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**Taija Sparkman** • Mar. 13, 2012

The Internal Revenue Service has begun issuing test results to tax return preparers who have taken the new return preparer competency test. Anyone who passes the 120-question test and the tax compliance check will be given the new designation, Registered Tax Return Preparer.

The new test became available in November 2011 and it has just finished the calibration phase. During this phase the IRS validated the questions and set the passing score. A passing score is 350 or higher out of a perfect score of 500.

Anyone that has taken the test received a letter from the IRS stating whether they passed or failed. Individuals who pass the test must pass a tax compliance check performed by the IRS. The check is generally completed a few weeks after the test score is issued. Those who pass both the test and the tax compliance check will receive a Registered Tax Return Preparer certificate. Only those tax return preparers who received the certificate can call themselves Registered Tax Return Preparers.

The test was created as part of the IRS' efforts to guarantee professional standards within the tax preparation profession. All paid tax preparers are required to obtain a Preparer Tax Identification Number and renew it each year. In addition, certain return preparers must complete 15 hours of continuing education annually, pass the competency test by December 31, 2013 and pass the tax compliance check.

CPAs, attorneys and Enrolled Agents are exempt from the new requirements as they have separate requirements. The new requirements will not apply to non-signing preparers supervised by CPAs and those who do not prepare the Form 1040 series as well.

Many resources are available for preparers, including a list of recommended study

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