

CALIFORNIA TAX EDUCATION COUNCIL

THE PROVIDER NEWSLETTER

DECEMBER 2020

Curriculum Provider Standards Committee

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RECAP - 2020 VIRTUAL ANNUAL BOARD MEETING

Committee Mission: The Curriculum Provider Standards Committee of the California Tax Education Council has responsibility for several of CTEC's statutory duties including: setting standards and procedures for curriculum providers, approving or denying schools as curriculum providers, enforcing compliance on the part of curriculum providers, and providing CTEC Registered Tax Preparers and the public with a list of approved curriculum providers.

CTEC itself does not provide education but relies on professional societies, the FTB, the IRS and various "approved curriculum providers" to supply the required qualifying and continuing education courses (CA B & P Code Section 22255). CTEC has, pursuant to this mandate, established standards, policies, and procedures that are designed to promote high-quality qualifying and continuing education.

These standards and policies are evaluated on a regular basis with the goal of improving the quality of education and, as a result, promoting quality tax return preparation.

All providers are required to familiarize themselves with CTEC's current policies. All CTEC policies can be found on the CTEC website at [Provider Policies - CTEC](#).

The following Curriculum Provider Standards Committee policies were revised and approved by the CTEC Board at the November 2020 Virtual Annual Board meeting:

CP02 – Curriculum Provider Application

Background: The California Tax Education Council (CTEC) is charged with the responsibility to implement and administer the provisions of the Tax Preparation Act (Division 8, Chapter 14 of the California Business and Professions Code Sections 22250-22259), hereinafter "the Act").

The following revisions to this policy are as follows: on page 2, under (f) – **Application Submission Contents**, number 9 – remove the following: **"including an explanation of why each correct answer is correct"**. The sentence will read: **Final exam with answer key.**

[Click on this link to view and download the approved CP02—Curriculum Provider Application.](#)

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Revised policies continued....

CP13A– Qualifying Education Courses

The following changes to this policy are as follows:

(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) 43 hours of QE in Federal tax subjects. ~~of which 2 hours is ethics.~~
- (2) 2 hours of QE in ethics
- (23) 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 Requirements:**

1. Each question must have a minimum of 4 possible answers.
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, **ethics** and California elements of the course.
- ~~4. The student must be tested separately for federal and California elements of the course.~~
A minimum of 10 questions is required for the **Ethics** examination, but the provider is free to have more than 10.
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~~ **215** questions is required for the Federal examination, but the provider is free to have more than ~~225~~ **215**.
4. One question must be devoted to each “required” subject ~~s and the one question from “awareness” subject listed~~ in the Qualifying Education Guidelines (see CP23A-Attachment). The balance of the minimum requirements listed at (c)(~~4~~ **3**) above may be chosen by the provider from the ~~“required” or “awareness”~~ topics.
5. **Final examination consist of one or more examinations administered during the course.** Successful completion of a QE course shall be demonstrated by answering 70% or more of the examination questions correctly.
6. 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.~~

Blue color = Addition

Red color = Deletion

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Revised policies continued....

CP23A—Qualifying Education Guidelines

It was agreed that the QE Guidelines should be considered a “living” document that would undergo changes due to ever changing tax law. The Curriculum Provider Standards Committee has formed a task force to review and update CP23(A) - Qualifying Education Guidelines policy to include newly updated tax law. Changes to this policy were reviewed and approved at the November 2020 Virtual Annual Board meeting. [Click here to view and download the revised approved copy of CP23A – Qualifying Education Guidelines.](#)

PERIODIC REVIEW...

Once every 3 years a CTEC approved curriculum provider is required to submit CE and QE courses for periodic review. Providers offering both CE and QE education must submit courses for each level (QE and CE). The provisions of this policy, CP14, shall be applied separately to the QE and CE courses of providers offering both. Curriculum providers subject to periodic review are notified no later than February 1st of the review year. Notification to curriculum providers subject to periodic review will be made by e-mail to the curriculum provider's last known email address.

Curriculum providers must submit the course materials and completed checklists electronically no later than June 30th of the year of notification as detailed in CP02. **Please remember that CTEC approved courses must remain in compliance at all times, not just during periodic review. CTEC does not provide assistance in developing a provider's course materials.**

IMPORTANT...

New legislative changes to CTEC requirements took effect July 1, 2020, requiring new applicants interested in becoming CRTPs to pass a criminal background check and submit fingerprint images to CTEC. If a CRTP allows their CTEC registration to expire and they would like to reregister with CTEC, they not only will be required to retake the 60-hour qualifying education (QE) course, but they will also be required to go through a background check and submit fingerprint images to CTEC.

The process to report QE education has not changed. Currently qualifying education providers report education to CTEC using the last name and the last six number of the student's social security number. At the November 2020 Annual Board meeting a task force was created to develop new process for providers to submit a student's qualifying education to CTEC. Once the process is in place an email will be sent out to all providers with instructions.

REMINDER...

Provider reporting requirements Method and Deadline for reporting: All CTEC approved providers are required to submit completed student education courses electronically to CTEC within 30 calendar days of completion between January 16 and June 30, and within 10 business days for any other period within the calendar year in which the student completes the course.

Update Guidelines: Tax law is constantly changing and any significant omission, related to the currency of the subject matter of the course, will cause a course to be disqualified. Therefore, all CTEC courses are required to be current according to policy CP32.

If a CRTP completed continuing education courses prior to registering with CTEC, those CE hours cannot be used toward the annual CE requirement. CE courses must be taken after an initial CTEC registration. Providers need to be sure that individuals signing up to comply with CTEC's annual CE requirements are currently CTEC registered and have a valid CTEC ID number.

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Attention Providers:

Make it clear to your students that you do not register them with CTEC. You, as a Provider, are submitting the education to CTEC, but your student/client has to take the final step to complete and pay for the CTEC registration. Providers, please verify the correct last name and last six digits of your student's social security number before uploading the 60-hour qualifying education course to CTEC. The name must match exactly on the Certificate of Completion you provide to your student.

Late Renewals Due January 15, 2021

Remind your students, who failed to meet the October 31, 2020 renewal deadline, they have until January 15, 2021 to complete the 20 hours of continuing education, pay the \$55 late fee, plus the \$33 registration fee, and renew late.

CRTPs who miss the January 15th deadline to renew late will have to start over--pass a criminal background check and submit fingerprint images to CTEC, PLUS retake the 60-hour qualifying education course, obtain a bond, provide proof of a PTIN from the IRS, and pay the \$33 registration fee.

Due to legislative changes that took effect as of July 1, 2020, CTEC cannot approve applicant status to register or reregister until they pass the background check. This process will take much longer so it is important not to let registrations expire!

Welcome our new CTEC Directors



Lee T. Reams, BSME, E.A. was appointed to the CTEC Board of Directors by the National Association of Enrolled Agents. Educated as an engineer, with a bachelor's degree in Mechanical Engineering, Lee left his engineering career in 1975 to expand his part-time tax practice into a full-time career with a tax practice of 700 clients.

Lee is a former Board Member of the California Tax Education Council, is a Past President of the San Fernando Valley Chapter of Enrolled Agents and over 20-year board member. Member and Past Director for the California Society of Enrolled Agents and former Director of Blackline Systems, father of 4, grandfather of 8, great grandfather of 16.



Ann Springborn was appointed to the CTEC Board of Directors by the National Association of Tax Professionals (NATP). She has been with NATP for over seven years, holding various positions.

In her current role as Education Manager, her focus is on continuing education standards and requirements imposed by various credentialing organizations, as well as educating the tax preparing community about the importance of continuing education.

Before joining NATP, Ann worked for several years as a staff accountant in private industry and almost ten years in a support role at a top ten certified public accounting firm. Ann has a BBA in Accounting from the University of Wisconsin – Whitewater and currently lives in Neenah, Wisconsin with her husband and son.



Yvette Rupp is a CTEC Registered Tax Preparer (CRTP) and has been in the tax industry since 2010. She has 30 years in the finance/mortgage industry. She has experience not only doing taxes but she has managed tax offices as well.

Yvette developed and grew to a District Manager in the Central Valley in 2014. Then, In 2018, Yvette became a franchise owner with Jackson Hewitt Tax Service. She currently has 6 locations through the Central Valley and Central Coast.

Yvette loves her work but she also enjoys time with family, friends, BBQing, and traveling. Anyone who knows Yvette, knows her love of Pugs and she's 'famous' for her salsa.

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CTEC MISSION STATEMENT

The California Tax Education Council (CTEC) will continue to protect the public by establishing professional tax education standards, approve tax education providers who comply with these standards, and facilitate tax preparer compliance.

CTEC PRODUCTS

- Logo Slicks
- CRTP email and mailing list
- 20" x 26" color CTEC poster
- CTEC Brochures—Know Your Tax Preparer (English & Spanish)
- CTEC 2018-2019 Annual Report (available now either online or by mail)

Call CTEC toll free 1-877-850-CTEC (2832) to request a free copy of the Annual Report.

CONTACT INFORMATION

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CTEC Board and Committee meetings are open to the public

May 20-21, 2021 Committee and Board meetings will be held in Sacramento, CA

May 19, 2021 – Curriculum Provider Task Force meeting

November 17 - 18, 2021 Committee and Board meetings will be held in Monterey, CA

All interested parties are invited to attend the meetings. Time will be allocated for members of the public to make comments on each agenda item (up to 5 minutes). The public may attend all board meetings of CTEC except during closed sessions. To make a request for more information or to submit comments to the Board, please contact Tabitha Bolkish at (877) 850-2832 or via email at tbolkish@ctec.org.

CTEC Board minutes are available online by going to www.ctec.org - select Tax Professionals - CTEC Board Meetings