

MARYLAND REGISTER

Proposed Action on Regulations

Transmittal Sheet PROPOSED OR REPROPOSED Actions on Regulations	Date Filed with AELR Committee	TO BE COMPLETED BY DSD
		Date Filed with Division of State Documents
		Document Number
		Date of Publication in MD Register

1. Desired date of publication in Maryland Register: 7/24/2015

2. COMAR Codification

Title Subtitle Chapter Regulation

09 38 01 01--.03

3. Name of Promulgating Authority

Department of Labor, Licensing, and Regulation

4. Name of Regulations Coordinator

Jessica V Carter

Telephone Number

410-230-6112

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500 N. Calvert Street, Suite 406

City State Zip Code

Baltimore MD 21202

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jessica.carter1@maryland.gov

5. Name of Person to Call About this Document

Douglas Blackstone

Telephone No.

410-230-6244

Email Address

douglas.blackstone@maryland.gov

6. Check applicable items:

New Regulations

Amendments to Existing Regulations

Date when existing text was downloaded from COMAR online: 05/29/2015.

Repeal of Existing Regulations

Recodification

Incorporation by Reference of Documents Requiring DSD Approval

Reproposal of Substantively Different Text:

: Md. R
(vol.) (issue) (page nos) (date)

Under Maryland Register docket no.: --P.

7. Is there emergency text which is identical to this proposal:

Yes No

8. Incorporation by Reference

Check if applicable: Incorporation by Reference (IBR) approval form(s) attached and 18 copies of documents proposed for incorporation submitted to DSD. (Submit 18 paper copies of IBR document to DSD and one copy to AELR.)

9. Public Body - Open Meeting

OPTIONAL - If promulgating authority is a public body, check to include a sentence in the Notice of Proposed Action that proposed action was considered at an open meeting held pursuant to State Government Article, §10-506(c), Annotated Code of Maryland.

OPTIONAL - If promulgating authority is a public body, check to include a paragraph that final action will be considered at an open meeting.

10. Children's Environmental Health and Protection

Check if the system should send a copy of the proposal to the Children's Environmental Health and Protection Advisory Council.

11. Certificate of Authorized Officer

I certify that the attached document is in compliance with the Administrative Procedure Act. I also certify that the attached text has been approved for legality by Matthew A. Lawrence, Assistant Attorney General, (telephone #410-230-6137) on 06/01/2015. A written copy of the approval is on file at this agency.

Name of Authorized Officer

Douglas Blackstone

Title

Executive Director

Telephone No.

410-230-6244

Date

05/29/2015

Title 09
DEPARTMENT OF LABOR, LICENSING, AND
REGULATION

Subtitle 38 STATE BOARD OF INDIVIDUAL TAX PREPARERS

09.38.01 General Regulations

Authority: Business Occupations and Professions Article, §§21-101, 21-203, 21-205, 21-207 and 21-301--21-304, Annotated Code of Maryland, Section 6, Ch. 623, Acts of 2008

Notice of Proposed Action

[]

The State Board of Individual Tax Preparers proposes to amend Regulations .01 and .02 under COMAR 09.38.01 and repeal Regulation .03 under COMAR 09.38.01 General Regulations.

This action was considered at a public meeting held on May 11, 2015, notice of which was given by publication in 42:9 Md. R. 667 (May 1, 2015) pursuant to General Provisions Article, § 3-302(c), Annotated Code of Maryland.

Statement of Purpose

The purpose of this action is to : 1) change the definition of "Examination" in COMAR 09.38.01.01A(3) from the examination prepared by the Internal Revenue Service, which is no longer available, to the current Maryland Registered Tax Preparer Examination prepared and offered by the Board as of August 1, 2014; 2) establish the passing score for the Maryland Registered Tax Preparer Examination; 3) give examination credit to individuals who passed the Registered Tax Return Preparer Examination offered by the Internal Revenue Service from November 30, 2011, through January 18, 2013; 4) establish the enforcement date for the Examination requirement; and 5) repeal the regulation granting a Maryland Individual Tax Preparer registration to an individual with an active Federal registration.

Comparison to Federal Standards

There is no corresponding federal standard to this proposed action.

Estimate of Economic Impact

I. Summary of Economic Impact.

Each application for Registration as an Individual Tax Preparer carries a \$100 application fee. Beginning January 2016, applicants will be required to pass the exam before completing the application for Maryland Registration and paying the \$100 application fee. This may limit the number of applications. On the other hand, it may spread the Board's income stream more equally throughout the year. The fee to take the

Maryland exam is \$65, paid directly to the company that administers the exam. The fee to take the discontinued IRS exam was \$116.

II. Types of Economic Impact.	Revenue (R+/R-)	
	Expenditure (E+/E-)	Magnitude
<hr/>		
A. On issuing agency:	NONE	
B. On other State agencies:	NONE	
C. On local governments:	NONE	
	Benefit (+)	Magnitude
	Cost (-)	
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D. On regulated industries or trade groups:		
Exam Fee	(+)	\$65
E. On other industries or trade groups:	NONE	
F. Direct and indirect effects on public:	NONE	

III. Assumptions. (Identified by Impact Letter and Number from Section II.)

- A. Indeterminable
- D. Exam Fee

Economic Impact on Small Businesses

The proposed action has minimal or no economic impact on small businesses.

Impact on Individuals with Disabilities

The proposed action has an impact on individuals with disabilities as follows: The exam is given at 6 centers throughout Maryland. Individuals with disabilities may have difficulty attending one of the centers; however, all examination centers are equipped to provide access in accordance with the Americans with Disabilities Act (ADA) of 1990. Applicants with disabilities or those who would otherwise have difficulty taking the examination may request special examination arrangements.

Opportunity for Public Comment

Comments may be sent to Douglas Blackstone, Executive Director, State Board of Individual Tax Preparers, 500 N. Calvert St. Baltimore, MD 21202, or call 410-230-6244, or email to douglas.blackstone@maryland.gov, or fax to 410-333-6314. Comments will be accepted through August 24, 2015. A public hearing has not been scheduled.

Open Meeting

Final action on the proposal will be considered by the Board during a public meeting to be held on October 19, 2015, 1:00 PM, at 500 N. Calvert Street, 3rd Fl. Conf. Rm., Baltimore, MD.

Economic Impact Statement Part C

A. Fiscal Year in which regulations will become effective: FY 2016

B. Does the budget for the fiscal year in which regulations become effective contain funds to implement the regulations?

Yes

C. If 'yes', state whether general, special (exact name), or federal funds will be used:

Special Fund: Individual Tax Preparer Fund

D. If 'no', identify the source(s) of funds necessary for implementation of these regulations:

E. If these regulations have no economic impact under Part A, indicate reason briefly:

F. If these regulations have minimal or no economic impact on small businesses under Part B, indicate the reason and attach small business worksheet.

The Examination Fee of \$65 is the only additional fee required.

G. Small Business Worksheet:

Attached Document:

Title 09 DEPARTMENT OF LABOR, LICENSING AND REGULATION

Subtitle 38 STATE BOARD OF INDIVIDUAL TAX PREPARERS

01 General Regulations

Authority: Business Occupations and Professions Article, §§21-101, 21-203, 21-205, 21-207 and 21-301-- 21-304, Annotated Code of Maryland; Section 6, Ch. 623, Acts of 2008

.01 The Board.

A. In this chapter, the following terms have the meanings indicated:

(1)--(2) (text unchanged)

(3) "Examination" means the *Maryland Registered Tax Preparer* examination [prepared] given by the [Internal Revenue Service] Board.

B.--C. (text unchanged)

.02 [Waiver of] *The Examination.*

A. The passing score for the examination is 70 percent.

B. After December 31, 2015, an individual shall pass the examination given by the Board in order to qualify for a registration unless the individual meets the requirements of §D of this regulation.

C. An individual who has passed the Registered Tax Return Preparer examination given by the Internal Revenue Service from November 1, 2011, through January 18, 2013, shall be considered to have passed an examination equivalent to that given by the Board.

[A.] *D. [In General] Waiver of Examination.* The Board shall grant a waiver of the examination requirement to any individual who:

(1)--(5) (text unchanged)

[B.] *E. Qualifying Experience.*

(1) In order to meet the requirements of §[A]D(3) of this regulation, an applicant shall have completed:

(a)--(b) (text unchanged)

(2)--(3) (text unchanged)

[C.] *F. (text unchanged)*

[D.] *G. Reporting and Controls.*

(1) An applicant for waiver of the examination shall certify under penalty of perjury that the applicant meets the requirements set forth in §[A]D of this regulation.

(2)--(3) (text unchanged)

FREDRIC BADER, CHAIR
State Board of Individual Tax Preparers