

Information for IRS Approved Continuing Education Providers
Provided via conference call January 19, 20, 21, 22, 2016

2016 Renewal Season Update

We have completed the 2016 CE Provider renewal season with only a few issues reported by providers. We have made improvements to the CE Provider system to make the process easier for you. However, we are still seeing a few items of concern:

1. **Carrying over prior year programs** - We are still seeing some 2012 federal tax update programs in accounts. If you still want to offer the program you should change it to a federal tax program and get a new program number and stop calling it an update. The rules for all programs, regardless of category (Fed Tax, Update, Ethics) is if there is any content change (new tax law, revised tax law, etc.) other than inflationary amounts, you should get a new program number.
2. If you did not have the time to scrutinize your programs when you renewed, please take the time to do so and delete any programs you no longer offer.
3. If you used a placeholder program because you didn't have a program developed for 2016 at the time of renewal, make sure to delete the placeholder whenever you add your new 2016 program(s).
4. If you have not renewed you should do so ASAP because as of right now, you are not considered an IRS-approved provider for 2016 and should not be advertising that you are IRS-approved nor using the IRS CE Provider logo. Any CE Provider who did not renew for 2016 has also been removed from the IRS-approved CE Provider public listing. You should not be offering any programs in 2016 as you will not be able to upload CE records for 2016 completions until you renew.

Enrolled Retirement Plan Agent (ERPA) Program Changes

Effective February 12, 2016, the Internal Revenue Service will no longer be offering the ERPA Special Enrollment Examination (ERPA SEE) to become an ERPA. This action was taken due to a steady decline in the volume of ERPA-SEE test takers. The cost to administer the examination no longer warrants us offering the test.

- The final ERPA SEE testing window began January 5 and will run through February 12, 2016.
- Candidates may take each part of the test only one time during the January 5 – February 12, 2016, testing window.
- This testing window will be the last opportunity for employee benefits professionals to become an ERPA. Candidates who have passed only one part of the exam by February 12, 2016, will not have any further opportunities to take the exam.

- The program remains unchanged for current ERPAs.
- Any current ERPAs will continue to hold the ERPA designation, and will continue to have the same rights to practice before the Service, be subject to Circular 230 requirements regarding continuing education and renewal of enrollment, and be able to hold themselves out as ERPAs.
- Continuing Education (CE) is still required under Circular 230 and the requisite number of hours of CE must be obtained from an IRS approved CE Provider. A list of IRS-approved providers can be found under the [Tax Pros tab](#) on IRS.gov.
- If you want more information about these changes, including a list of FAQs, please go to www.irs.gov and search ERPA Program Changes. (<https://www.irs.gov/Retirement-Plans/Enrolled-Retirement-Plan-Agent-ERPA-Program-Changes>)

Enrolled Agent Special Enrollment Exam Update

To ensure that the Special Enrollment Examination accurately covers the appropriate topics, the test vendor periodically conducts a job analysis to obtain descriptive information about tasks performed by enrolled agents and the knowledge needed to adequately perform those tasks. A new job analysis involving surveys of thousands of existing enrolled agents was recently completed.

As a result, the SEE test specifications have been updated. The changes will be effective for tests taken beginning May 1, 2016. Please remember that if you are offering any SEE test preparation programs, your material should be updated accordingly.

The revised specifications and a comparison to the previous version *will be* available at www.prometric.com/irs in March 2016 or can be accessed from the [Enrolled Agent page on www.irs.gov](#).

If you need more information, please send an e-mail to the rpo.ce@irs.gov and we'll try to answer your questions, but we may not be able to answer any questions until the posting is made available sometime in March.

Change to Limited Representation Rights

- Beginning January 1, 2016 there were changes to limited representation rights.
- Only non-credentialed preparers who participate in the voluntary IRS Annual Filing Season Program Record of Completion, will have the limited right to represent clients before the IRS.
- These preparers will be able to represent clients whose returns they prepared and signed after December 31, 2015, regarding initial examinations, customer service matters and before the Taxpayer Advocate Service.

- To have limited representation rights for any return or claim for refund prepared and signed after December 31, 2015, return preparers must participate in the Annual Filing Season Program both in the year of return preparation and the year of representation.
- Annual Filing Season Program participants cannot represent clients whose returns they did not prepare. They also cannot represent clients regarding appeals or collection issues, even if they did prepare the return in question - which is why it is called Limited Representation Rights.
- Attorneys, CPAs, and enrolled agents will continue to have unlimited representation rights and are permitted to represent clients before the IRS on any tax matters including returns they did not prepare.
- PTIN holders without an AFSP- Record of Completion or other professional credential will continue to have limited representation rights for returns prepared before December 31, 2015. But after that date they will only be able to prepare tax returns. They will not be able to represent clients before the IRS for any return prepared after December 31, 2015.
- For additional guidance please refer to Rev. Proc. 2014-42, Publication 5227 A Guide to the Annual Filing Season Program, Publication 4938 Federal Tax Return Preparers: What You Should Know, and Publication 947 Practice Before The IRS and Power of Attorney.

Changes to Form 2848 Power of Attorney and Declaration of Representative

- Form 2848 with the revision date of 12-2015 is now available.
- Changes to the form include:
 1. The term “Registered Tax Return Preparer”, which was designation “l” in Part II of the form, has been removed.
 2. The description of Unenrolled Return Preparer, which is designation “h”, has been updated to explain the requirements for participation in the Annual Filing Season Program in order to have the limited representation rights discussed earlier.
- For returns filed beginning January 1, 2016, unenrolled preparers should not submit Form 2848 unless they meet the appropriate Annual Filing Season Program Record of Completion requirements.
- Unenrolled preparers without an AFSP-Record of Completion may still submit Form 8821 in order to receive disclosure authorization from a client. However, it is important to note Form 8821 does not authorize the unenrolled return preparer to speak on behalf of the taxpayer/client or to advocate their position with respect to federal tax laws, execute waivers, consents, closing agreements or represent the taxpayer in any manner before the IRS.

Safely deleting programs/adding programs and reporting CE records

Deleting Programs

The following criteria should assist you with determining when it is okay to delete a program:

1. If a program was created during the current calendar year (e.g. 2016) and you plan to sell or offer it for credit during the current calendar year and will have PTINs to report, do NOT delete the program.
2. If you have been notified that you have been selected for a random program review, do not delete the program that was selected for review until you have been informed your review is officially closed
3. If the program was created in a prior year (e.g. 2012-2015), and you no longer intend to offer or sell the program moving forward, and you have reported ALL PTIN records, you may delete it from your current 2016 account.

IMPORTANT TIP! If you have a PTIN to report in the current year that has a prior year completion date, the program MUST be in your CE Provider account under the prior year program link found on the main screen of your account in order to successfully report the record. Currently, there are links specifically for 2012, 2013, 2014, and 2015 under your current program listing.

4. If you have never offered or sold the program and never plan to, then you can safely delete it from your “**list of currently approved programs**”. This would include programs created as placeholders.

This information can be found on our FAQ webpage at www.irs.gov/taxpros/ce. Also, the online CE Provider system will pop up a box with this information for you to review before you elect to delete a program. If you are unsure whether it is appropriate to delete a program, please send an email to rpo.ce@irs.gov and we will help you make a determination.

Adding programs

If you have multiple programs to add at one time we suggest that you add them in batches of 20 or less to avoid any time out/loading issues. If you experience any problems, please contact the CE Provider help line at (855) 296-3150 between 9 a.m. - 6 p.m. ET.

Uploading old/prior year CE records

We have had providers ask us about uploading CE records with completion dates back to 2013, because EAs are renewing their credential and want all of their CE in their account, or maybe because a student has recently called you with a corrected PTIN. It is okay for you to upload CE records back to 2013, 2014 or 2015, but remember a program must be listed in the prior year program link found on the main screen of your account. For instance, if you need to upload a record with a 2013 completion date, the program does not need to be in your 2016 current program table, but should be in the 2013 program link.

Reminder of timeframes for reporting PTINs

We appreciate your diligence reporting CE records timely. Doing so assists preparers with meeting eligibility requirements for the AFSP Record of Completion, enrolled agents with renewing their EA status, and provides good customer service to your students when records are submitted timely. We noticed some providers reported all of their 2015 CE records in December. We want to remind you all of [Standard No 14 - CE Providers must submit PTIN-level data as prescribed by the Internal Revenue Service for all PTIN-holders who complete their programs](#). To meet Standard No 14, CE Providers are required to submit program level data about each PTIN holder that has taken one of their programs. You are required to submit program completion information quarterly at a minimum (by March 31, June 30, and September 30). During the fourth quarter (October 1 – December 31), CE Providers must report program completion information within ten business days of delivery of each program. However, you may submit records more frequently, if you wish.

Hot topics

- **Permanently Expired PTINs**

- IRS is currently in the process of permanently expiring approximately 100K PTINs. This should be complete by the end of January.
- A permanently expired PTIN is a PTIN that hasn't been renewed for 3 years.
- If a preparer gives a provider a permanently expired PTIN and you report it, you will receive a "PTIN Not Found" reject message.
- Since you will not know, due to privacy rules, if you report a permanently expired PTIN, we would expect you to handle it as you normally do. Attempt one contact with the preparer to determine they provided the correct information and if so, direct the preparer to call the PTIN help desk at 877-613-7846 M-F 8:00am - 5:00pm CT for further instructions/information.
- Hopefully, there will be very few of these situations since preparers should be aware that they haven't renewed in three years and should NOT be submitting an expired PTIN to providers.

- **AFSP Summary**

- Statistics as of 1/21/16
 - ROCs issued – 51, 929
 - Unenrolled - 49,111 (last year, 41K+)
 - Credentialed – 2,818
- The IRS's biggest concern is those preparers who are eligible for an AFSP Record of Completion but are not consenting to Circular 230 components sub-part b and Section 10.51. To explain this step and assist preparers, IRS created a new video on the PTIN home page showing how to sign and get the Record of Completion. In addition, letters have been sent as reminders. Deadline for preparers to sign the Circular 230 consent for the 2016 AFSP, as long as all requirements are met, is 4/18/16.
 - If you are an Annual Federal Tax Refresher CE Provider and you would like language to send to your clients reminding them that they need to sign C230 to get the Record of Completion, please send an email to rpo.ce@irs.gov and we will provide you some verbiage.
- The [Directory of Federal Tax Return Preparers with Credentials and Select Qualifications](#) has been updated with 2016 AFSP info and is available on www.irs.gov. Just search using key words "directory of federal tax return preparers".
- We have recently completed our AFTR lessons learned for 2015 and here are changes we are considering for next year:
 - There will be a deadline for the AFTR course/test development as there were too many courses/tests submitted in late November/December. One of our three reviewers retired, so this made it difficult to get the last minute submissions reviewed.
 - There will be a restriction on how many times a course/test can be revised if you are requested to submit your materials. There were many courses/tests submitted multiple times due to deficiencies and we just don't have the staffing to continuously provide feedback.
 - As a reminder, there will be reinforcement again this year that you should have no tax topics outside of the course outline in your AFTR program material. We saw many instances including tax topics on partnerships, corporations, estate and gift tax, etc. AFTR Providers will be required to adhere to the topics on the outline which are basic, 1040 "refresher" concepts. We understand there is so much to know as a tax professional, however, providers should be covering only the topics listed on the outline with the intent of a basic refresher for the preparation of Form 1040.
 - Any other changes will be highlighted in the packet to come out in a similar timeframe as last year - please be watching for it in your provider account secure mailbox and note any changes that are required.
- Legislation
 - HR 4141 is still on our radar (introduced 12/1), but there has been no movement recently. There was also a similar proposal in the Senate Finance

Committee. We continue to hope the concept of preparer regulation is addressed.

○ Tips

- When bundling programs together (for instance, an 18 hour bundle with the AFTR course/test, 10 hours of federal tax law, and 2 hours of ethics), remember to get separate program numbers for each category. This way, even though you cannot offer the AFTR past December 31, you can offer the federal tax law and ethics programs that will count toward the 2017 AFSP Record of Completion. This also ensures that the preparer is getting credit in the appropriate CE categories. For bundled AFTR programs, your AFTR course and test should be a separate component from the other bundled material. If we conduct a review of your AFTR course and test, you should be able to submit that separately for review.

Closing

- If we did not specifically address your questions on today's call, please send them to rpo.ce@irs.gov and we'll get back to you as soon as possible.
- If you'd like to submit any suggestions you have regarding the AFTR course/test or CE processes in general, please send them to rpo.ce@irs.gov. Also let us know if there are any items of interest that we should cover in the next version of the CE Provider Insider newsletter
- For any CE Provider account technical issues, please call our CE Provider support line at 855-296-3150.
- Notes will be posted on www.irs.gov/taxpros/ce a few days after our last call on Jan. 22.