



To: California Companies Who Issue Tax Preparer Surety Bonds.

From: California Tax Education Council

Re: Change in Law

SB 1307, which was signed by the Governor and takes effect January 1st, 1999, changes the Tax Preparer bonding policy. For those who have issued bonds for more than two years, you will recognize these changes as the order for bonding, education and registration that existed for over two decades. Preparers will now get their bond first and then register with CTEC. They may obtain their bond before they complete their tax course, and must get it before they register with CTEC.

Students no longer need to complete their qualifying education tax class, get a completion certificate from the tax school, apply for and obtain a CTEC certificate, and then obtain a bond. They may obtain the bond while in school, receive their completion certificate from the tax school, use both the certificate and the bond to register with CTEC.

Tax preparers will continue to provide their clients with bonding information prior to rendering tax services. In addition, they will provide CTEC with the bond information at the time of registration or renewal. Tax clients who don't receive, or misplace their preparers' bond information, may obtain it from CTEC.

[Attached](#) for your review are the changes to the statute. If you have any questions please contact CTEC at (877) 850-CTEC.