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Registration Renewals Start Now

The 2020/2021 renewal registration cycle for CTEC Registered Tax Preparers (CRTPs) starts August 1, 2020 and ends **October 31, 2020**.

How do I renew online?

To renew online, click on the button **Click Here to Renew** located on the homepage.

To renew, you must have:

- Basic personal information
- Current bond information and bond certificate
- 20 hours of continuing education (10 hours of federal tax law, three hours of federal tax law updates, 2 hours of ethics and 5 hours of state) already uploaded into the CTEC database.
- A new or renewed IRS Preparer Tax Identification Number (PTIN)
- Visa or MasterCard to pay the \$33 registration fee

Note: Bonds MUST be uploaded through your account on the CTEC website.

AVOID THIS MISTAKE! Last year many CRTPs logged into their account, however,

instead of following the renewal steps, they "reprinted" their CTEC certificate for \$10 and thought they registered. Renewals can only be completed by following the listed steps and paying the \$33 registration fee! No exceptions.

What if my education has not been reported?

To renew online all of your education must have been electronically reported to CTEC by your education provider. If your education is not showing up, call your education provider(s) to upload the hours into the system. Remember CTEC policy allows education providers 10 days from the date

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CRTPs Must Report Paid Bond Claims

CRTPs are now required to report all paid claims against their surety bond to CTEC. CTEC is also required to post a notice of the paid surety bond claims on ctec.org.

New 2020 Requirements Alert

Background Checks and Fingerprint Images – Effective July 1, 2020

California Business & Professions Code Section 22251.3 was amended to require **new applicants** interested in becoming CRTPs to pass a criminal background check and submit fingerprint images to CTEC to determine an individual's eligibility to register as a CRTP. The new requirements are **NOT applicable to current CRTPs**, only **new** applicants who

register on or after July 1, 2020.

Also beginning July 1, 2020, 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 resubmit fingerprint images to CTEC.

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the course was completed to report hours earned so please plan ahead.

Is unused education from last year accepted?

CTEC's registration cycle runs from November 1st through October 31st of each year, which means any education taken between those dates is good for the current registration cycle.

For example, did you complete a course on or after November 1, 2019? Any unused education completed from that date until October 31, 2020 can be used towards the new 2020/2021 CTEC renewal cycle.

CTEC education providers do not register you with CTEC. They are only submitting the education to CTEC. You have to make the final step to complete

your registration, which also includes paying the CTEC \$33 renewal fee.

Am I required to display my certificate?

All current certificates must be made visible to consumers at the primary

place of business. CTEC certificates can be displayed at the entrance, on desks or another conspicuous location where business activities are performed.

Late Renewals Due January 15th

CRTPs who fail to meet the October 31, 2020 renewal deadline have until January 15, 2021 to pay the \$55 late fee, plus the \$33 registration fee and renew late.

Missed the Late Renewal Deadline? What to Know...

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!

UPDATE ON AB1140

AB1140, authored by Assemblyman Mark Stone, was taken off this year's legislative calendar mainly due to the COVID19 pandemic. As most of you know, this was a discriminatory bill to CRTPs. Thanks to all our CRTPs for the calls and letters they sent to Assemblyman Stone's office indicating

their opposition to this bill. We will be monitoring the new legislative session, which begins in January 2021, to see if this bill will be reintroduced. If it is, we will send out email alerts to all our CRTPs indicating what steps need to be taken. Please watch your emails for these alerts!

Reminder: New Requirements In Effect

Disciplinary Actions

CTEC is now required to post on the ctec.org website...

- All disciplinary actions taken against registrants by the Council, including – but not limited to –

misconduct that results in a suspension or revocation of a CRTP registration.

- A list of registrants on probation, including the misconduct that resulted in the probation and any terms of probation.

Mark Your Calendar! You are Invited!

CTEC meetings are open to the public

November 18-20, 2020
Dana Point, CA

May 19 - 21, 2021
Sacramento, CA

Please call **877-850-2832** if you would like to attend.

@CATaxEdCouncil



Public Awareness Increases Awareness Against Ghost Tax Preparers

CTEC continued its campaign to warn taxpayers about tax preparers who do not sign tax returns, also known as "ghost tax preparers." CTEC launched a statewide media relations, Internet and social media campaign, as well as expanded its advertising campaign to new markets through outdoor and radio advertisements.

Billboards and bus shelter signs were

posted in Los Angeles, San Bernardino, Riverside and Orange Counties. Billboards were also posted in Sacramento, San Diego, Santa Clarita, Alameda and Contra Costa Counties. BART signs ran in the San Francisco market.

A radio campaign ran in Los Angeles, Sacramento, San Diego, Fresno, Bakersfield and Salinas markets.

In addition to the ghost tax preparer campaign, social media posts and Internet advertisements (English and Spanish) were posted to educate taxpayers on how to find a California approved tax preparer.

Due to the COVID-19 pandemic, the CTEC public awareness campaign was extended until the July 15th tax deadline. The final results are still being processed.

2019/2020 Enforcement Results

Unregistered tax preparers who are caught preparing, or assisting with preparing, tax returns for a fee will be issued a \$2,500 penalty letter from the Franchise Tax Board (FTB). They have 90 days to register with CTEC before the penalty is enforced.

If a tax preparer does not comply, the \$2,500 penalty is assessed. If a tax preparer still fails to comply the next year, a

\$5,000 penalty will be issued each year until they either register with CTEC or agree to stop preparing tax returns for a fee.

CTEC pays for the entire enforcement program. All penalties collected by FTB are deposited into the state's general fund.

To report an unregistered tax preparer, visit **ctec.org**.

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