

# SENATE BILL 555

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0lr2343  
CF HB 873

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By: **Senator Conway**

Introduced and read first time: February 4, 2010

Assigned to: Education, Health, and Environmental Affairs

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Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 16, 2010

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Business Occupations and Professions – Individual Tax Preparers –**  
3 **~~Registration~~ Examination 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~~ State Board of Individual Tax Preparers  
11 to an applicant for registration to provide individual tax preparation services;  
12 and generally relating to ~~registration~~ examination requirements for individual  
13 tax preparers.

14 ~~BY repealing and reenacting, without amendments,~~  
15 ~~Article – Business Occupations and Professions~~  
16 ~~Section 21-301 and 21-303~~  
17 ~~Annotated Code of Maryland~~  
18 ~~(2004 Replacement Volume and 2009 Supplement)~~

19 BY repealing and reenacting, with amendments,  
20 Article – Business Occupations and Professions  
21 Section ~~21-302~~ and 21-304(d)  
22 Annotated Code of Maryland  
23 (2004 Replacement Volume and 2009 Supplement)

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



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

3 **Article – Business Occupations and Professions**

4 ~~21-301.~~

5 ~~An individual shall be registered by the Board before the individual may~~  
6 ~~provide individual tax preparation services in the State.~~

7 ~~21-302.~~

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

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

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

12 ~~(d) The applicant shall possess a high school diploma or have passed an~~  
13 ~~equivalency examination.~~

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

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

16 ~~(2) IF REQUIRED BY REGULATIONS ADOPTED BY THE BOARD,~~  
17 ~~SUCCESSFULLY COMPLETE A TAX PREPARATION PROGRAM THAT IS APPROVED~~  
18 ~~BY THE MARYLAND HIGHER EDUCATION COMMISSION.~~

19 ~~21-303.~~

20 ~~An applicant for a registration shall:~~

21 ~~(1) submit to the Board an application on the form that the Board~~  
22 ~~provides; and~~

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

25 ~~21-304.~~

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

1 ~~(B) THE BOARD SHALL PREPARE, IN CONSULTATION WITH THE~~  
2 ~~DEPARTMENT AND REPRESENTATIVES OF THE TAX PREPARATION INDUSTRY,~~  
3 ~~AN EXAMINATION THAT MEASURES THE APPLICANT'S KNOWLEDGE OF~~  
4 ~~MARYLAND AND FEDERAL INCOME TAX LAW THEORY AND PRACTICE.~~

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

7 ~~[(e)] (D) The Board shall give each qualified applicant notice of the time~~  
8 ~~and place of examination.~~

9 21-304.

10 ~~[(d)] (1) The Board shall give the examination prepared by the Internal~~  
11 ~~Revenue Service or an equivalent examination by an independent national or state~~  
12 ~~regulatory authority as determined by the Board.~~

13 ~~(2) The examination given under paragraph (1) of this subsection may~~  
14 ~~not be less stringent than the Individuals section of the Special Enrollment~~  
15 ~~Examination for enrolled agents.]~~

16 ~~(e) The Board shall adopt regulations that establish the passing score for an~~  
17 ~~examination.~~

18 ~~(f) (1) The Board shall notify each applicant of the applicant's~~  
19 ~~examination score.~~

20 ~~(2) Any applicant who requests an appointment within 60 days after~~  
21 ~~the date on which notification is sent may review the applicant's answers to the~~  
22 ~~examination.~~

23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
24 ~~October~~ July 1, 2010.

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.