

House Committee, Business & Labor
Oregon State Board of Tax Practitioners
On HB 2214

Issue no. 1: Employees of attorneys at law are subject to licensure by the board.

Background: The board currently exempts from licensure Certified Public Accountant, Public Accountants and Public accounting firms registered in Oregon. We also exclude the employees of CPAs, PAs, or registered public accounting firms. The board also exempts any attorney at law rendering services in the performance of the duties of an attorney at law.

Requested change: The Board seeks to add to this list of those exempt from licensure the employees of an attorney at law.

Stakeholders: The Oregon State Bar has submitted to this committee their support of this bill.

Issue no. 2: Enrolled Agents with little or no actual experience preparing income tax returns are allowed, after passing the Board's exam, to become licensed as a Tax Consultant and work without any supervision and, in fact, supervise Licensed Tax Preparers.

Background: The normal route to becoming a Licensed Tax Consultant requires an individual to work a minimum of 1,100 hours in preparing, advising or assisting in the preparation of personal income tax return under the supervision of more experienced tax practitioners and pass a 200 question board administered exam. An alternate route to become a Licensed Tax Consultant is to pass the federal Enrolled Agent Exam and pass the 50 question consultant state only exam administered by the board. Currently there are no statutory requirements to have any experience preparing income tax returns if one has passed the Enrolled Agent exam.

Requested change: The board seeks to require Enrolled Agents to verify they have at least 360 hours of experience preparing, advising or assisting in the preparation of personal income tax returns to qualify to take the Oregon Consultant State Only exam. The board believes this change is in the best interest to consumers in Oregon. There is no substitute for real life experience. Although a person may be book smart and able to pass both the federal and state exams, their lack of actual experience poses a risk to consumers.

Although this will affect a small number of Enrolled Agents taking the Consultant State Only exam the additional requirement ensures consumers the Licensed Tax Consultant has not only the basic knowledge of tax law by having passed 2 tests by has acquired a minimal level of actual experience preparing income tax returns.