

HB 5037 STAFF MEASURE SUMMARY

Joint Committee On Ways and Means

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Meeting Dates: 3/5, 3/13, 3/22

WHAT THE MEASURE DOES:

Modifies fees assessed by the Oregon Board of Tax Practitioners for Licensed Tax Preparer (LTP) and Licensed Tax Consultant (LTC) examinations. Under the new fee structure, LTPs and LTCs both pay a \$60 Exam Application Fee for review of their credentials by the Board. Once approved to take a licensing exam by the Board, the applicant pays an Exam Proctoring Fee directly to the test proctoring company; this fee will be \$50 for LTPs and \$85 for LTCs. Revenues that fund Board operations are anticipated to decrease by \$3,750 per biennium under this new fee structure.

ISSUES DISCUSSED:

- Pass-through revenues and expenditures associated with licensing exam proctoring fees will continue to be accounted for in the state's accounting system

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

In 2018, the Oregon Board of Tax Practitioners outsourced licensing exam administration to a company called PSI in order to reduce administrative tasks for the Board and provide the exams in Spanish. As part of the contract with PSI, the Board changed their fee structure. Those who would like to take the exam to become a Licensed Tax Preparer or Licensed Tax Consultant must first pay an application fee of \$60 to the Board. The Board will then review the applicant's credentials and if the applicant meets the qualifications to take the exam, they will be directed to PSI to register for the exam. The applicant then pays PSI a proctoring fee of \$50 for tax preparers and \$85 for tax consultants.

Under previous practice, universities and community colleges served as proctor sites for the Board's licensing exams. Proctor fees were paid to the Board by the examinee and the proctor sites invoiced the Board for payment of the proctoring fees after examinees completed the exam. Under contract with PSI, proctor fees are paid directly to PSI.

The exam application fees were last increased in 2008, and the exam proctoring fees were last increased in 2014.