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organizations support it.

Isaac M. O'Bannon • Feb. 01, 2013

About two years ago, the IRS started to require paid professional tax preparers to pass a set of minimum standards. This included tax knowledge testing, educational requirements and a criminal background check.

Two weeks ago, a federal district court judge ruled that the Internal Revenue Service doesn't have the authority to make that regulation, and also issued an injunction immediately barring the tax agency from enforcing it. The rules had been supported by the AICPA, NSAcct, Enrolled Agents, Tax Attorneys and the largest national retail tax chains, including H&R Block and Jackson Hewitt.

Last week, the IRS filed an appeal. On Thursday, Congress got involved.

On January 31, 2013, Representative Charles Boustany, Jr. (R-Louisiana), the Chairman of the House Ways and Means Committee's subcommittee on Oversight, sent a letter to the Steve Miller, the Acting Commissioner of the IRS.

In the missive, he stated that, "the IRS does not have the authority to license and regulate hundreds of thousands of tax preparers under its Registered Tax Return Preparer Program. This program required all paid preparers to register with the IRS and provide for competency testing."

The program Congressman Boustany referenced exempted professionals who are Certified Public Accountants, licensed tax attorneys and Enrolled Agents, because these professionals already have required professional testing and education requirements. The IRS has stated its intent, supported by professional organizations, that unregulated tax preparers put taxpayers in jeopardy and at risk of fraudulent practices like "guaranteed refunds."

The Congressman's letter also focused on a statement about the court ruling posted

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