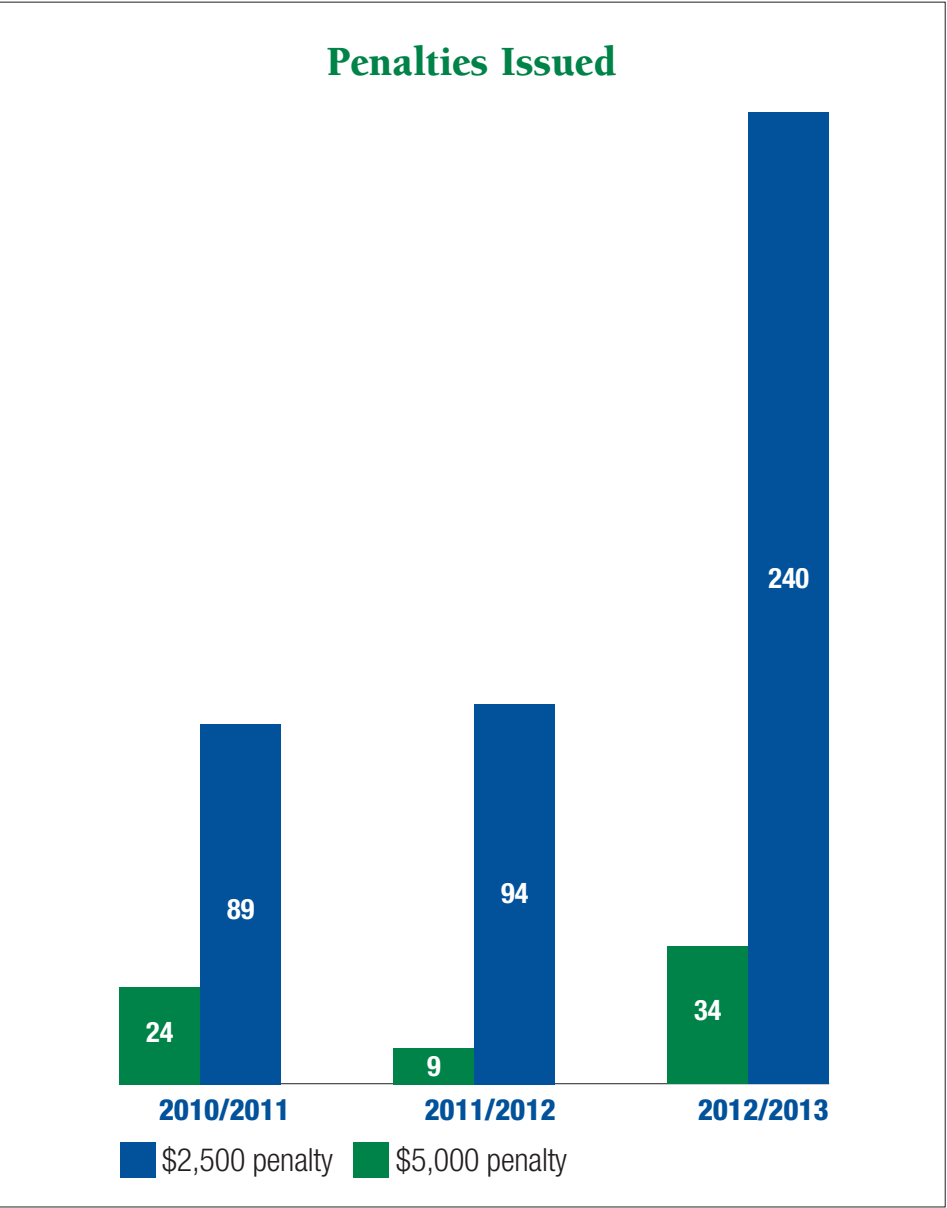
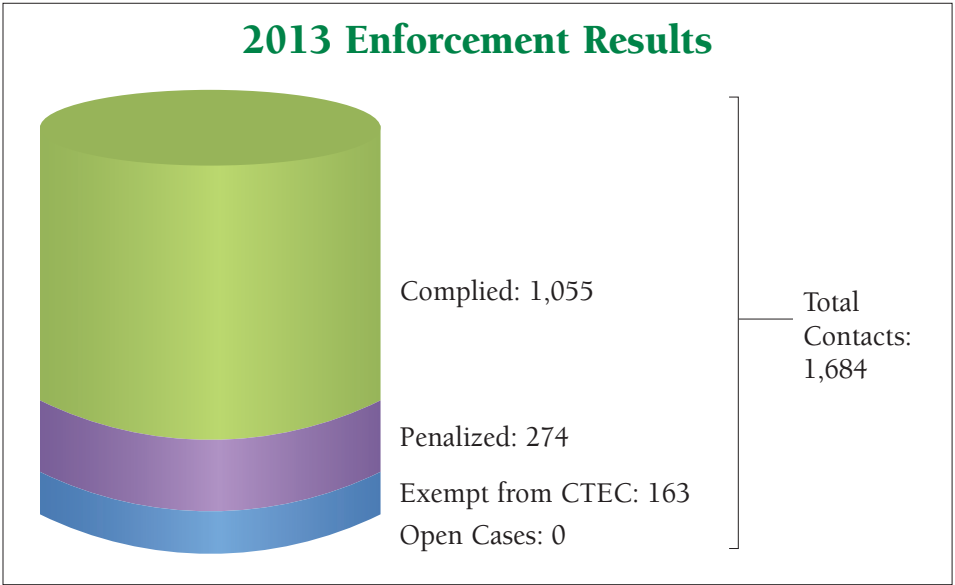
Below are some examples of the infographics CTEC will use in its new visual marketing campaign. Interested in getting copies? Call or email CTEC. Interested in sharing the infographics with fans and followers? Follow CTEC on Pinterest and Twitter #CATaxEdCouncil.



Enforcement Steps Up Compliance

Two words can best sum up the 2013 enforcement effort— case closed. For the 2012/2013 enforcement cycle, the Franchise Tax Board (FTB) contacted 1,492 questionable tax preparers statewide. Each one of those cases has been resolved.

Unregistered tax preparers caught preparing tax returns for a fee will be issued a \$2,500 penalty letter. They have 90 days to comply with the law and register with CTEC. If a tax preparer does



not comply, the \$2,500 penalty is enforced. If the tax preparer still fails to comply the next year, the penalty increases to \$5,000.

During the 2012/2013 enforcement cycle, FTB issued a record number of penalties...

- 240 tax preparers were issued a \$2,500 penalty
- 34 tax preparers were issued a \$5,000 penalty

During the 2011/2012 enforcement cycle, 94 tax preparers were issued the \$2,500 penalty and nine tax preparers were issued the \$5,000 penalty.

FTB has averaged a 42 percent collection rate over the past six years. Of the penalties that have been assessed, approximately 23 percent have been abated.

To report a questionable tax preparer, visit www.ctec.org.

MARK YOUR
CALENDAR!
YOU ARE INVITED!

All CTEC
committee and
board meetings are
open to the public

May 22-23, 2014
Sacramento, CA

November 20-21, 2014
Palm Springs, CA

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

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Late Renewals Due Soon

CTEC Registered Tax Preparers
(CRTPs) who did not meet the October
31, 2013 renewal deadline have until
January 15, 2014 to pay the \$55 late
fee and renew late.

CRTPs who fail to meet the late
renewal deadline will have to start
over, retake the 60-hour qualifying
education course and register as a
new tax preparer.

By law, CRTPs cannot prepare tax
returns for a fee until their registration
is current with CTEC.



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24-HOURS A DAY

Use the QR code to get
CTEC blogs on your
smart phone.



www.ctec.org

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news & views

New Law Targets Questionable CRTPs

As part of a new consumer-
protection law, CTEC now has
legislative authority to take
disciplinary action against CTEC
Registered Tax Preparers (CRTPs).

California Senate Bill 484 gives CTEC
the power to deny, revoke or
suspend registrations from CRTPs
who are found guilty or accused of
unprofessional conduct.

Before the new law, CTEC had a
policy to deregister or suspend
registrations, but only if the CRTP
had been reported to the council by a
government or court order.

All reports of violations and
suspensions will be submitted to the
Franchise Tax Board and Internal
Revenue Service.

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The bill was signed into law by
Governor Brown on October 8, 2013.
It takes effect January 1, 2014.

What else?

In addition to expanding CTEC's
legislative authority, SB 484 redefines
the council membership of CTEC to
be...

Not more than one representative from
each California nonprofit corporation in
good standing that represents, among
others, tax preparers with a membership
in California of at least 400 in each of
the previous three calendar years.

Not more than one representatives from
each for-profit tax preparation
corporation, in good standing, that had
at least 400 employees or franchisees
during the previous calendar year, and
has been operating in California for at
least three years.

Six CRTPs will also sit on the board; the
only provision regarding board
membership that was not
revised. Before the new law, council
membership was limited to 200
members for both nonprofit
organizations and for-profit corporations.