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## CONTINUING EDUCATION – IRS/FTB/BOE

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**(a) Background:** In order to maintain continuing education (CE) quality for the tax education of CTEC Registered Tax Preparers (CRTPs), CTEC has adopted educational standards implemented as course policies that apply to the providers of CE courses, and has established certain reporting requirements. These standards and policies apply to all forms of CE presentations and to all entities providing CE courses except as outlined below.

**(b) Continuing Education Exception:** The Internal Revenue Service (IRS), the California Franchise Tax Board (FTB), and the California Board of Equalization (BOE) provide CE courses on a regular basis. These organizations are in fact the entities that develop and establish tax regulations, forms, procedures, etc. based upon tax law. CTEC recognizes that IRS, FTB and BOE represent "substantial tax authority" and as such, CE courses presented by the IRS, FTB and BOE will be exempt from the CTEC provider approval process (see CP02), and are granted automatic CE provider approval. Courses taken from these agencies, regardless of instructional location, are acceptable.

**(1) Face-to-face Courses:** CRTPs will be granted credit for face-to-face courses provided the studies are in federal income tax subjects, federal tax update, and CA income tax law. CRTPs must provide CTEC with verification of the education type and hours. Where the verification does not specify whether federal studies were in federal update or federal tax studies, the credits will default to federal tax subjects.

**(2) Self-study:** CRTPs will be granted CE credits for self-study courses only if the course is approved by CTEC. All self-study courses must comply with CTEC education standards. To submit a course for review, e-mail the complete course in Microsoft Word format, including course text, interactive review questions, exam questions and answer key to [info@ctec.org](mailto:info@ctec.org) using your IRS, FTB or BOE e-mail. There is no charge for the review. CRTPs must provide CTEC with verification of the education type and hours. Where the verification does not specify whether federal studies were in federal update or federal tax studies, the credits will default to federal tax subjects.

**(3) Commentary:** CTEC has two education requirements: a basic 60-hour qualifying education requirement, and an annual continuing education requirement. Basic entry-level education does not qualify as continuing education and the IRS, FTB and BOE are expected to be prudent and not offer CE credits for such basic tax education.

**(c) Reporting Exemption:** In order to verify tax preparer compliance with the annual CE requirements, CTEC requires that CE providers have a course number for all CE courses, and that they submit a list of students to CTEC (CP06) who have successfully completed each course. IRS, FTB and BOE are exempt from these reporting requirements. However, to help CTEC maintain a high level of compliance with annual CE education requirements, these agencies are encouraged to comply with the reporting requirements. If these agencies are unable to comply with the student reporting requirement, they are required to issue provider course completion certificates to CRTPs who have successfully completed their course.

**(d) Advertising Disclosure Exception:** The IRS, FTB and BOE are exempt from the advertising disclosure requirements. However, if any mention of CTEC is included in their course advertising, then they must comply with advertising disclosures. (CP34)

**Reporting Requirements:** Online renewal registration is required. However, for those CRTPs who completed CE courses given by IRS, FTB or BOE their renewal application can be submitted by mail. \* A preparer is required to attach a copy of their provider course completion certificate, which they received from the IRS, FTB or BOE, to their application. Credit will not be awarded without a provider course completion certificate. Copies of the course ad, etc. will not be accepted in lieu of a provider course completion certificate or attendance verification record. The IRS, FTB and BOE provide CE verifications to meet the requirements of the IRS Director of Practice, NASBA, and State Boards of Accountancy requirements for all courses they present, and it is the student's responsibility to obtain and retain this documentation for registration purposes.

*\*IRS, in some cases, does upload student information to CTEC, which allows preparers to renew online.*

December 13, 1999

CTEC Council Approval Not Required

**Responsibility: Curriculum Provider Standards Committee**