

Oregon Board of Tax Practitioners Semi-Annual Newsletter The Board of Tax Practitioners protect consumers by ensuring Oregon tax professionals are competent and ethical in their professional activities.

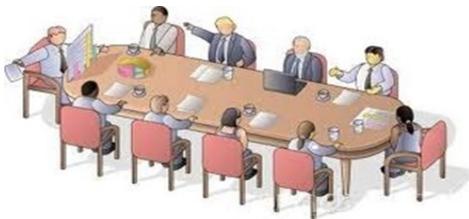
New Agency Survey for 2014

Please visit the Tax Board website and go to the quick links box in the lower right corner.

We value your input and suggestions.

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Board Members Wanted

by Michael Addington, EA, LTC

The State Board of Tax Practitioners, established in 1973, is the only state with a comprehensive licensing and regulation program for tax professionals that are not CPAs or Attorneys. OBTP is a seven-member board appointed by the Governor. Members are appointed to staggered three-year terms. Six board members must be Licensed Tax Consultants with a minimum five years' experience. One board member is from the general public, unaffiliated with the profession.

OBTP meets five times annually with an occasional tele-conference. Board members write articles for the Board's semi annual Newsletter. The board website has information on meetings at www.oregon.gov/OBTP.

Ongoing and upcoming issues for the Tax Board:

- Growing Oregon population and attracting new licensees;
- Biennial budget and licensee fees;
- Office administration and changing technology;
- Updating the Oregon Administrative Rules;
- Investigating compliance and non-compliance issues;
- Exams and education;
- Computerized testing, data base management;
- IRS National licensing, PTIN requirements;

Interested? See back page



KELLY GABLIKS RETIRES

"Kelly has been the Tax Board Attorney for 8 years and has done a remarkable job for us. We have been so fortunate to have her work with the board. It has been my experience that Kelly Gabliks, Attorney, is always prepared for our meetings and gives great legal advice, not to mention her upbeat, positive personality. She works very closely with the Executive Director and Compliance Specialist in our office. We will all miss you terribly. Thank you.

-Joe Lovato, Board Chair

National Licensing Update by Jan Salisbury, EA, LTC

This past summer IRS rolled out their program for registration of unenrolled preparers. Just as before this program affects all tax practitioners who are not already certified accountants, attorneys or enrolled agents. The IRS program is a voluntary registration program for paid preparers. It will provide the registrant with the opportunity to represent their clients before the IRS with limitations beginning in 2016. Applicants will need to secure a PTIN and obtain 18 hours of continuing education, including a six hour federal tax law refresher course with test. Practitioners without this record of completion will only be able to prepare returns, not even allowed the simplest of representation. However, the IRS is recognizing the viability of our Oregon based licensure program. All actively current Oregon licensees (whether LTP or LTC) automatically qualify for the AFSP. OBTP staff is working directly with IRS to upload all qualifying licensees from the Tax Board database. Annually, licensees will still need to take at least three (3) hours of federal tax law updates and two (2) hours of ethics as part of Oregon's 30 hours of required continuing education. What we do not have to do is take a test every year.

LICENSE STATUS—COMPLIANCE by Heather Shepherd, Compliance Specialist

Continuing Education and Renewal Deadline The Tax Board receives many phone calls from licensees that have not completed the continuing education requirement. Most callers think they have until the 15th of the month after licensure to complete their CE even though the true deadline is the last day of the month: May 31 for Consultants and September 30 for Preparers. Continuing to prepare returns after the deadline may result in Board discipline as an unlicensed preparer.

LICENSE STATUS—

Active Status An active licensee is a Consultant or Preparer licensed to prepare or advise or assist in the preparation of personal income tax returns for another and for valuable consideration. A Consultant can practice without supervision and a Preparer must practice under the direct supervision of a Licensed Tax Consultant, Attorney or CPA according to Tax Board statutes.

Inactive Status A licensee can elect to place their license on inactive status during the renewal period for a period not to exceed three (3) consecutive years. Continuing education hours continue to accrue. Upon requesting reactivation, all fees and accrued continuing education hours must be current. If a licensee remains on Inactive Status for more than three years, their license automatically becomes ineligible. To earn Active Status, an Ineligible licensee must take the preparer exam as if they were a new candidate for licensure.

Lapsed Status A licensee can elect to place their license in lapsed status during any renewal period for a period not to exceed three (3) consecutive years including any period of inactive status. Continuing education hours continue to accrue. There is no fee to place a license in lapsed status. To reapply for reactivation, all associated fees must be paid and all continuing education must be current. If a licensee remains on Inactive and/or Lapsed Status for more than three years, their license automatically becomes ineligible. To earn Active Status, an Ineligible licensee must take the preparer exam as if they were a new candidate for licensure.

EXPAND YOUR PROFESSIONAL SELF - by Jane Billings, Exam and Education Coordinator

As a tax practitioner, you selected a career that demands you to be on top of your game at all times otherwise, you risk losing clients and your clients might lose key deductions and adjustments. What do you need to know to gain a deeper understanding of changes to current tax law?

Where do you go to find this information? How do you go about developing your professional self? Quality continuing education is a big part of the answer. When choosing continuing education do you select courses with the attitude, "I have to get this done quick", or maybe "what can I take that will be the least expensive"? On the other hand, do you seek out courses that are going to grow you professionally and expand your knowledge base?

SEASONED TAX PRACTITIONERS AS VALUABLE MENTORS AND DEFINING EMERITUS STATUS BY RULE

I am getting older. With the passing of every day, I hope I'm getting a little wiser too. My retirement is still a mirage lingering on the horizon but it has me thinking about how we as a community of Oregon tax practitioners approach retirement and our retired peers.

This is a unique field in that there is not an assumed retirement age. You do not suddenly turn 65, get a gold plated ten-key and a brief office party before leaving the industry forever. Many practitioners remain vital members of our professional community long past 65 and well into their late 80's.

BOARD STAFF: JANE BILLINGS, EXAM AND EDUCATION; SHARI BARRETT, LICENSING; BILL McMILLEN, EXECUTIVE DIRECTOR; HEATHER SHEPHERD, COMPLIANCE at the 2014 State Charitable Fund Drive



SEASONED TAX PRACTITIONERS AS VALUABLE MENTORS AND DEFINING EMERITUS STATUS BY RULE, CONT'D

More than a few of the currently licensed practitioners who are in the 65 or wiser age group were professionally preparing personal income tax returns before licensing was required. An even larger number of this group was preparing personal income tax returns prior to the proliferation of computers and professional tax preparation software.

As a newer practitioner who has always prepared returns through the lens of professional tax preparation software, I recognize the value of those with a greater breadth of preparation experience. Practitioners who have performed en mass tax return calculations manually will understand the flow of data from tax form to tax form in a way that I will never grasp because I have always relied on software.

Oregon recognizes that the 65 and wiser group has valuable experience. Should they retire someday, how can our community approach the subject of retirement and essentially mentor them in a thoughtful way?

Is there any interest from our state professional tax practitioner organizations in creating opportunities for newer practitioners to reach out and be mentored by retired or retiring practitioners? Is there space in these organizations to offer emeritus memberships to retired practitioners who want to stay connected with their professional network as well as stay abreast of the world of taxation even though they are not preparing returns anymore?

Would it be helpful for the Board of Tax Practitioners to address the issue of retirement within the Oregon Administrative Rules? Currently a licensee can choose to retire his or her license with the completion of an annual license renewal application. Retired licenses are not addressed in the Oregon Administrative Rules. As a result, the procedure for retiring, and revoking the election to retire a license remains undefined and unclear for practitioners. It would seem to me that addressing this within our administrative rules would increase our accountability and transparency.

CALL FOR COMMENTS – RULEMAKING

The Oregon Board of Tax Practitioners scheduled a rulemaking hearing for December 16, 2014 from 10:00 a.m. through 5:00 p.m. for those who wish to provide public comment. Public comment will be accepted by mail, e-mail or fax. Please address your comments to the Oregon Board of Tax Practitioners. The rule hearing convenes in the Tax Board's large downstairs conference room. The address is:

**Oregon Board of Tax Practitioners
3218 Pringle Rd., SE, Suite 120
Salem, OR 97302**

Fax comments to (503) 585-5797 or e-mail to jane.billings@oregon.gov or to tax.bd@oregon.gov.

The Board appreciates and looks forward to hearing from all tax practitioners and interested parties. The current set of proposed rules affects Tax Board licensees and the profession. It is critical that you voice your concerns, positive or negative. This set of proposed amendments and modifications to the Board's administrative rules under result from the Tax Board Rules Advisory Committee review, staff recommendations and oversight by the Board's Assistant Attorney General and Board members.

Much time, thought, and energy is invested in bringing the proposed changes forward for your review and comments.



OREGON DEPARTMENT OF REVENUE CORE SYSTEM REPLACEMENT

Following is an update letter from the CSR Team

Dear Oregon Tax Practitioners:

On behalf of the Oregon Department of Revenue, we're pleased to report that the first of four annual rollouts in our core systems replacement (CSR) project went live on time, fully functional, and under budget.

First, let's talk about what CSR is. This project is a multi-year implementation of new technology and business processes centered around a commercially-available tax administration system called GenTax®. In November, with the activation of corporate, cigarette, and tobacco tax programs in the new system, Oregon became the nineteenth state to implement GenTax®.

Put very simply, GenTax® is a comprehensive tax system that allows us to organize taxpayer information across the various programs we administer and ultimately provide better service to taxpayers through that centralization of information. The system will also facilitate expansion of our online services to taxpayers.

From a government efficiency perspective, CSR will help Revenue automate more of our business processes and focus our staff on the things that really require human attention. Increasing the stability of our technology, and joining a community of states that share information and best practices, also will benefit Revenue and our ability to help Oregon taxpayers.

Much of the impact of the CSR project will only be felt by Revenue staff, but there will be specific impacts to you and your clients. The creation of Revenue Online, which will feature expanded online service options on a single secure platform, is one of the most noticeable benefits for taxpayers and their representatives. There are also likely to be small service restrictions around our go-live dates in the fall of each of the next three years. For example, right before the Rollout 1 go-live date in November, we had one week of limited payment methods and a three-day moratorium on purchasing cigarette tax stamps.

We'll communicate as broadly as we can about those impacts as they're identified for each rollout, but we won't know exactly what they are until much closer to the go-live dates. How will you learn more? The answer is to stay plugged into both your professional organizations, where we'll be providing as much information as we can, and any Revenue listservs, where we'll also be communicating to tax professionals and the public about what's going on with Rollout 2. In particular, any information about impacts to how you interact with Revenue will be communicated through those avenues. You're also welcome, anytime, to email our project mailbox, CSR.project@oregon.gov, with any project-related questions. Our project team members are very responsive to those emails.

We look forward to sharing more information with you as we approach the transition of the personal income tax program into GenTax® in the fall of 2015.

Happy Holidays,

Revenue's CSR Project Team

GenTax® is a registered trademark of Fast Enterprises, LLC.

MEET YOUR BOARD MEMBERS

Joe Lovato, Board Chair, LTC, EA - Scio

Joe Lovato became a Licensed Tax Preparer in 2002, a Licensed Tax Consultant in 2006, and an Enrolled Agent in 2008. He originally thought this would be a nice way to meet people and fill up some of his free time since he had just left full time employment as a Deputy Sheriff. Term of service ends 3/2016

Nutan Arora, Board Vice Chair, LTC, EA - Beaverton

Nutan Arora has been a resident of Beaverton, Oregon for 13 years. Working as a tax practitioner for sixteen years, she has managed a tax office, taught basic and advanced tax classes, and participated on the Item Writing Committee for the State of Oregon. She is a Licensed Tax Consultant, Enrolled Agent for the IRS, and a member of the Advisory Council for H&R Block. Term of service ends 3/2016

Janis Salisbury, LTC, EA - Gladstone

After graduating from Washington State University, Jan taught in public schools for ten years. A change in career took her to the IRS for six years. Opportunities arose allowing her to follow another passion and to open a business. She became licensed as both a Licensed Tax Consultant and an Enrolled Agent. Her firm has focused on tax preparation and bookkeeping in the Oregon City area. Within a short time she was back to teaching, using her educational training, providing CPE classes and, for several years, a Basic Income Tax Preparation class at Clackamas Community College. During this same time she co-authored and later singularly authored a textbook used by several schools throughout the state. You can still find her teaching, even though she recently sold her tax preparation business. the Term of Service ended 6/2015

Susan Gallagher-Smith, LTC, EA – Eugene

Owner of Gallagher Financial Services, an Enrolled Agent and a Licensed Tax Consultant. Susan is a member of several professional organizations including the National Association of Enrolled Agents, Oregon Association of Tax Consultants, Oregon Society of Tax Consultants, Inc., and Oregon Society of Enrolled Agents. Term of service ends 4/2017

Michael Addington, LTC, EA – Bend

Michael moved to Central Oregon in 1984 from Orange County, California. He graduated with an AA degree in business administration from COCC in 1989 and was licensed as a preparer the same year. Licensed as an LTC in 1991 and added the Enrolled Agent license in 1991. In 2012 he graduated from a three-year program for representation and became an NTPI Fellow, National Tax Practice Institute. Michael was appointed to serve as a Board member with the OBTP in 2005 and served for two years, and was appointed again in 2013. He also served as a director or officer on the Oregon Society of Enrolled Agents Board for 12 years beginning in 1997. President of OrSEA, a member of OSTC, OATC, and currently a member of both NAEA and NATP round out Michael's service to the tax community. Term of Service ends 3/2016

Dorothy Hudson, LTC, EA – Klamath Falls

Dorothy received her preparer's license in 1981 thinking it would be a good part time job while raising her family. It never quite worked out that way, she has been busy ever since! She received her LTC license two years later and in 1985 she was recognized by the Internal Revenue Service as one of the "top twenty" on the enrolled agent exam. She has been operating an independent tax and accounting firm since 1991, and began teaching both basic and advanced classes in 1986. She is known around the state as an interesting and informative speaker. Term of service ends 4/2015

Vacancy – Public Member *This could be you!*

If you have the qualifications and are interested in this position, please complete the Executive Appointments Interest form on the Governor's Office webpage!

