

HOUSE BILL 873

C2

0lr3202
CF SB 555

By: **Delegate Davis**

Introduced and read first time: February 10, 2010

Assigned to: Economic Matters

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 23, 2010

CHAPTER _____

1 AN ACT concerning

2 **Business Occupations and Professions – Individual Tax Preparers –**
3 **~~Registration~~ Examination Requirements**

4 FOR the purpose of ~~requiring a person applying for a registration to provide individual~~
5 ~~tax preparation services, if required by regulations adopted by the State Board~~
6 ~~of Individual Tax Preparers, to complete successfully a certain tax preparation~~
7 ~~program; requiring the Board to prepare, in consultation with the Department~~
8 ~~of Labor, Licensing, and Regulation and representatives of the tax preparation~~
9 ~~industry, a certain examination;~~ repealing certain requirements relating to the
10 examination to be given by the ~~Board~~ State Board of Individual Tax Preparers
11 to an applicant for registration to provide individual tax preparation services;
12 and generally relating to ~~registration~~ examination requirements for individual
13 tax preparers.

14 ~~BY repealing and reenacting, without amendments,~~
15 ~~Article – Business Occupations and Professions~~
16 ~~Section 21-301 and 21-303~~
17 ~~Annotated Code of Maryland~~
18 ~~(2004 Replacement Volume and 2009 Supplement)~~

19 BY repealing and reenacting, with amendments,
20 Article – Business Occupations and Professions
21 Section ~~21-302~~ and 21-304(d)
22 Annotated Code of Maryland
23 (2004 Replacement Volume and 2009 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
2 MARYLAND, That the Laws of Maryland read as follows:

3 **Article – Business Occupations and Professions**

4 ~~21-301.~~

5 ~~An individual shall be registered by the Board before the individual may~~
6 ~~provide individual tax preparation services in the State.~~

7 ~~21-302.~~

8 ~~(a) To qualify for a registration, the applicant shall be an individual who~~
9 ~~meets the requirements of this section.~~

10 ~~(b) The applicant shall be of good character and reputation.~~

11 ~~(c) The applicant shall be at least 18 years old.~~

12 ~~(d) The applicant shall possess a high school diploma or have passed an~~
13 ~~equivalency examination.~~

14 ~~(e) Except as otherwise provided in this subtitle, the applicant shall:~~

15 ~~(1) pass an examination given by the Board under this subtitle; AND~~

16 ~~(2) IF REQUIRED BY REGULATIONS ADOPTED BY THE BOARD,~~
17 ~~SUCCESSFULLY COMPLETE A TAX PREPARATION PROGRAM THAT IS APPROVED~~
18 ~~BY THE MARYLAND HIGHER EDUCATION COMMISSION.~~

19 ~~21-303.~~

20 ~~An applicant for a registration shall:~~

21 ~~(1) submit to the Board an application on the form that the Board~~
22 ~~provides; and~~

23 ~~(2) pay to the Board or the Board's designee an examination fee set by~~
24 ~~the Board in an amount not to exceed the cost of the required examination.~~

25 ~~21-304.~~

26 ~~(a) An applicant who otherwise qualifies for a registration is entitled to be~~
27 ~~examined as provided in this section.~~

1 ~~(B) THE BOARD SHALL PREPARE, IN CONSULTATION WITH THE~~
2 ~~DEPARTMENT AND REPRESENTATIVES OF THE TAX PREPARATION INDUSTRY,~~
3 ~~AN EXAMINATION THAT MEASURES THE APPLICANT'S KNOWLEDGE OF~~
4 ~~MARYLAND AND FEDERAL INCOME TAX LAW THEORY AND PRACTICE.~~

5 ~~[(b)] (C) The Board shall give examinations to applicants at least twice a~~
6 ~~year, at the times and places that the Board determines.~~

7 ~~[(e)] (D) The Board shall give each qualified applicant notice of the time~~
8 ~~and place of examination.~~

9 ~~21-304.~~

10 ~~[(d)] (1) The Board shall give the examination prepared by the Internal~~
11 ~~Revenue Service or an equivalent examination by an independent national or state~~
12 ~~regulatory authority as determined by the Board.~~

13 ~~(2) The examination given under paragraph (1) of this subsection may~~
14 ~~not be less stringent than the Individuals section of the Special Enrollment~~
15 ~~Examination for enrolled agents.]~~

16 ~~(e) The Board shall adopt regulations that establish the passing score for an~~
17 ~~examination.~~

18 ~~[(f)] (1) The Board shall notify each applicant of the applicant's~~
19 ~~examination score.~~

20 ~~(2) Any applicant who requests an appointment within 60 days after~~
21 ~~the date on which notification is sent may review the applicant's answers to the~~
22 ~~examination.~~

23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
24 ~~October~~ July 1, 2010.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.