

Department of Legislative Services
Maryland General Assembly
2009 Session

FISCAL AND POLICY NOTE

House Bill 24
Economic Matters

(Delegate Krysiak)

Individual Tax Preparers - Registration Requirements

This bill eliminates the requirement that individual tax preparers pay past due renewal fees prior to reinstatement.

The bill also eases the continuing education requirements under which individual tax preparers receive a waiver of registration examination requirements. Under the bill, an individual receives a waiver if he or she completes at least eight hours of continuing education during his or her career, rather than annually. Other requirements for a waiver remain unchanged.

Fiscal Summary

State Effect: No meaningful effect on revenues or expenditures.

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Current Law: Chapter 623 of 2008 established the State Board of Individual Tax Preparers. According to the Department of Labor, Licensing, and Regulation (DLLR), Chapter 623 of 2008 has not been implemented and funds have not been appropriated in the fiscal 2009 budget or the Governor's proposed fiscal 2010 budget.

Once the board is established, individuals will be required to register with the board before providing individual tax preparation services in the State. To qualify, an

individual must pass an examination equivalent to the Special Enrollment Examination prepared by the Internal Revenue Service, be a high school graduate, and pay a registration fee. Registration will be valid for two years; a continuing education requirement must be fulfilled for renewal.

If the individual's registration lapses, he or she must pay the board all past due renewal fees, a reinstatement fee, and comply with the continuing education requirements established by the board.

The board must grant a waiver of the examination requirements for registration to any individual who has at least 15 consecutive years of individual tax preparation experience, completes at least eight hours of annual continuing education, and is in good standing with the Internal Revenue Service, DLLR, the Office of the Comptroller, and the Office of the Attorney General.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Comptroller's Office; Department of Labor, Licensing, and Regulation; Office of Administrative Hearings; Department of Legislative Services

Fiscal Note History: First Reader - February 6, 2009
mcp/mcr

Analysis by: Michael T. Vorgetts

Direct Inquiries to:
(410) 946-5510
(301) 970-5510