

## Part III - Administrative, Procedural, and Miscellaneous

### Restrictions on Use of the Term Registered Tax Return Preparer

#### Notice 2011-45

The Department of the Treasury and the IRS are implementing the recommendations contained in Publication 4832, "Return Preparer Review." As part of this implementation, the Department of the Treasury and the IRS have issued final regulations (TD 9527) that include registered tax return preparers as practitioners under 31 CFR Part 10 (reprinted as Treasury Department Circular 230).

The Department of the Treasury and the IRS have also published final regulations under I.R.C. § 6109 (75 FR 60309) providing that attorneys, certified public accountants, enrolled agents, and registered tax return preparers who prepare all or substantially all of a tax return must obtain a preparer tax identification number (PTIN). In Notice 2011-6, 2011-3 IRB 315, the IRS identified two additional groups of individuals who are eligible to obtain a PTIN: (1) specified individuals who are supervised by the attorney, certified public accountant, enrolled agent, enrolled retirement plan agent, or enrolled actuary who signs the tax return or claim for refund prepared by the individual, and (2) individuals who certify they do not prepare or assist in the preparation of all or substantially all of any tax return or claim for refund covered by a competency examination. Notice 2011-6 further provided that individuals who are not attorneys,

certified public accountants, enrolled agents, or registered tax return preparers may obtain a provisional PTIN before the date that the registered tax return preparer competency examination is first offered. After the competency examination is offered, only attorneys, certified public accountants, enrolled agents, registered tax return preparers, or the additional groups of individuals identified above will be eligible to obtain a PTIN. The IRS began issuing PTINs at the end of September 2010.

To become a registered tax return preparer, an applicant must pass a competency examination and tax compliance and suitability checks. The IRS has selected a vendor to develop and administer the competency examination, but the examination is not yet available. Additionally, the IRS is currently in the process of developing the suitability check. Because the conditions for becoming a registered tax return preparer are not yet able to be satisfied by any individual, no individual may represent that he is a registered tax return preparer. An individual with a provisional PTIN may not represent that he is a registered tax return preparer or has passed the competency examination. Once the competency examination is available, only an individual who has met all of the conditions to becoming a registered tax return preparer, including passing the competency examination and the tax compliance and suitability checks, may represent that he is a registered tax return preparer.

An individual who becomes a registered tax return preparer must comply with the applicable rules in Circular 230, including section 10.30 regarding practitioner advertising and solicitation. Section 10.30 will be amended to require a registered tax return preparer using any paid advertising involving print, television or radio, in which

the individual represents himself or herself to be a registered tax return preparer to display or broadcast the following statement: “The IRS does not endorse any particular individual tax return preparer. For more information on tax return preparers go to IRS.gov.”

The principal author of this notice is Emily M. Lesniak of the Office of Associate Chief Counsel (Procedure & Administration). For further information regarding this notice contact Emily M. Lesniak on (202) 622-4570 (not a toll-free call).