

QUALIFYING EDUCATION COURSES

(a) Background: The California Business & Professions Code, Section 22255, requires that individuals successfully complete a 60-hour qualifying education (QE) course to become a CTEC Registered Tax Preparer (CRTP).

(b) The 60-hour QE requirement includes:

- (1) 45-hours of QE in Federal tax subjects of which 2 hours is ethics.
- (2) 15-hours of QE in California tax topics.

Commentary - QE courses must be taken from a CTEC approved curriculum provider and can be either face-to-face courses or self-study courses. Where a QE course is a self-study course, it must comply with all the self-study requirements of CP13.

(c) Final Examination Requirement:

- (1) Each question must have a minimum of 4 possible answer responses.
- (2) The questions must be relevant to the material and to meeting the learning objectives in the course.
- (3) The student must be tested separately for federal and California elements of the course.
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A minimum of 75 questions is required for the California examination, but the provider is free to have more than 75.
A minimum of 225 question is required for the Federal examination, but the provider is free to have more than 225.
- (5) One questions must be devoted to each “required” subjects and one question from “awareness” subject listed in the Qualifying Education Guidelines (see CP23A-Attachment). The balance of the minimum requirements listed at (c)(4) above may be chosen by the provider from the “required” or “awareness” topics.
- (6) Successful completion of a QE course shall be demonstrated by answering 70% or more of the examination questions correctly.
- (7) Examination(s) may be take-home exams.

(d) Consolidated QE Courses – QE courses include three elements of study: Federal Taxation, California Taxation and ethics. For purposes of successfully completing a self-study QE course, the student must be tested for comprehension as if those elements were separate courses. Thus:

- (1) The measure of credit hours, as determined under CP13(g) or CP13(h), will be applied separately to the Federal, California and ethic elements as if each were a separate course.
- (2) The number of interactive review questions required for the Federal, California and ethic elements will be determined separately as per CP13(i).
- (3) A separate final exam, per CP13(j), shall be administered separately for each Federal, California and ethic element of the course.
- (4) Even though a curriculum provider may have obtained a single CTEC number for the QE course, the student is required to pass a **separate** final examination for each of the Federal, California and ethic elements to successfully complete the course. **Note:** Should each category have a separate CTEC course number, then each is successfully completed upon the passage of its separate examination.

(e) Providing Student with Answers to Exam Questions: Curriculum providers are never permitted to provide students with answers to exam questions prior to the student successfully passing the examination. To students who successfully passed the examination, providers may provide answers to specific missed exam questions; however, a complete answer key containing all of the exam questions for the course shall never be provided to a student.

(f) Initial Provider Approval: Providers that offer both 60-hour qualifying education face-to-face and self-study courses must submit their self-study course for approval, not their face-to-face course.



(g) Curriculum Provider Responsibility: It is CTEC's mandate to ensure that all non-exempt tax preparers in California satisfy certain education requirements. Determining credit hours for self-study courses is subjective and difficult and provides opportunities for abuse. Curriculum providers must be diligent to ensure that they are awarding the proper credit for their courses. The implementation of the pilot test and word count formula methods of determining education credit awards was the result of awarding inflated credits in the past. CTEC reserves the right to reduce credits or deny course approval to courses that the CTEC review staff determines are so simplistic that the student does not need to read the course material in order to pass the final exam. CTEC requires approved providers to exercise due diligence and ethical behavior in determining self-study credits. (See CP23(j)(5)(F)).

(h) English Requirement - Courses submitted for review to CTEC must be in English.

Approved May 18, 2017
Curriculum Provider Standards Committee
Responsibility: Curriculum Provider Standards Committee