



# Tax Pros Unite Against California's AB-1140 Legislation

---

*CA tax pros are voicing opposition to Assembly Bill 1140, which would discriminate against California Registered Tax Preparers (CRTPs) and restrict free trade*

NEWPORT BEACH, CA, USA, February 19, 2020 /EINPresswire.com/ -- Assembly Bill 1140 (AB-1140) is working its way through the California legislature and would adversely impact California tax return preparers directly, as well as their clients indirectly. If enacted, this bill would infringe upon free trade and impose requirements that discriminate against a small but very important portion of the California tax preparation community known as California registered tax preparers (CRTPs).

Tax professionals and stakeholders across California (and the United States) are speaking out against this legislation for a multitude of reasons such as:

1. Discrimination - This bill discriminates against California tax professionals, as Enrolled Agents and CPAs are exempt.
2. Impossible to comply with - The way AB-1140 is written, it is impossible to comply with, as it requires the statement to be given to a potential tax client before preparing his or her tax return. However, before engaging a client and preparing a return, the CRTP will not know the potential client's income level.
3. Increases in preparation costs with additional regulation
4. Administrative restraint of trade - Treating one segment of the tax preparation industry to cost-increasing and revenue-decreasing legislation certainly invokes governmental restraint of trade and due process concerns. By subjecting CRTPs to its provisions, AB-1140 bestows economic privilege to CPAs, EAs, and tax-preparing attorneys.
5. Free file may not be free - The IRS VITA program uses unregulated volunteers with no continuing education requirements and with different degrees of expertise to prepare returns. The bottom line is that a free file error could cost far more than tax preparation by a legally registered tax return preparer (CRTP).
6. Privacy concerns and IRS PTIN - The legislation requires a CRTP to disclose his or her federal PTIN rather than CTEC registration number, opening up the tax professional to fraudulently prepared returns under their PTIN number.

According to a [2019 CountingWorks study](#), accountants rank #1 as the most important business advisor when compared to attorneys, business bankers, insurance agents, and computer consultants.

There is a reason accounting and tax pros are consistently rated as the most trusted advisors. So why is the California legislature targeting them? There are already laws on the books to regulate tax pros.

Tax experts at TaxBuzz have started a petition to help the tax community raise their voices

against this damaging and discriminatory legislation. You can sign and share the petition here: <http://chng.it/mM4c5GfgYr>

For more information on the potential negative impact of AB-1140, [view the full expert analysis on the TaxBuzz blog](#).

Lee Reams, EA  
TaxBuzz & CountingWorks  
+1 800-442-2477  
[email us here](#)

---

This press release can be viewed online at: <http://www.einpresswire.com>

Disclaimer: If you have any questions regarding information in this press release please contact the company listed in the press release. Please do not contact EIN Presswire. We will be unable to assist you with your inquiry. EIN Presswire disclaims any content contained in these releases. © 1995-2020 IPD Group, Inc. All Right Reserved.