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continue some parts of RTRP, but not others. Pending further appeals, of course.

**Isaac M. O'Bannon** • Feb. 04, 2013

On Friday, the U.S. District Court for the District of Columbia denied a motion by the Internal Revenue Service that would have suspend the court's injunction against IRS's Registered Tax Return Preparer (RTRP) program in its entirety. The ruling was only made available electronically today.

However, today's ruling was somewhat mixed, as it will allow the IRS to continue with the PTIN (Preparer Tax Identification Number) requirement and fees, as well as continued testing and registration under the RTRP program, but as a voluntary tax preparer option.

Two weeks ago, District Court Judge James Boasberg [ruled in favor of three tax preparers](#), finding that the IRS did not have the constitutional authority to create the program, which required registration and testing of paid tax return preparers. At the same time, he issued an injunction preventing the agency from requiring preparers to follow the program's rules, even as the agency appealed.

Ten days ago, [the IRS appealed the injunction](#) portion of the ruling, asking the same judge to reconsider that aspect as the agency considered other legal plans. In its appeal, the agency said:

[The injunction] "... would be irreparably harmed without a stay, the IRS first contends that the injunction substantially disrupts the Service's tax administration. The IRS has established 250 testing centers, the program has cost over \$50 million to roll out, and nearly 100,000 preparers have registered to take the competency test."

Also last week, U.S. Representative Charles Boustany (R-Louisiana) [suggested that](#)

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From the ruling:

The Injunction is MODIFIED to make clear that the IRS is not required to suspend its PTIN program, nor is it required to shut down all of its testing and continuing-education centers; instead, they may remain, but no tax-return preparer may be required to pay testing or continuing-education fees or to complete any testing or continuing education unless and until this injunction is stayed or vacated by the Court of Appeals.

Today's full ruling is available [via the U.S. District Court](#).

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