

Submitter: Nicole Piehl
On Behalf Of: All Enrolled Agents
Committee: House Committee On Revenue
Measure, Appointment or Topic: SB1510
House Revenue Committee:

I am a federally-licensed Enrolled Agent who represents Oregon taxpayers before the I.R.S. and prepares tax returns for Oregon residents. I am writing to ask for your support of the Enrolled Agent Parity Proposal in SB 1510 as amended by the Senate. Passage of the Proposal would give Oregon taxpayers greater access to qualified, affordable tax representation.

At present, Oregon is one of only a handful of states that singles out federally-licensed Enrolled Agents for additional requirements, including a separate exam and restrictions on our ability to supervise trained staff. These requirements position Oregon as an outlier among the states, and erect unnecessary barriers that restrict Oregon taxpayers' ability to receive qualified, affordable tax representation. Because current law discourages Enrolled Agents from practicing in Oregon, access to specialized tax help is particularly hard to obtain for small businesses, rural taxpayers, seniors, and lower-income filers. The result is that many Oregonians wind up having to travel further and pay more, just to be able to pay their taxes.

The changes contained in SB 1510A will not eliminate oversight: Enrolled Agents will still be required to register with the Oregon Board of Tax Practitioners, preserving its mission of consumer protection, accountability, and transparency, but without duplicative licensure. The Proposal also does not expand the scope of practice for Enrolled Agents; it simply aligns Oregon law with the authority Enrolled Agents already hold, as has been recognized by every other state.

It's also important to know that approval of SB 1510A will not result in unanticipated administrative or regulatory costs. The Oregon Department of Revenue has indicated it does not anticipate implementation issues or a significant fiscal impact, as enrolled agents would pay a registration fee.

I am both an Oregon Licensed Tax Consultant and an Enrolled Agent, and I can testify from experience that it is very common that taxpayers have income from more than one state, or own property in more than one state, which results in the need to file either a non-resident or part-year resident tax return for Oregon or another state. If their primary return is being prepared by an out-of-state Enrolled Agent, one who has already passed a rigorous exam and background check, it is unreasonable to require that Agent to have to take yet another exam just to prepare a single Oregon tax return.

In such cases, the out-of-state Enrolled Agent has little option but to desperately try to find an Oregon preparer upon whom to unload their clients' entire tax record (since a preparer in Oregon can only file an Oregon tax return if they also prepared the Federal tax return, that also means the taxpayer must pay the Oregon preparer to start anew with the Federal tax return). A last-minute change like this can be both disruptive and costly for the taxpayer who suddenly has to engage with a new preparer to prepare their returns, giving up their investment in their established relationship with their Enrolled Agent preparer—not to mention the hardship wrought on the Agent by having to give up longtime clients that they have been serving well.

Ultimately, it is the Oregon taxpayer who loses out under the present system. Since both out-of-state attorneys and out-of-state CPAs are permitted to file returns for Oregon taxpayers, out-of-state Enrolled Agents should be permitted to do so as well, due to their specialized and unique qualification for tax preparation and representation.

I respectfully urge your support of this common-sense proposal to improve taxpayer access and tax compliance.

Sincerely,
Nicole Piehl, EA
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