

HOUSE BILL 873

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0lr3202
CF SB 555

By: **Delegate Davis**

Introduced and read first time: February 10, 2010

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Business Occupations and Professions – Individual Tax Preparers –**
3 **Registration Requirements**

4 FOR the purpose of requiring a person applying for a registration to provide individual
5 tax preparation services, if required by regulations adopted by the State Board
6 of Individual Tax Preparers, to complete successfully a certain tax preparation
7 program; requiring the Board to prepare, in consultation with the Department
8 of Labor, Licensing, and Regulation and representatives of the tax preparation
9 industry, a certain examination; repealing certain requirements relating to the
10 examination to be given by the Board; and generally relating to registration
11 requirements for individual tax preparers.

12 BY repealing and reenacting, without amendments,
13 Article – Business Occupations and Professions
14 Section 21–301 and 21–303
15 Annotated Code of Maryland
16 (2004 Replacement Volume and 2009 Supplement)

17 BY repealing and reenacting, with amendments,
18 Article – Business Occupations and Professions
19 Section 21–302 and 21–304
20 Annotated Code of Maryland
21 (2004 Replacement Volume and 2009 Supplement)

22 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
23 MARYLAND, That the Laws of Maryland read as follows:

24 **Article – Business Occupations and Professions**

25 21–301.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 An individual shall be registered by the Board before the individual may
2 provide individual tax preparation services in the State.

3 21-302.

4 (a) To qualify for a registration, the applicant shall be an individual who
5 meets the requirements of this section.

6 (b) The applicant shall be of good character and reputation.

7 (c) The applicant shall be at least 18 years old.

8 (d) The applicant shall possess a high school diploma or have passed an
9 equivalency examination.

10 (e) Except as otherwise provided in this subtitle, the applicant shall:

11 (1) pass an examination given by the Board under this subtitle; AND

12 (2) **IF REQUIRED BY REGULATIONS ADOPTED BY THE BOARD,**
13 **SUCCESSFULLY COMPLETE A TAX PREPARATION PROGRAM THAT IS APPROVED**
14 **BY THE MARYLAND HIGHER EDUCATION COMMISSION.**

15 21-303.

16 An applicant for a registration shall:

17 (1) submit to the Board an application on the form that the Board
18 provides; and

19 (2) pay to the Board or the Board's designee an examination fee set by
20 the Board in an amount not to exceed the cost of the required examination.

21 21-304.

22 (a) An applicant who otherwise qualifies for a registration is entitled to be
23 examined as provided in this section.

24 **(B) THE BOARD SHALL PREPARE, IN CONSULTATION WITH THE**
25 **DEPARTMENT AND REPRESENTATIVES OF THE TAX PREPARATION INDUSTRY,**
26 **AN EXAMINATION THAT MEASURES THE APPLICANT'S KNOWLEDGE OF**
27 **MARYLAND AND FEDERAL INCOME TAX LAW THEORY AND PRACTICE.**

28 **[(b)] (C)** The Board shall give examinations to applicants at least twice a
29 year, at the times and places that the Board determines.

1 **[(c)] (D)** The Board shall give each qualified applicant notice of the time
2 and place of examination.

3 **(d) (1)** The Board shall give the examination prepared by the Internal
4 Revenue Service or an equivalent examination by an independent national or state
5 regulatory authority as determined by the Board.

6 **(2)** The examination given under paragraph (1) of this subsection may
7 not be less stringent than the Individuals section of the Special Enrollment
8 Examination for enrolled agents.]

9 **(e)** The Board shall adopt regulations that establish the passing score for an
10 examination.

11 **(f) (1)** The Board shall notify each applicant of the applicant's
12 examination score.

13 **(2)** Any applicant who requests an appointment within 60 days after
14 the date on which notification is sent may review the applicant's answers to the
15 examination.

16 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
17 October 1, 2010.