



PRESS-REGISTER

Tax-preparer licensing bill stalls in legislative committee - Page 2

MONTGOMERY — A bill to regulate tax preparers in the state stalled earlier this week after opponents waged an unusual filibuster in a legislative committee.

The legislation, sponsored by state Sen. Quinton Ross, D-

Montgomery, would create a board to license and regulate tax preparers in the state who are not already regulated by other professional bodies, such as the State Bar or the State Board of Public Accountancy.

Tax preparers would be required to pass a test administered by the newly created board and enroll in continuing education programs to maintain their licenses.

The board also would investigate complaints against individual tax preparers.

Supporters of the measure said it is needed to crack down on unscrupulous tax preparers who overcharge customers, file false returns on their behalf or sell them refund anticipation loans without disclosing punishing rates of interest often embedded in the loans. The legislation would require that licensed tax preparers not pitch the loans as actual refunds.

Impact Alabama, an organization comprised mainly of students, recently investigated tax preparers in the state and found many spending little time on returns while charging more than \$400 for the service. The preparers were also found to make mistakes that forced customers to pay more than what they owed or left them vulnerable to audits.

Stephen Black, the organization's director, said those mistakes were especially notable in calculating earned income tax credits for low-income families.

"This is about the EIC," he said. "This about people who make less than \$40,000 a year."

The Alabama Department of Revenue also expressed support for the bill, as did the Alabama Society of Professional Accountants.

"This idea's time has come," said Mike Mason, deputy commissioner of the Department of Revenue. "I see the difference every day between returns prepared by some who have received training in taxation, and those with no training."

Opponents, including many individual tax preparers, said they did not oppose the goal, but that the bill is not the best solution. They cited everything from representation on the proposed board to the minimum \$80 fee to obtain or renew licenses.

"I charge \$50 to \$100," said Jeffrey Jones, an independent tax preparer based in Mobile. "If you put this law in place, I'm going up to \$350 and \$400 like everyone else."

Interest in the legislation was so great that the Boards and Commissions Committee meeting, which considered the bill, was moved to the chamber of the House of Representatives to accommodate the crowd.

The setting also led to an unusual slowdown of committee business, led by state Reps. John Rogers, D-Birmingham, and Mary Moore, D-Birmingham, who spoke on every bill before the committee in order to stall consideration of the tax bill. Committee Chairwoman Merika Coleman, D-Birmingham, noted that it was committee member Rogers' first appearance at a meeting in two years.

Rogers and Moore joined state Rep. Arthur Payne, R-Trussville, and James Gordon, D-Saraland, in filibustering the bill and preventing a vote.

The representatives indicated they were preparing to offer at least 10 amendments.

Payne said afterward that he felt the bill "needed to be revisited" and expressed doubts it could get out of committee in any form. State Rep. Patricia Todd, D-Birmingham, a supporter of the bill, said the amendments were "all good and legitimate" and expressed hope the legislation would get to the House floor.

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