

**Enrolled**  
**House Bill 2338**

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of Governor Tina Kotek for State Board of Tax Practitioners)

CHAPTER .....

AN ACT

Relating to tax preparation professionals; creating new provisions; and amending ORS 673.605, 673.615, 673.660, 673.667, 673.685, 673.697, 673.700, 673.705 and 673.730.

**Be It Enacted by the People of the State of Oregon:**

**SECTION 1.** ORS 673.605 is amended to read:

673.605. As used in ORS 673.605 to 673.740 unless the context requires otherwise:

(1) "Board" means the State Board of Tax Practitioners created by ORS 673.725.

(2)(a) "Facilitator" means a person that individually or in conjunction or cooperation with another person processes, receives or accepts for delivery an application for a refund anticipation loan or a check in payment of refund anticipation loan proceeds or in any other manner materially facilitates the making of a refund anticipation loan.

(b) "Facilitator" does not mean a financial institution as defined in ORS 706.008, a person who has been issued a license under ORS chapter 725, an affiliate that is a servicer for a financial institution or for a person issued a license under ORS chapter 725, a person issued a certificate as a certified public accountant or licensed as a public accountant by the Oregon Board of Accountancy, or any person that acts solely as an intermediary and does not deal with a taxpayer in the making of a refund anticipation loan.

(3) "Lender" means a person that makes a refund anticipation loan with the person's own funds or a line of credit or other funding from a financial institution as defined in ORS 706.008, but does not include a financial institution as defined in ORS 706.008.

(4) "Refund anticipation loan" means a loan that the lender arranges to be repaid directly from the proceeds of the taxpayer's federal or state personal income tax refund.

(5)(a) "Refund anticipation loan fee" means the charges, fees or other consideration charged or imposed by the lender or facilitator for the making of a refund anticipation loan.

(b) "Refund anticipation loan fee" does not mean any charge, fee or other consideration usually charged or imposed by the facilitator in the ordinary course of business for nonloan services, including fees for tax return preparation and fees for electronic filing of tax returns.

**(6) "Registered tax aide" means any person who is registered under ORS 673.605 to 673.740 as a registered tax aide.**

[(6)] (7) "Tax consultant" means a person who is licensed under ORS 673.605 to 673.740 to prepare or advise or assist in the preparation of personal income tax returns for another and for valuable consideration.

[(7)] (8) "Taxpayer" means an individual who files a federal or Oregon personal income tax return.

[8] (9) "Tax preparer" means any person who is licensed under ORS 673.605 to 673.740 as a tax preparer.

**SECTION 2.** Sections 3 and 4 of this 2025 Act are added to and made a part of ORS 673.605 to 673.740.

**SECTION 3. Registered tax aides; application; issuance of certificates.** (1) The State Board of Tax Practitioners may issue a certificate to a person who qualifies as a registered tax aide if the individual:

- (a) Submits an application in the manner prescribed by the board;
- (b) Is 18 years of age or older;
- (c) Has earned at least a high school diploma or its equivalent, as indicated by evidence of the following, in a form deemed sufficient by the board:
  - (A) Completion of high school or an equivalent educational level; or
  - (B) Passage of an approved high school equivalency test;
- (d) Presents evidence satisfactory to the board that the applicant has successfully completed at least 40 hours of training approved by the board by rule;
- (e) Pays a fee established by the board under ORS 673.685;
- (f) Passes an examination;
- (g) Demonstrates to the satisfaction of the board fitness for registration; and
- (h) Has no disciplinary actions pending before the board.

(2) The board shall issue evidence of certification to each person who qualifies as a registered tax aide.

(3) The board shall adopt rules to:

- (a) Determine the subjects, scope and content of the training and examinations; and
- (b) Determine a passing score for each examination approved by the board.

(4) Evidence of completing the requirements described in subsection (1)(c), (d) and (f) of this section may be provided in a manner approved by the board by rule.

(5) If, in the judgment of the board, an applicant has, in combination, the education and experience to qualify as a registered tax aide, but does not meet or cannot present evidence of strict compliance with the requirements of subsection (1)(d) of this section, the board may allow some of the applicant's education or experience to substitute one for the other. However, this subsection does not allow a waiver of, or substitution for, any qualifications needed to be a registered tax aide other than those described in subsection (1)(d) of this section.

**SECTION 4. Renewal of certificates; continuing education; rules.** (1) Each year a person shall renew a registered tax aide certificate at a time designated by the State Board of Tax Practitioners.

(2) A person renewing a certificate shall:

- (a) Submit an application to the board before the expiration date of the certificate;
- (b) Pay the renewal fee established under ORS 673.685;
- (c) Comply with continuing education requirements as adopted by the board by rule; and
- (d) Submit evidence that the person has a qualifying supervisor.

(3) At least 30 days before the annual renewal date, the board shall notify the renewal applicant that the annual renewal application and fees are due.

(4) Any certificate that is not renewed within 15 days after the annual renewal date expires.

**SECTION 5.** ORS 673.615 is amended to read:

673.615. Except as otherwise provided in ORS 673.605 to 673.740:

(1) A person may not prepare or advise or assist in the preparation of personal income tax returns for another and for valuable consideration or represent that the person is so engaged unless the person is licensed as a tax consultant under ORS 673.605 to 673.740.

(2) A tax preparer may prepare or advise or assist in the preparation of tax returns only under the supervision of a tax consultant, or a person described in ORS 673.610 (2) or (4), and subject to such conditions and limitations as the State Board of Tax Practitioners by rule may impose.

(3) **A registered tax aide may assist a tax consultant in the preparation of tax returns only under the supervision of a tax consultant and subject to such conditions and limitations as the board by rule may impose.**

[3] (4) A person may not be a facilitator of a refund anticipation loan without first being issued a license as a tax consultant or tax preparer under ORS 673.640.

(5) **A tax consultant may employ and supervise no more than two registered tax aides at the same time under the conditions and limitations prescribed by the board by rule.**

**SECTION 6.** ORS 673.660 is amended to read:

673.660. Each tax consultant, [and] tax preparer **and registered tax aide** shall display the [evidence of licensing] **license or certificate** issued to the tax consultant, [and] tax preparer **and registered tax aide** in accordance with rules adopted by the State Board of Tax Practitioners.

**SECTION 7.** ORS 673.667 is amended to read:

673.667. (1) Whenever a tax consultant or tax preparer ceases to engage in the preparation or in advising or assisting in the preparation of personal income tax returns, the consultant or preparer may apply to the State Board of Tax Practitioners for inactive status. A license that is granted inactive status may be renewed upon payment of the license fee as provided under ORS 673.685. No proof that the continuing education required by ORS 673.655 has been fulfilled need be presented to the board for renewal of an inactive license.

(2) A license in inactive status may be reactivated upon payment of a reactivation fee, that shall be provided under ORS 673.685, and upon proof of compliance with such continuing education requirements as may be adopted by the board by rule.

(3) A license in inactive status may be revoked or suspended by the board when conditions exist under which the board would have been authorized to revoke or suspend the license if it were active.

(4) [No] **A person whose license is inactive [shall] may not** act as a tax consultant or as a tax preparer.

(5) **A registered tax aide is ineligible for inactive status.**

**SECTION 8.** ORS 673.697 is amended to read:

673.697. The lapsing, **expiration**, suspension or revocation of a license **or certificate** by operation of law or by order of the State Board of Tax Practitioners or by decision of a court of law, or the voluntary surrender of a license by a licensee **or a certificate by a certificate holder**, [shall] **does** not deprive the board of jurisdiction to proceed with any investigation of or any action or disciplinary proceeding against the licensee **or certificate holder**, or to revise or render null and void an order suspending or revoking the license **or certificate**.

**SECTION 9.** ORS 673.700 is amended to read:

673.700. The State Board of Tax Practitioners may refuse to issue or renew a tax consultant or preparer's license, or may suspend or revoke a tax consultant or preparer's license, or may reprimand any person licensed as a tax consultant or tax preparer for:

(1) Violation of ORS 673.615, 673.705 or 673.712.

(2) Failure to keep the records required by ORS 673.690.

(3) Negligence or incompetence in tax consultant or tax preparer practice or when acting in the capacity of a tax preparer or tax consultant in another state, or under an exempt status or in preparation of the personal income tax return for another state or the federal government.

(4)(a) Conduct resulting in a conviction of a felony under the laws of any state or of the United States. However, such conduct may be considered only to the extent permissible under the provisions of ORS 670.280; or

(b) Conviction of any crime, an essential element of which is dishonesty, fraud or deception, under the laws of any state or of the United States.

(5) Conviction of willful failure to pay any tax or estimated tax, file any tax return, keep records or supply information required under the tax laws of any state or of the United States, or conviction of the willful making, rendering, delivery, disclosure, signing or verifying of any false or fraudulent

list, return, account, statement or other document, or of supplying any false or fraudulent information, required under the tax laws of any state or of the United States.

(6) Failure to comply with continuing education requirements under ORS 673.655 or under ORS 673.667 unless such requirements have been waived by the board.

(7) Violation of the code of professional conduct prescribed by the board.

(8) Failure to pay any civil penalty incurred under ORS 673.735 within the time determined by the board.

(9) Cancellation, revocation or refusal to renew by any state or federal agency of, or entry of a consent order, stipulated agreement or judgment related to, the person's authority to practice law, to practice as a certified public accountant or a public accountant or to practice under other regulatory law in any state, or to practice as an enrolled agent, if the grounds for the cancellation, revocation, refusal to renew, consent order, stipulated agreement or judgment were related to income tax preparation or if dishonesty, fraud or deception was involved.

(10) Cancellation, revocation or refusal to renew by any state or federal agency of, or entry of a consent order, stipulated agreement or judgment related to, a business's authority to conduct operations related to the practice of law, certified public accountancy, public accountancy or other services provided under regulatory law in any state, or to provide enrolled agent services, if the grounds for the cancellation, revocation, refusal to renew, consent order, stipulated agreement or judgment involved the conduct or actions of the licensee or applicant and:

(a) Were related to income tax preparation; or

(b) Involved dishonesty, fraud or deception.

(11) **Failing to supervise the activities of registered tax aides or supervising and employing more than two registered tax aides at the same time as required under ORS 673.615 and rules adopted by the board.**

**SECTION 10. Section 11 of this 2025 Act is added to and made a part of ORS 673.605 to 673.740.**

**SECTION 11. Disciplinary action; registered tax aides; grounds. The State Board of Tax Practitioners may refuse to issue or renew or may suspend or revoke a registered tax aide's certificate or may reprimand any person who is a registered tax aide for:**

(1) Violation of ORS 673.615 (3) or 673.705.

(2)(a) **Conduct resulting in a conviction of a felony under the laws of any state or of the United States. However, such conduct may be considered only to the extent permissible under the provisions of ORS 670.280; or**

(b) **Conviction of any crime, an essential element of which is dishonesty, fraud or deception, under the laws of any state or of the United States.**

(3) **Conviction of violating the tax laws of any state or of the United States by engaging in conduct that includes:**

(a) **Willfully failing to pay any tax or estimated tax, file any tax return, keep records or supply information;**

(b) **Willfully making, rendering, delivering, disclosing, signing or verifying of any false or fraudulent list, tax return, account, statement or other document; or**

(c) **Willfully supplying any false or fraudulent information.**

(4) **Failure to comply with continuing education requirements under section 4 of this 2025 Act.**

(5) **Violation of the code of professional conduct prescribed by the board.**

(6) **Failure to pay any civil penalty incurred under ORS 673.735 within the time determined by the board.**

(7) **Cancellation, revocation or refusal to renew by any state or federal agency of, or entry of a consent order, stipulated agreement or judgment related to, the person's authority to practice under other regulatory law in any state, if the grounds for the cancellation, revocation, refusal to renew, consent order, stipulated agreement or judgment were related to income tax preparation or if dishonesty, fraud or deception was involved.**

**SECTION 12.** ORS 673.705 is amended to read:

673.705. It is unlawful for any person to:

(1) Obtain or attempt to obtain **by any dishonest or fraudulent representation** a license as a tax consultant or a tax preparer **or a certificate as a registered tax aide** [*by any fraudulent representation*].

(2) Represent that the person is licensed as a tax consultant or a tax preparer if the person is not so licensed **or represent that the person is qualified as a registered tax aide if the person is not so certified.**

(3) Present or attempt to use the license **or certificate** of another person.

(4) Attempt to use a suspended, lapsed, **expired** or revoked license **or certificate.**

(5) Falsely impersonate a licensee **or certificate holder** under ORS 673.605 to 673.740.

(6) Engage in dishonesty, fraud or deception relating to the preparation of personal income tax returns.

(7) Violate a position of trust, including a position of trust outside the licensee's **or certificate holder's** professional practice.

**SECTION 13.** ORS 673.730 is amended to read:

673.730. The State Board of Tax Practitioners shall have the following powers, in addition to the powers otherwise granted by ORS 673.605 to 673.740, and shall have all powers necessary or proper to carry the granted powers into effect:

(1) To determine qualifications of applicants for licensing **and certification** as a tax consultant, [*or*] a tax preparer **or a registered tax aide** in this state[;].

(2) To cause examinations to be prepared, conducted and graded[; *and*].

(3) To issue licenses **and certificates** to qualified applicants upon their compliance with ORS 673.605 to 673.740 and the rules of the board.

[(2)(a) *To restore the license of any tax consultant or preparer whose license has been suspended or revoked.*]

[(b) *The power of the board to suspend any license under ORS 673.700 includes the power to restore:*]

[(A) *At a time certain; or*

[(B) *When the person subject to suspension fulfills conditions for reissuance set by the board.*]

[(c)] (4) **To restore the license or certificate of any tax consultant, tax preparer or registered tax aide whose license or certificate has been suspended or revoked under ORS 673.700 or section 11 of this 2025 Act at a time certain or when the person subject to suspension fulfills conditions for reissuance set by the board.** The power of the board to restore a license **or certificate** under [*paragraph (a) of*] this subsection specifically includes the power to restore a license **or certificate** suspended or revoked for the reason that the person has been convicted of a crime. In making a determination to restore a license **or certificate**, the board shall consider the relationship of the facts which supported the conviction to the code of professional conduct and all intervening circumstances in determining the fitness of the person to receive or hold a tax consultant's or tax preparer's license **or registered tax aide's certificate.**

[(3)] (5) To investigate alleged violations of ORS 673.605 to 673.740, or any rule or order adopted thereunder. The board may keep information gathered pursuant to an investigation by the board confidential until there is a final order or determination by the board, unless disclosure is considered necessary by the board for the investigation or prosecution of an alleged violation of ORS 673.605 to 673.740, or any rule or order adopted thereunder. The board may keep personal financial information gathered pursuant to an investigation by the board confidential after a final order or determination by the board, unless disclosure is considered necessary by the board for the investigation or prosecution of an alleged violation of ORS 673.605 to 673.740, or any rule or order adopted thereunder. For purposes of this subsection, personal financial information includes but is not limited to tax returns.

[(4)] (6) To enforce the provisions of ORS 673.605 to 673.740 and to exercise general supervision over tax consultant, [*and*] tax preparer **and registered tax aide** practice.

[(5)] (7) To issue an order directed to a person to cease and desist from any violation or threatened violation of ORS 673.615, 673.643, 673.705 or 673.712, or any rule or order adopted thereunder, if the board has reason to believe that a person has been engaged, is engaging or is about to engage in any violation of ORS 673.615, 673.643, 673.705 or 673.712, or any rule or order adopted thereunder.

[(6)] (8) To assess civil penalties within a cease and desist order issued under subsection [(5)] (7) of this section if the board has reason to believe that a person has been engaged or is engaging in any violation of ORS 673.615, 673.643, 673.705 or 673.712, or any rule or order adopted thereunder. The civil penalty may not exceed \$5,000 per violation.

[(7)] (9) To formulate a code of professional conduct for tax consultants, [and] tax preparers **and registered tax aides**.

[(8)] (10) To assess against the licensee, **the certificate holder** or any other person found guilty of violating any provision of ORS 673.605 to 673.740, or any rule or order adopted thereunder, in addition to any other sanctions, the costs associated with the disciplinary or other action taken by the board.

[(9)] (11) To order that any person who has engaged in or is engaging in any violation of ORS 673.605 to 673.740, or any rule or order adopted thereunder, shall offer to rescind and pay restitution to anyone harmed by the violation who seeks rescission.

**(12) To establish standards for supervising registered tax aides.**

**(13) To impose conditions or limitations on the activities of registered tax aides.**

[(10)] (14) To adopt rules pursuant to ORS chapter 183 necessary to carry out the provisions of ORS 673.605 to 673.740.

**SECTION 14.** ORS 673.685 is amended to read:

673.685. (1) The State Board of Tax Practitioners shall adopt by rule fees for:

(a) Application for examination for a tax consultant's license.

(b) Application for examination for a tax preparer's license.

(c) Issuance or renewal of a tax consultant's license.

(d) Issuance or renewal of a tax preparer's license.

**(e) Issuance or renewal of a registered tax aide's certificate.**

[(e)] (f) Issuance or renewal of a tax consultant's inactive license.

[(f)] (g) Issuance or renewal of a tax preparer's inactive license.

[(g)] (h) Reactivation of a tax consultant's inactive license or reactivation of a tax preparer's inactive license.

[(h)] (i) Restoration of lapsed license.

[(i)] (j) Issuance or replacement of a duplicate license **or certificate**.

[(j)] *Issuance of a replacement or duplicate tax consultant certificate.*

(k) Registration or registration renewal for a sole proprietorship, partnership, corporation or other legal entity.

(L) Issuance or renewal of a combined tax consultant's or tax preparer's license and registration for a sole proprietorship, partnership, corporation or other legal entity. Eligibility for a combined license shall be determined under rules adopted by the board.

(m) Annual registration of a branch office of a sole proprietorship, partnership, corporation or other legal entity.

(2) The fees established by the State Board of Tax Practitioners under this section are subject to the prior approval of the Oregon Department of Administrative Services. The fees may not exceed the cost of administering the regulatory program of the State Board of Tax Practitioners pertaining to the purposes for which the fees are established, as authorized by the Legislative Assembly within the board's budget, as that budget may be modified by the Emergency Board.

**SECTION 15. The section captions used in this 2025 Act are provided only for the convenience of the reader and do not become part of the statutory law of this state or express any legislative intent in the enactment of this 2025 Act.**

**Passed by House May 22, 2025**

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Timothy G. Sekerak, Chief Clerk of House

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Julie Fahey, Speaker of House

**Passed by Senate June 11, 2025**

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Rob Wagner, President of Senate

**Received by Governor:**

.....M,....., 2025

**Approved:**

.....M,....., 2025

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Tina Kotek, Governor

**Filed in Office of Secretary of State:**

.....M,....., 2025

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Tobias Read, Secretary of State