



For Immediate Release

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New California Legislation Impacts 40,000 Tax Preparers

The California Tax Education Council will start posting disciplinary actions on its website

Sacramento, CA (June 27, 2019)— California Assembly Bill 3143 aims to increase the protection of taxpayers by adding new provisions and responsibilities for the [California Tax Education Council \(CTEC\)](#), as well as tax preparers registered with the program.

“The Tax Preparation Act gives the council more leeway to protect taxpayers by requiring transparency on disciplinary actions,” said Susie DiMaggio, chair of CTEC, a state-mandated nonprofit organization that manages the registration of 40,000 unlicensed tax preparers.

Effective July 1st, CTEC will post on its website all disciplinary actions taken against a [CTEC-registered tax preparer \(CRTP\)](#) by the council, including misconduct that results in suspending or revoking a registration. CTEC is also required to post a list of CRTPs on probation that specifies the reason why and the terms.

In addition to posting disciplinary actions, the new law requires CRTPs to report all paid claims against their surety bond to CTEC. CTEC will post a listing of those claims on its website.

To obtain a CTEC registration, CRTPs must pass a 60-hour qualifying tax education course, purchase a \$5,000 surety bond to protect taxpayers against fraud, plus obtain a [Preparer Tax Identification Number \(PTIN\)](#) from the [Internal Revenue Service](#). After their initial registration, CRTPs are required to maintain their bond and PTIN, plus complete 20 hours of continuing education each year before they can renew with CTEC.

“California is one of only a handful of states to tackle this kind of oversight. It’s been an evolving process that is starting to catch on. More states are looking to implement their own program for the very same reason California did. To protect taxpayers,” DiMaggio said.

All disciplinary actions against CRTPs will be posted on ctec.org starting in July.

CTEC is a nonprofit organization established in 1997 by the California State Legislature to protect taxpayers against fraud and incompetent tax preparers. Only licensed [attorneys](#), [certified public accountants \(CPAs\)](#) and [enrolled agents \(EAs\)](#) are exempt from CTEC registration.

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