

Semi-Annual Provider Call

November 15, 16 & 17, 2022

General News

We would like to thank our Continuing Education (CE) providers that completed the customer satisfaction survey that we offered between March and September 2022. Your comments and feedback concerning our CE provider system, customer service and communication are helpful. We also appreciate the constructive feedback and recommendations you gave. One area where we've improved is the labor-intensive aspect of CE providers removing and correcting Preparer Tax Identification Number (PTIN) records one at a time. Providers have long sought the ability to make multiple corrections as one transaction for a specific program number or PTIN. We all wanted a quick and easy method for you to fix reporting errors. We are thrilled to say that PTIN Batch Removal is now available in the CE system. This feature is discussed in detail later in the call notes.

If you've attended our calls previously or you keep up with our semi-annual newsletters, no doubt you are aware of our ongoing quest for the effective administration of CE program numbers. Please remember, before you advertise or offer a program, you must have approval by obtaining your program number. Also, CE providers should review programs at least annually to ensure programs are relevant and accurate. You should manage your program offerings and numbers. We've had our share of hitches due to so much old data in the CE system. Using old program numbers pose administrative hurdles. Some CE providers are using numbers as old as 2013. Certain information is readily apparent just by looking at a program number. Everyone, including your customers, can see the category, the delivery method and when the IRS approved the program if you advertise the number and certainly when it is displayed on the certificate of completion.

Old programs and numbers present a problem for us in so many respects:

- For an enrolled agent (EA) who is required to have CE that enhances their learning, the IRS can't readily tell if the program the EA completed is up to date. We require that when you revise a program, remove the old number and acquire a new number.
- When conducting provider reviews, old program numbers cause ambiguity because we do not know if the program material is relevant and current.
- The IRS is required to safeguard information and fulfill the IRS record retention policy, so old program numbers make our job and our vendor's job harder administratively.

Earlier this year, we began removing outdated CE provider applications, renewal applications, older program numbers and more from accounts based on IRS guidelines. We received feedback from some providers that they were still using outdated program numbers and needed to upload PTIN completions. To allow those providers to upload the PTIN completions, we restored the removed data. The restoration of the old records required a complete upload of all older program numbers. This is why many of you who were effectively managing your account had older program numbers previously

removed reappear. We apologize to all providers who were adversely affected by our restoration of data.

With that said, here is the good news. We are starting a new process. IRS CE is adding expiration dates to program numbers in the CE system. We have some computer programming in place in the CE system with more tweaks to complete, but here is how it will work. Programs will expire on 12/31, three years from a program's approval date. For example, a program number obtained anytime in the calendar year 2021 will expire on 12/31/2024; a program number added during 2022 will expire on 12/31/2025. Because the IRS makes annual changes to the Annual Federal Tax Refresher (AFTR) course outline, AFTR courses will continue to expire annually on 12/31.

We are in a transition period for the next year meaning that active program numbers already three years old will not expire at the end of this year but will carry a 12/31/2023 expiration date. This means that active program numbers that we approved between 2012-2019 will all expire a little over a year from now, on 12/31/2023.

CE providers can remove programs before a program expiration is scheduled in the CE system. For example, you may determine that you will offer a program only in March of 2023. You could remove the program after 3/31, and the CE system will display a program expiration effective on your removal date. Once a program expires systemically or by your early removal, you cannot use that program number. You can, however, continue to report any CE credit that participants completed before a program's expiration date.

As mentioned earlier, if you make changes to your program by adding or removing content, you should obtain a new program number even if the existing program number has not expired.

Your provider renewal application and approval letter in your CE account will display actively-approved programs. Program approval and expiration dates are displayed in your CE account's Programs/Manual PTINs section. We also encourage you to use the Export Program List in this section. An exported list will contain your program name, number, description, delivery method and target audience, as well as your program approval date and program removal/expiration date. So, the list makes for a handy way for you and your team to review, discuss and make decisions about your active programs.

For CE providers that offer self-study programs, particularly those allowing up to one year for completion, it will be important to mention the program expiration date or the date by which the student needs to complete the self-study course.

2023 Renewals

Welcome to renewal season 2023! A special thank you to those who have already completed the renewal process. For the remainder of you still facing the process, please be mindful of these points:

- The renewal fee for 2023 is \$675.
- Only Principal Points of Contact (PPOCs) can renew the CE provider status. Administrative Points of Contact (APOCs) cannot renew the provider account and will not see the red renew button when they log in to the CE system.

- Approved providers have from now until 12/31/2022 to renew and retain their IRS-approved provider status for 2023. So, if you plan on offering CE for IRS credit ANY time during 2023 without lapsing, you must renew by the 12/31 deadline. This is also true if you won't offer a course until next fall and want to retain your approved status.
- If not renewed timely by 12/31, starting on 1/1/2023, you will be placed in a lapsed status in the CE system. You will no longer appear on the IRS CE Public Listing and you cannot hold yourself out on any advertisement as an IRS-approved CE Provider. Additional fees are also incurred when choosing a later renewal date. In addition to the \$675 renewal, the late fee schedule is:
 - \$100 if renewed in January
 - \$150 if renewed in February
 - \$200 if renewed in March or thereafter
- Renewal payment and fees can be paid online with a Visa Card, Master Card, Discover Card or an electronic check, or by mailing in a payment post-marked by 12/31/2022. American Express cards are not accepted by the vendor. We encourage providers to pay online. If not an option, you should plan early since even a timely renewal mailed just before the deadline may delay use of your CE account in early 2023 due to mailing and processing times.
- When starting the renewal process, you can stop at any time if necessary, and your progress will automatically save. When you sign in and restart the renewal process, it will automatically pick up where you left off.
- Renewals is also the perfect time for cleaning up programs in your account. Unlike other CE programs, the IRS CE Program requires that the provider maintains their account program listings. As detailed earlier, the renewal process next year will look a little different, as older programs will systemically expire 12/31/2023.
- That said, if your program list is lengthy, we suggest before starting the renewal process that you go to the Programs/Manual PTINs section of your account and export your entire program listing. This will create an Excel file with all of your program information, including program descriptions, that you can sort and filter. You can use this listing to determine ahead of time the programs you will rollover and offer in 2023 if they are not obsolete and have no changed content, and those programs you won't rollover and delete. Starting next renewal season, any expired programs will not be allowed to roll over to the next year. You can refer to the CE Provider User Guide, section 9.2, Exporting Program Information for detailed instructions.
- A federal tax law update (indicated by 'U' definer in the program number) is only an Update program when it's new or changed law. You should update programs that are past the one-year 'new or update' phase. These programs will need a new program number with a changed category to federal tax law (indicated by 'T' definer in the program number).
- During the 10/1-12/31 renewal period, you may add 2022 and 2023 programs to your account. The best practice is to add all 2022 programs before you renew. However, if you need to add 2022 programs after you have renewed for 2023, use the default to add the program for 2022 and 2023. Doing this will allow PTIN uploads for completions during both years.
- Once you complete the renewal process, a screen will display offering your renewal letter, your PTIN/logo information and your invoice to print or save. These documents can also be accessed anytime on the main page of your account, at the bottom where each year of applications are displayed.
- Lastly, remember to check your CE provider account at least once monthly to get the latest News & Alerts and to be sure there are no secure mailbox messages for you. The PPOC is notified via an email to the e-mail address on file in the provider account, alerting them that something has been

delivered to the secure mailbox. So, make sure this information is kept current, that IRS is identified as a “safe sender” for messages and check your SPAM folder periodically to ensure no messages have been misdirected.

Updates to the Continuing Education (CE) System

We have recently made several updates to the CE system. We hope these improvements are beneficial to your user experience and facilitate maintaining your account, including Preparer Tax Identification Number (PTIN) CE records and programs. As previously mentioned, one of the biggest updates is the addition of expiration dates to program numbers. Another exciting update is the ability to bulk remove CE PTIN records. A new section on the left-hand side of your account page in the CE system has been added, labeled “PTIN Batch Remove”. This function will allow you to upload your original Excel PTIN template file and process multiple PTIN removals at the same time. This process is very similar to the current process to batch upload PTINs. You must have an existing corresponding PTIN record in the CE system for it to be removed. The CE system will validate the format of each field in the file and successfully remove the verified records. Records that produced an error and are not able to be removed are identified and must be exported to Excel, corrected and re-uploaded to successfully remove the record. Make note that instructor hours cannot be removed via this process and must be removed manually. We have updated the Provider User Guide to include detailed instructions under section 11.0, PTIN Batch Remove. You can find the guide in the Resources & Help section of your CE account. Please allow 2 business days for the CE record to be removed from the preparer’s account in the PTIN system.

Annual Filing Season Program Reminders

Here are some Annual Filing Season Program reminders and Annual Federal Tax Refresher (AFTR) tips for those of you participating this season:

- All continuing education (CE) taken by tax return preparers for entrance into the Annual Filing Season Program must be completed by midnight local time of the student on 12/31/2022. This includes completion of the AFTR course and exam along with the additional CE credit hours needed to meet the student’s exempt/non-exempt requirement.
- For those offering AFTR, make sure that your advertisement of the AFTR course states that the 12/31 deadline is for completing both the course and exam. Simply stating that the “course” must be completed by that date can falsely lead students into believing they have additional time beyond 12/31 to complete the exam portion.
- Now that we’re in the fourth quarter of the year, Preparer Tax Identification Number (PTIN) reporting of CE credit hours must be processed within 10 business days of course completion. This is very important during this season since credit hours earned must be registered in the student’s PTIN account before they can finalize entrance into the Annual Filing Season Program for 2023, and this cannot be done until providers have completed the PTIN uploads.
- We recommend reminding students of that vital last step of finalizing entrance into the Annual Filing Season Program: They MUST sign the Circular 230 Consent to be successfully accepted into the program.

Program Recordkeeping

As with most of the certification and Continuing Education (CE) requirements, we start in the [Circular 230](#).

Circular 230 § 10.6 “Term and renewal of status as an enrolled agent, enrolled retirement plan agent, or registered tax return preparer” section (h) “Recordkeeping Requirements” says, essentially, that each enrolled agent (EA) applying for renewal must keep qualifying CE credit hours data for a period of four years following the date of renewal and goes on to list the requirements in sections (i)-(viii) where section (viii) includes certificate of completion.

Circular 230 § 10.9 “Continuing education providers and continuing education programs” section (vi) essentially says CE providers are required to keep all the records for a period of four years after the last completion date of the course. This doesn’t exactly coincide with the EA recordkeeping requirements, but in a perfect world, reapplying EAs verifying their CE recordkeeping would discover any missing records and request them from the CE provider before reapplying, which would be within the CE providers recordkeeping timeline requirements.

The Return Preparer Office (RPO) made recordkeeping easier by requiring much of the listed required data from the EA section of Circular 230 § 10.6 (i)-(vi) and (viii) be included on the certificate of completion, and we’ve made available a sample certificate of completion for easier compliance.

Now you know why the certificate of completion must include: Name of participant, Program Name and IRS issued program number(s), Total number of credits earned, Date completed, Location if in person program, CE Provider Name, CE Provider Address and Signature of Designated Official. Maybe because these items are straight data and are so clearly required on the certificate of completion, our provider reviews generally show most providers have this information on hand and properly archived. This proper recordkeeping also generally holds true for records of attendance, PTIN uploads and program evaluations.

But we have seen some archived program material missing critical information. This includes the actual material, the education part, as required per Circular 230 § 10.6 (h)(1)(iv), “Written outlines, course syllabi, textbook, and/or electronic materials provided or required for the course.”

So, Circular 230 says to keep all material provided and required for the course. Seems like an all-inclusive statement, but to clarify we also find this in the [Provider Standard 13](#) commentary, “ The following records must be maintained for 4 years from the completion date of the Program even if the program material is purchased: 1) Program material, 2) Any handouts (i.e. syllabus, agendas, PowerPoint presentations), 3) For self-study programs, review questions, final examination, and documentation to support credit hour computation, 4) Instructor/Developer Biography, 5) Certificates of Completion or Master Listing of attendees and 6) Evaluations.

So, pretty much the same except the key addition, “**even if the program material is purchased**”. It could have also continued with “or someone is delivering the material based on a syllabus or scheduled in-person program”.

A very common scenario is where the provider is holding a seminar and engages a speaker, who might be a traveling professional instructor or a qualified tax professional, such as a member of a professional organization known to the provider, to deliver a certain number of CE credit hours. Optimally, well

before the delivery date, the speaker gives the provider all the program material being delivered, based on a timed syllabus associated with that material, which includes any handouts, PowerPoints and speakers notes. The provider reviews the material, determines it is accurate and meets all criteria, the material is made available to attendees and then the program is delivered per the material and the material is archived. However, sometimes circumstances may not be as optimal as we would prefer, such as a speaker canceling just before the once-a-year seminar and a last-minute replacement speaker fills in. That speaker should still have all the required material, which would still need to be reviewed, given out and then archived.

If this type of situation occurs; we go to the [Program/Course Guidance FAQ 17](#). Question: “Will a last-minute change in a program speaker (after issuance of a program number) (due to speaker illness, etc.) invalidate the program number?” Answer: “No, but speakers must still meet [Standard No.12](#) with regard to speaker qualifications”. We can also reference [Program/Course Guidance FAQ 18](#). Question: “How do CE providers notify RPO of any last-minute changes to the program content/topic?” Answer: “If there are last minute changes to the program material/content, then you must obtain a new program number. Log into your [CE Provider account](#) and select the "Add a Program" button. You will be prompted through the process of adding the information. A new program number will be appended to your Approval Letter once approved and be sent to your secure e-mail box.”

But, what about a speaker who gives you a syllabus (not timed but assures you the CE contact hours will be met) and some handouts consisting of some original material and some IRS material with no notes. The best thing to do is not use this speaker, as you can't be sure of accuracy, time, etc. Additionally, instructors should be adding value to materials with explanations, examples and clarifications, which should be in their notes. Most speakers cannot effectively illustrate material off the top of their heads. Surely most of us have experienced speakers who have tried to speak off the cuff and did not meet expectations. We at RPO have certainly seen the less-than-stellar evaluations. Even an exceptional speaker who does not use notes fails attendees, as frantic notetaking does not take the place of a decent transcript of remarks or speakers notes.

For more clarity, we have updated [Program/Course Guidance FAQ 27](#) (Do I need to retain documentation when my organization purchases a program from another organization or individual?) to include, “Information to be retained includes copies of program materials, evidence that the program(s) were developed and reviewed by qualified persons, and a record of how CE credits were determined. (For in-person and online courses a timed syllabus/agenda/schedule and related instructor material/notes/narrative. A timed outline alone is not sufficient substantiation.) It is the buyer's responsibility to ensure the purchased program material qualifies for IRS credit and supports the number of credit hours requested.”

But let's say you have to use this speaker, who you have determined is a qualified speaker. You could keep records as discussed in [Program/Course Guidance FAQ 20](#) (Do panel discussions such as stump the speaker programs, dinner sessions, or lunch and learn qualify for IRS CE?) Within this long answer, it essentially says the provider should retain the program description and agenda that describes the purpose of the program, detailed notes of the discussion and/or a voice recording of the entire session. Whatever method you use, the record of the material should be provided to all attendees and archived for 4 years after the last course completion date.

To sum up, the primary role of IRS-approved CE providers is to deliver accurate and timely CE programs designed to enhance professional knowledge in federal tax law, federal tax-related matters, qualified retirement plan matters or federal tax-related ethics, consistent with the Internal Revenue Code and effective tax administration. Keeping accurate and complete records that substantiates the proper delivery of qualified program material and meeting the Provider Standards is not just required, it underscores your professionalism as a CE provider.

Enrolled Agent Continuing Education Audit

Biennially, the Return Preparer Office (RPO) Enrolled Agent Policy & Management (EAP&M) and Continuing Education (CE) departments work conjointly to conduct a random audit of a select sample of enrolled agents (EA) CE records to ensure compliance with the requirements and standards for renewal. Moreover, a review of the information in the Tax Professional PTIN System (TPPS) is completed to confirm the CE hours submitted by CE providers match the information obtained from the EA.

The RPO has previously shared audit findings with the EA community.

Generally, some EAs:

- Failed to ensure CE was a qualifying IRS program number from an IRS-approved CE provider. i.e. – Counted state accountancy CE as EA CE credit.
- Failed to take the minimum 16 hours, including 2 hours of professional ethics, in each of the calendar years.
- Failed to provide the correct Preparer Tax Identification Number (PTIN) to the CE provider.
- Counted other programs such as the Annual Federal Tax Refresher course CE as EA CE.

Unfortunately, some EAs provided false or misleading information concerning the completed CE on their EA Renewal Form 8554. This resulted in being placed in the Inactive Status. We recently further reviewed EA CE practices as a follow up to the 2021 EA Audit and want to thank all the providers. Give yourselves a pat on the back! We found that by and large, the CE providers followed through by helping to ensure EA CE credits were accurately reported.

Here's a recap of the EA CE requirements for renewal, as set forth in [Circular 230](#) § 10.6:

- EAs are required to have a minimum of 72 hours of CE credit, including 6 hours of ethics or professional conduct. A minimum of 16 hours of CE credit, including two hours of ethics or professional conduct, must be completed during each enrollment year of an enrollment cycle.

Helping the EA understand their obligation is key to assuring the public of the high standard represented by the EA and enrolled retirement plan agent (ERPA) credential. The taxpaying public relies on the EA credential to hold up for professionalism and integrity. The EA community should expect the same from its members. Perhaps you can help us communicate the importance of this to the EA community. But you might ask - what can a CE provider do to help the EA community understand and comply with their obligations?

First off, remind the EA what **they** can do:

1. Prior to renewal opening on 11/1, the EA should verify that all CE is properly credited in their PTIN account.
2. Contact the CE provider if an IRS-approved CE course is not properly credited – be sure they have recorded the correct name, attendance date and time and the correct PTIN.
3. If CE credit for the current year is deficient, there is still time to complete the required CE prior to 12/31. Programs/courses must be completed by midnight local time of the student on 12/31 to count for credit in the current calendar year. Follow up to be sure the CE is credited appropriately to the PTIN account.
4. If CE credit for the first two prior years of the renewal period is deficient, they can refer to § 10.6(i) of Circular 230 to determine if they meet the qualifications to request a waiver of CE requirements. A request for waiver must be filed no later than the last day of the renewal application period.

Another important reminder for the EA - if the CE is deficient for the first two years of the renewal period, and the EA does **not** qualify for a waiver, they will need to contact EAP&M to discuss any remedy options concerning the deficiency. It is **very important** they are accurate and forthright in their CE statements on the renewal Form 8554.

It is ultimately the EA's responsibility to track and maintain the CE hours they complete and ensure they are properly reported to the IRS.

As we continually communicate to you, IRS program numbers are of great importance to help the EA appropriately comply with their CE requirements for renewing their credential. As you know, the EA CE curriculum is more ingrained with tax administration principles and the concepts have a higher degree of complexity, so when the EA chooses you for their CE, we want to assure that investment in their time is appropriately recognized.

Here are a few suggestions to help with the process in the future:

- Be sure to follow the CE standards for PTIN uploads (make sure you are submitting PTIN uploads quarterly as required and within 10 business days of delivery of each program during the fourth quarter).
- Make sure you upload CE credit for all participants that provide a PTIN (no matter what their designation is).
- **Encourage participants to include their PTIN during registration**, emphasizing that if the correct PTIN is not provided, their CE credit will not accurately reflect in their PTIN account. You can also promote this on your website before offering a course to reinforce the importance of providing a correct PTIN to the provider.
- Make sure the IRS program number, number of credits and date of completion are included on the certificate of completion; **PLEASE NOTE:** When certificates of completion provide dual credit for IRS designation CE requirements and other professional credential CE requirements, please be sure this is clearly separated and appropriately identified.
- Look at the [sample certificate](#) on our website for guidance in creating your certificate. Be sure to include all information that is listed as a requirement. Please do not include PTINs on the certificate and please remember that a certificate of completion should be provided for everyone completing a course.

Questions & Answers

- 1. Q – Will there be exam content outline changes for the EA exam or any other EA related updates, and if so, what are the changes?**

A – The test specifications and test content outlines will not change for the May 2023 – February 2024 exam.

For exams taken 5/1/2023-2/28/2024, all references on the examination are to the Internal Revenue Code, forms and publications, as amended through 12/31/2022. Also, unless otherwise stated, all questions relate to the calendar year 2022. Questions that contain the term ‘current tax year’ will refer to the calendar year 2022. In answering questions, candidates should not take into account any legislation or court decisions after 12/31/2022.

- 2. Q – Will we have the international testing dates and locations on March 1? If not, when do you expect to release them for the 2023 window?**

A – Yes, information regarding the international testing window dates and locations will be posted on 3/1/2023, if not sooner.

- 3. Q – Do you foresee expanding the locations or dates? If so, do you have any details now that you can provide?**

A – The international testing dates and locations will be very similar to the windows of the past. Generally, there are four testing windows, in seven locations. Toronto, Seoul, London and Tokyo are two-week windows and India (Bangalore, New Delhi and Hyderabad) are three-week windows. Please keep in mind that international windows are always subject to change. Please continue to check www.prometric.com/SEE for updates.

- 4. Q – What is the procedure for IRS-Approved CE providers to obtain a downloadable list of IRS Registered Tax Return Preparers that are included in the IRS PTIN Directory, so the IRS-approved CE provider is able to alert the practitioners ahead of time in a mailing or emailing for upcoming CE event(s).**

A – We have several resources available to CE providers and, of course, the general public, for this purpose.

Please note, Preparer Tax Identification Number (PTIN) holders’ and enrolled agents’ (EA) addresses and phone numbers are available through the Freedom of Information files we share. However, since December 2017, the IRS has stopped releasing email addresses in consideration of data security and tax return preparer information protection.

First, the IRS has a Directory of Federal Tax Return Preparers with Credentials and Select Qualifications. The directory is searchable, and the results provide a tax professional’s name, credential, city, state and zip code. The listing is available at IRS.treasury.gov/rpo.

Next, the IRS releases PTIN Information in an Excel CSV format through the Freedom of Information Act. The files are updated in February and August each year and contain over 600,00 records. In this file, the IRS provides a PTIN holder's name, DBA, address, website, phone number, credential and IRS Annual Filing Season Program participant status.

[PTIN Information and the Freedom of Information Act | Internal Revenue Service \(irs.gov\)](#)

[IRS.gov/pub/irs-utl/foia-extract.csv](https://www.irs.gov/pub/irs-utl/foia-extract.csv)

Finally, on IRS.gov, we regularly publish an Excel CSV file of Active EAs that we make available through the Freedom of Information Act. The file contains the EA's name, complete address and phone number.

[Active Enrolled Agents and the Freedom of Information Act | Internal Revenue Service \(irs.gov\)](#)

[Active Enrolled Agents Listing \(CSV\)](#)

5. **Q – We require individuals who are wanting EA credit to report that to us prior to a course so that we can apply for the program after determining it will be eligible. We primarily have CPAs who take course with us and we are in compliance with those standards, however, we don't automatically apply for EA credit with the IRS because we have very few EAs who take courses and we became a sponsor as a courtesy for them. With this being said, can an individual self-report their CE with the IRS?**

A – We receive similar questions from CPA organizations periodically. Here is our reply.

EAs and enrolled retirement plan agents (ERPA) do self-report their CE on Form 8554 when they renew their enrolled status. However, they must keep their certificate of completion which shows that the program was completed through an IRS-approved CE provider. The certificate of completion provided to participants must include the following:

- Name of participant
- Program Name & IRS-issued program number(s)
- Total number of credits earned
- Date completed
- Location
- CE Provider Name
- CE Provider Address
- Signature of Designated Official

While the enrolled professional initially self-reports their CE, as you can see, they cannot satisfy Circular 230 requirements without the IRS CE provider obtaining a program number and gaining approval for each program. The CE provider also must do their part with PTIN reporting and records administration. So, in essence we do not just rely on what the EA puts on their renewal form.

In addition to enrolled professionals, we also have CPAs, attorneys and unenrolled return preparers that take part in the IRS Annual Filing Season Program. Tax professionals must

complete CE to qualify. Qualification for this program is based strictly on the continuing education that CE providers report to IRS.

If you are going to offer/advertise a program for IRS CE to CPAs, attorneys, EAs and others you should ALWAYS:

1. Register the program BEFORE it is offered
 2. Issue a certificate of completion to EVERYONE that completes the program
 3. Report the CE to the IRS for ANYONE that provides you with a PTIN
- 6. Q – My question is, can you please change the reporting deadlines for the first three quarters of the year to 10 days after the last day of the quarter, i.e., you should have until October 10 to report attendance for Sept 30.**

A – Our intention is that a CE provider will always have at least 10 business days to report CE following a course completion. We will clarify our written guidance and appreciate your recommendation.