

IRS News Release

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IRS Provides Guidance on Identifying Numbers for Tax Return Preparers

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WASHINGTON — The Internal Revenue Service today issued proposed regulations allowing the IRS to require that tax return preparers use Preparer Tax Identification Numbers (PTINs) as the preparer's identifying number on all tax returns and tax refund claims that they prepare. These regulations when final will implement some of the recommendations in Publication 4832, *Return Preparer Review*.

"These regulations allow the IRS to better identify and match tax return preparers with the tax forms and claims they prepare. This proposed PTIN system will help us ensure taxpayers receive competent, ethical service from qualified professionals and strengthen the integrity of our tax system," said IRS Commissioner Doug Shulman.

Under the proposed regulations, the IRS will issue forms, instructions, or other guidance that will require paid tax return preparers to begin using PTINs for all tax returns and refund claims filed after Dec. 31, 2010. Currently, tax return preparers must use either a PTIN or their social security number on tax returns or refund claims that they prepare.

The proposed regulations also provide that tax return preparers must apply for a PTIN, regularly renew the PTIN, and pay associated user fees, which will be described in upcoming guidance. As part of the process, some tax return preparers would also be subject to a tax compliance check, which could include a review of the preparer's history of compliance with personal and business tax filing and payment obligations.

Tax professionals and other interested parties have until April 26, 2010 to submit comments regarding the attached proposed regulations.

The IRS plans to launch a new system later this year through which all tax return preparers will be required to register, including those who already have a PTIN. Tax return preparers who already have a PTIN will have the number revalidated and reassigned to them through the new system, while tax return preparers who do not have a PTIN will be issued one through the new system.

It is estimated that there are as many as 1.2 million paid tax return preparers.