

SENATE BILL NO. 237

BY SENATOR MORRELL

1 AN ACT

2 To enact R.S. 47:1679, relative to requirements for paid preparers; to require paid preparers
3 to sign returns, reports, claims for refund, and other claims and to provide identifying
4 information; to provide for penalties; to provide for a maximum annual penalty; to
5 provide for an effective date; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:1679 is hereby enacted to read as follows:

8 **§1679. Paid preparers; required information on returns, reports, claims for**
9 **refund, and other claims**

10 **A.(1) Any return, report, claim for refund, or other claim prepared by**
11 **a paid preparer shall be signed by the preparer and shall bear the preparer's**
12 **preparer tax identification number, federal employer identification number, or**
13 **Louisiana Department of Revenue account number.**

14 **(2)(a) Any person who is a paid preparer with respect to any return,**
15 **report, claim for refund, or other claim who fails to sign the return, report,**
16 **claim for refund, or other claim or provide one of the identification numbers**
17 **required by this Section shall pay a penalty of fifty dollars for each failure to**
18 **sign and for each failure to provide one of the required identification numbers**
19 **unless it can be shown that the failure was due to reasonable cause.**

20 **(b) The penalty that may be imposed on a paid preparer pursuant to this**
21 **Section for returns, reports, claims for refund, and other claims filed during**
22 **any calendar year shall not exceed twenty-five thousand dollars.**

23 **(c) The penalty provided for by this Section shall be an obligation to be**
24 **assessed, collected, and enforced against the paid preparer in the same manner**
25 **as if it were a tax due.**

1 **B. This Section shall apply to any return, report, claim for refund, or**
2 **other claim prepared by a paid preparer as follows:**

3 **(1) For income taxes, all taxable periods ending on or after June 30,**
4 **2018, and filed on or after January 1, 2019.**

5 **(2) For corporation franchise tax, all taxable periods ending on or after**
6 **June 30, 2018, and filed on or after June 30, 2019.**

7 **(3) For taxes other than income and corporation franchise taxes, all**
8 **taxable periods beginning on or after July 1, 2018.**

9 **(4) For any return, report, claim, or other filing not included in**
10 **Paragraphs (1) through (3) of this Subsection, all filed on or after January 1,**
11 **2019.**

12 **C.(1) For purposes of this Section, the term "paid preparer" shall mean**
13 **any of the following:**

14 **(a) Any person who prepares, for compensation, any return, report,**
15 **claim for refund, or other claim that is filed with the secretary of the**
16 **Department of Revenue.**

17 **(b) Any person who owns or operates a business, the primary activity**
18 **of which is the preparation for compensation of any return, report, claim for**
19 **refund, or other claim that is filed with the secretary of the Department of**
20 **Revenue, and employs one or more persons in such business.**

21 **(c) Any person who prepares a substantial portion of a return, report,**
22 **claim for refund, or other claim that is filed with the secretary of the**
23 **Department of Revenue and does not sign as the preparer, but rather has the**
24 **taxpayer sign as if the return, report, claim for refund, or other claim were**
25 **self-prepared.**

26 **(2) Nothing in this Subsection shall be construed to include in the**
27 **definition of "paid preparer" either of the following:**

28 **(a) Any employee who prepares a return, report, claim for refund, or**
29 **other claim for the employer by whom he is regularly and continuously**
30 **employed.**

1 **(b) An attorney or other tax advisor whose association with a return,**
2 **report, claim for refund, or other claim is limited to that of rendering advice to**
3 **a taxpayer or preparer and was not otherwise involved in preparing the return,**
4 **report, claim for refund, or other claim for which advice was rendered.**

5 Section 2. This Act shall become effective on July 1, 2018.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____