



Frequently Asked Questions: Preparer Credentials

- a. [Registered Tax Return Preparers](#)
 - b. [Other credentials](#) (ACAT, CTEC, etc.)
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a. Registered Tax Return Preparers

1. Will there be a practitioner designation for preparers who pass the return preparer competency test? (revised 9/28/10)

Yes. Individuals who are eighteen years or older who pass the return preparer competency examination and tax compliance and suitability checks will be designated Registered Tax Return Preparers.

2. What practice rights do Registered Tax Return Preparers have? (posted 1/22/10)

Registered Tax Return Preparers have the right to prepare tax returns and claims for refund. RTRPs also may sign the tax returns that they prepare as the return preparer and they may represent taxpayers before revenue agents, customer service representatives, or similar officers and employees of the IRS (including the Taxpayer Advocate Service) during an examination if they signed the tax return or claim for refund for the tax period under examination.

3. Is there a distinction between Enrolled Agents and Registered Tax Return Preparers? (posted 1/22/10)

Yes. The practice of enrolled agents before the IRS generally is not limited. The practice of Registered Tax Return Preparers is limited to preparing and signing tax returns for compensation and representing taxpayers before an Examination function of the IRS when the Registered Tax Return Preparer prepared the return under examination.

b. Other credentials (ACAT, CTEC, etc.)

1. Do Accredited Council of Accountancy for Taxation (ACAT) credential holders have to obtain a PTIN and pass the IRS return preparer examination? (revised 9/28/10)

Yes, ACAT credential holders who are paid to prepare all or substantially all of a federal tax return will need to obtain a PTIN. They will also need to pass the competency exam if they prepare Form 1040 series returns unless they are also attorneys, certified public accountants, or Enrolled Agents, or are a [supervised return preparer](#). As for continuing professional education, they will be subject to the new CE requirements if they prepare Form 1040 series returns unless they are also attorneys, CPAs, enrolled agents, enrolled actuaries or enrolled retirement plan agents, or are a supervised return preparer.

2. How do the new regulations affect registered or licensed public accountants? Would they have to test? (revised 6/30/11)

In many states, a registered or licensed public accountant (LPA) has the same rights and privileges as a certified public accountant. Thus, an LPA in those states is eligible to practice before the IRS by virtue of their public accountant's license and these individuals are not required to pass the IRS' competency test and become registered tax return preparers to prepare tax returns or claims for refunds for compensation.

The following is a non-exclusive list of states where a LPA has the same rights and privileges as a CPA: Alabama, Alaska, Arkansas, California, Colorado (Registered Public Accountants only), Connecticut, Hawaii, Idaho, Maine, Montana, New Hampshire, New Jersey, New York, North Dakota, Ohio, Oklahoma, Pennsylvania, Rhode Island, South Carolina (Public Accountants only), South Dakota, Tennessee, Vermont, and West Virginia.

LPAs in the following states do not have the same rights and privileges as a certified public accountant and, therefore, will be required to pass the IRS' return preparer examination and satisfy the CPE requirements for tax return preparers to prepare any federal tax return for compensation (unless the LPA is an attorney or enrolled agent): Delaware, Illinois, Iowa, Kansas, Michigan, Oregon (unless the person qualified for, and applied to take, the Uniform CPA examination before Jan. 1, 2002), and South Carolina (Accounting Practitioners).

LPAs in other states should review the laws of the state in which they are licensed to determine whether they have the same rights and privileges as a certified public accountant.

3. In Minnesota, we have Registered Public Accountants. These individuals are governed by the Minnesota Board of Accountancy, must register with the Board, pay a fee and have continuing education requirements and ethics requirements. Will they have to test? (posted 1/22/10)

In general, a registered (or licensed) public accountant may practice before the IRS if the registered (or licensed) public accountant has the same rights and privileges as a certified public accountant under state law. Although the IRS has reviewed the laws of 29 states to determine if the registered (or licensed) public accountants in those states have the same rights and privileges as a CPA, Minnesota is not one of those 29 states. Accordingly, the registered public accountants in Minnesota should review their own state laws to determine whether they have the same rights and privileges as a CPA, until the Office of Professional Responsibility has an opportunity to formally consider whether Minnesota's registered public accountants are qualified to practice as CPAs.

4. Will preparers who are registered by the states of California or Oregon (California Tax Return Preparers and Oregon Licensed Tax Preparers/Consultants) be exempt from testing and continuing education requirements? (posted 1/22/10)

No. If these individuals prepare Form 1040 series returns and are not [supervised return preparers](#), they are required to pass the competency examination and complete the continuing education requirements unless they are an attorney, certified public accountant or an enrolled agent.

5. How are enrolled retirement plan agents and enrolled actuaries affected by the new return preparer requirements? (posted 7/22/10)

Enrolled retirement plan agents and enrolled actuaries must obtain a PTIN if they are compensated for preparing, or assisting in the preparation of, all or substantially all of a federal tax return or claim for refund. But they are not required to become a registered tax return preparer (or take the associated competency test) if they do not prepare Form 1040 series tax returns.

6. Are individuals who are active attorneys, certified public accountants or enrolled agents required to obtain a PTIN if they do not prepare all or substantially all of any tax return? (revised 9/28/10)

Attorneys and certified public accountants do not need to obtain a PTIN unless they prepare for compensation all or substantially all of a federal tax return or claim for refund. All enrolled agents are required to obtain a PTIN.

[Return to Return Preparer Program FAQs](#)

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