



Illinois Department of Financial and Professional Regulation

Division of Professional Regulation

BRUCE RAUNER
Governor

BRYAN A. SCHNEIDER
Secretary

JAY STEWART
Director

Illinois Department of Financial & Professional Regulation Division of Professional Regulation Tax Return Preparation Task Force

Open Minutes

Date: February 10, 2015

Call to Order: 10:06 am – Jay Stewart, Chairperson

Location: IDFPR – Division of Professional Regulation
100 W Randolph, 9th Floor Room 9-171A
Chicago, IL 60601

Board Members Present: Jay Stewart, Chairperson; Geoffrey Harlow, Member; Andrew Jennison, Member; Representative Natalie Manley, Member; Senator John Mulroe, Member; Michael T. Specha, Member

Board Member(s) Absent: N/A

Staff Members Present: Martha Reggi – Associate General Counsel

Guests: Howard D. Ellison, Wermer Rogers Doran & Ruzon, LLC; Thomas J. Walsh, Thomas J. Walsh Consulting; Ed Karl, Vice President, AICPA Tax Division, via phone; Marty Green, Illinois CPA Society, via phone

Topic	Discussion	Action
Roll Call	Jay Stewart, present Geoffrey Harlow, present Andrew Jennison, present; Representative Natalie Manley, present Senator John Mulroe, present Michael T. Specha, present	
Introductions	Each Task Force member, Department staff, and guest introduced themselves. Martha Reggi reminded the Task Force of Open Meeting Act requirements.	
Approval of December 15, 2014 and December 19, 2014 Meeting Minutes		A motion was made by Mulroe / seconded by Jennison to approve the December 15, 2014 and December 19, 2014 meeting minutes. Motion passed unanimously.
Analysis of Future Action	<p>Chairperson Stewart reviewed the meetings that have taken place to date and reviewed the agenda.</p> <p><u>Guest Ed Karl, Vice President, AICPA Tax Division</u></p> <p>Mr. Karl thanked the Task Force for inviting him to speak and he discusses encouraging a mobile model of regulation of tax preparers by adopting a preparer tax identification number (PTIN) system. He stated that this would ensure competency and consistency to enforce ethical standards. This would also aid multiple states at once, given that individuals often prepare taxes in multiple states. Mr. Karl discussed leveraging the existing federal PTIN program in order to assist in tracking across jurisdictions. Additionally, this would allow for fines for those who fail to comply with a PTIN requirement. Mr. Karl answered various questions from the Board regarding how PTINs are obtained, whether CPAs would be exempt from such requirements, and any formal positions the AICPA may take on this issue.</p> <p>Mulroe suggested that the Task Force perform an analysis of Attorney General and Department of Revenue complaints regarding tax preparers.</p>	

	<p><u>Guest Tom Walsh, Independent Lobbyist for H&R Block</u> Mr. Walsh discussed the background of the legislation creating the Task Force and indicated that the Attorney General was in support of the creation of the Task Force. Jennison spoke to tax preparer licensure/registration status in California, Oregon, Maryland, New York, Colorado, and New Jersey. The Task Force discussed the primary issues with the scope of problems the Task Force is seeking to prevent, such as fraud, competency, and compliance. Jennison suggested contacting other states to invite their testimony before the Task Force.</p> <p><u>Guest Howard D. Ellison, Wermer Rogers Doran & Ruzon, LLC</u> Mr. Ellison discussed Illinois' understated income issues and indicated this may be a client based issue. Mr. Ellison encouraged analysis of the IRS PTIN system. A PTIN system may allow tracking of issues and may result in fees from fines.</p> <p>Manley suggested that the Task Force make a statement to the public to encourage consumer protection. Harlow suggested that the Task Force also consider empirical analysis of tax return issues.</p>	
Adjournment		There being no further business to discuss, a motion was made by Mulroe / seconded by Specha to adjourn at 11:38 am. Motion passed unanimously.