

Board of Tax Practitioners

PRESENTATION TO JOINT COMMITTEE ON WAYS & MEANS –
SUBCOMMITTEE ON GENERAL GOVERNMENT

MARCH 5, 2019



Agency Mission

The Oregon Board of Tax Practitioners protects consumers by ensuring Oregon tax practitioners are competent and ethical in their professional activities.

Core Values

- Service excellence
- Operational efficiency
- Honesty & integrity

Board Overview

History

- Established in 1973 by the Oregon Legislature
- First state in the nation to require education and licensing for paid tax preparers
- Licensing and education requirements exceed those of the IRS
- Oregon is widely recognized across the U.S. as the gold standard for regulation of tax practitioners

Two Individual Licenses

- Licensed Tax Preparer = entry level, must be supervised
- Licensed Tax Consultant = supervises preparers and/or works independently

Two Business Registrations

- Main office
- Branch offices

Revenues

- Completely self-funded through licensing fees, exam fees and civil penalties
- Last fee increase in 2008

Board Composition

Seven volunteer board members with three-year terms

- Six Licensed Tax Consultants with at least 5 years of experience
- One public member
- Chair is elected by Board members and serves a one-year term
- Board meets at least 5 times a year

Three professional staff

- Executive director (1.0 FTE)
- Licensing Specialist (1.0 FTE)
- Administrative Specialist (0.5 FTE)

Programs & Services

Licensing

- 1,735 active licensed tax consultants
- 1,611 active licensed tax preparers
- 1,265 active businesses & branch offices

Exams & Education

- Administer approximately 800 licensing exams each year
- Review & approve tax courses required for licensure
- Ensure licensees complete 30 hours of continuing education annually

Consumer Protection & Compliance

- Respond to consumer complaints and investigate unlicensed activity
- Conduct unannounced site visits
- Seek restitution for consumers and/or civil penalties for practitioners

Partnerships

Oregon Department of Revenue

Oregon Department of Justice

Oregon Secretary of State

Oregon Employment Department

Internal Revenue Service

Local law enforcement

Licensing agencies in California, Connecticut, Maryland, New York and Nevada

Key Performance Measures

1. 97.1% of license applications processed within two days of receipt (~4,700 annually)
2. 96.6% of exam applications processed within two days of receipt (~850 annually)
3. 99.5% compliance with continuing education requirements
4. 93.2% of complaints responded to within three days of receipt
5. Customer satisfaction > 95%
6. Percent of governance best practices used by agency = 100%

Recent Efficiency Initiatives

Reduced expenses

- 21.6% reduction from 2017-19 Current Service Level
- 31% reduction in lease costs

Automated business processes and workflows

- Streamlined licensing exam process

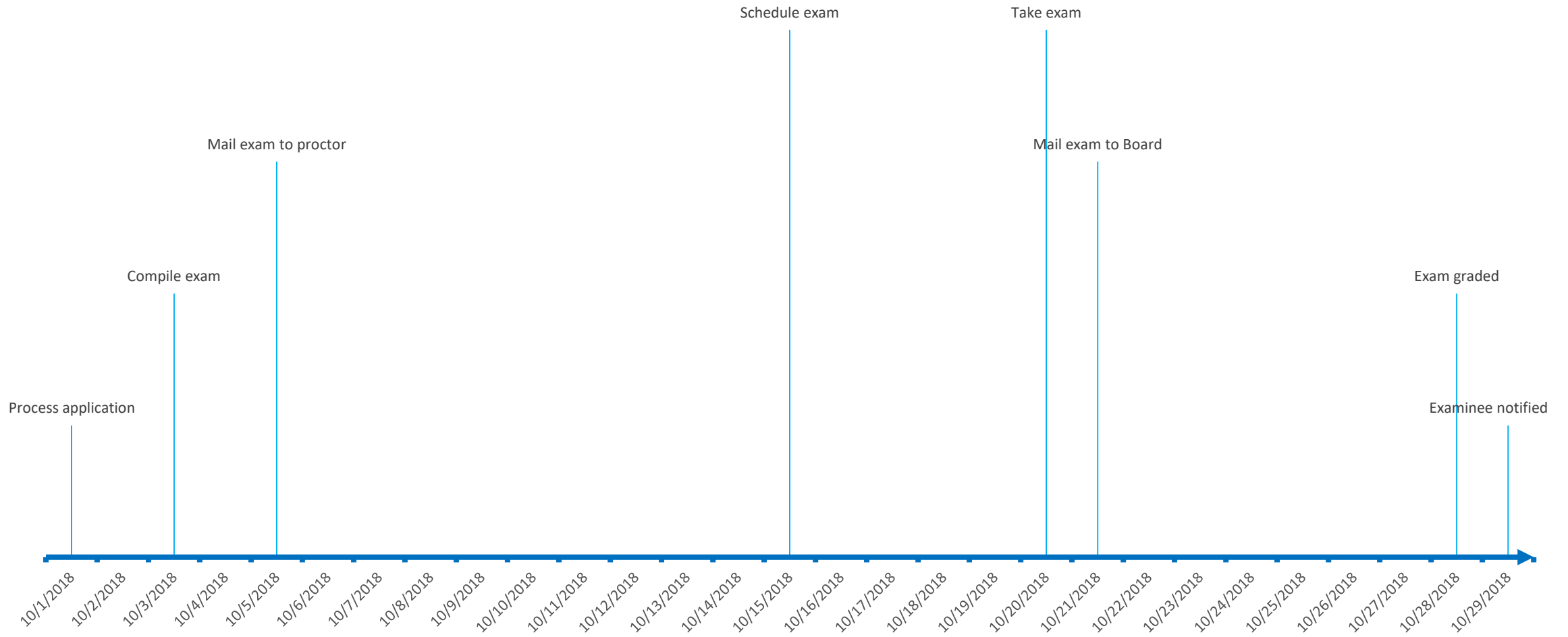
Redistributed work assignments and consolidated job duties

- Reduced staffing from 4.0 FTEs to 2.5 FTEs

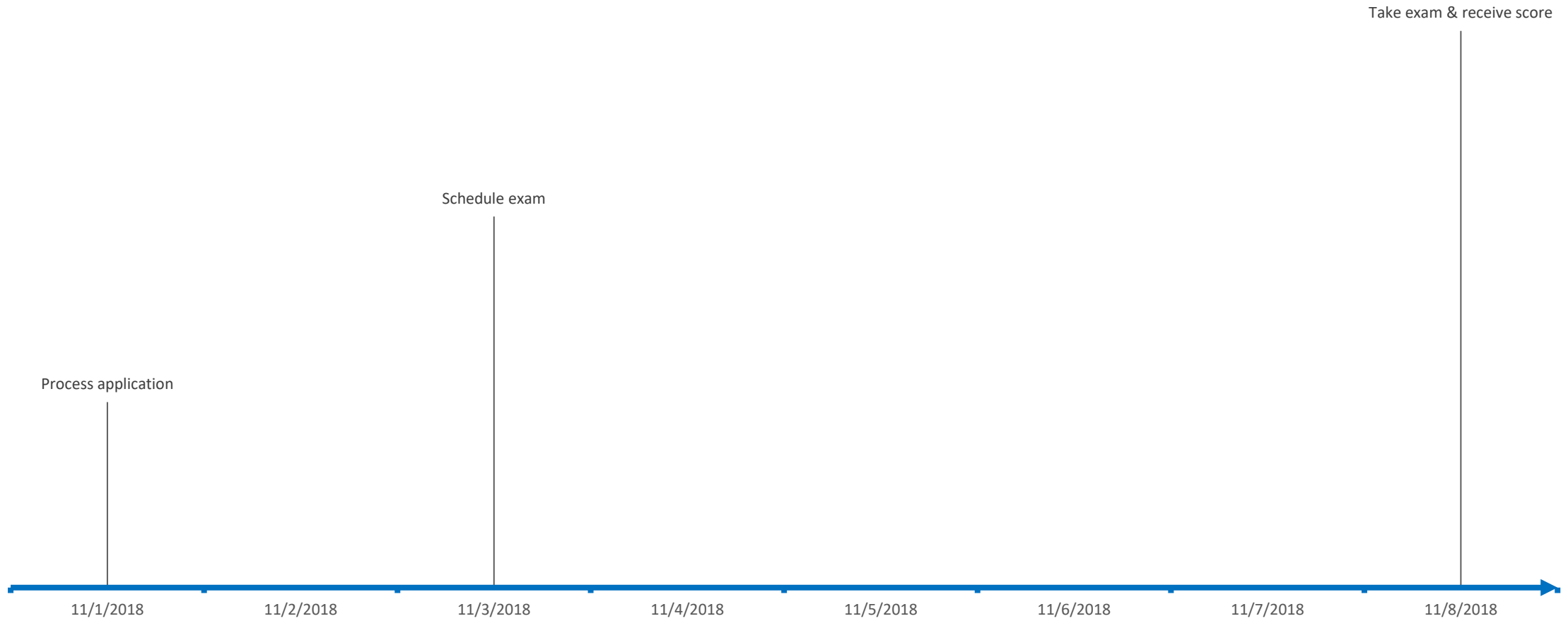
Reengineered complaints/compliance/investigation processes

- Emphasized informal resolution process that significantly reduced staff time and legal costs and increased collections on civil penalties

Old Exam Process



New Exam Process As of November 2018



Current Initiatives

- Encourage online license renewals
- Continue transition to paperless office
- Evaluate and improve tax courses and instruction
- Improve and update licensing exams
- Expand voluntary compliance
- Promote settlement agreements when appropriate
- Increase collections on civil penalties

Questions?

... Thank you