

**REVENUE: No revenue impact**

**FISCAL: No fiscal impact**

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<b>Action:</b>	Do Pass as Amended, Be Printed Engrossed, and Rescind the Subsequent Referral to the Committee on Ways and Means
<b>Vote:</b>	8 - 0 - 0
<b>Yeas:</b>	Conger, Doherty, Esquivel, Hoyle, Johnson, Matthews, Kennemer, Schaufler
<b>Nays:</b>	0
<b>Exc.:</b>	0
<b>Prepared By:</b>	Theresa Van Winkle, Administrator
<b>Meeting Dates:</b>	2/23, 4/11, 4/13

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**WHAT THE MEASURE DOES:** Requires a tax consultant or tax preparer license applicant to possess a preparer tax identification number issued by the Internal Revenue Service. Increases the required amount of time a tax preparer must have worked prior to applying for a tax consultant license from 780 hours worked for at least two of the past five years to 1,100 hours for the same timeframe. Establishes an operative date of July 1, 2012 for the increased minimum hours of work experience requirement.

**ISSUES DISCUSSED:**

- Rationale behind the increased level of work experience requirement
- Difference between a tax preparer and a tax consultant

**EFFECT OF COMMITTEE AMENDMENT:** Changes the terminology of “individual tax identification number” to “preparer tax identification number.” Establishes an operative date of July 1, 2012 for provisions pertaining to the increased minimum hours of work experience standard. Clarifies that the new standard applies to applications for licensing as a tax consultant submitted on or after the operative date.

**BACKGROUND:** The Internal Revenue Service (IRS) is in the process of implementing the first steps of its new Tax Practitioner licensure program, which requires any person who prepares tax returns for a fee to register for a Personal Tax Identification Number (PTIN). House Bill 2066-A codifies this new requirement.

In an effort to ensure that a licensed tax preparer is adequately prepared and has an ample amount of experienced under a licensed tax practitioner before they are allowed to qualify for taking the Licensed Tax Consultant Exam, House Bill 2066-A increases the minimum hours of experience required for licensure from 780 to 1,100 hours. The measure also eliminates an erroneous reference to Oregon Revised Statutes regarding the required license fees for a tax consultant or tax preparer application.