

Enrolled Agent Re-Enrollment Q & A

NAEA has been receiving many calls from members concerned about the new re-enrollment schedule. The following information is due to appear in the November-December EA Journal. We thought many of you would appreciate seeing this information sooner rather than later.

If you have questions about this information, please contact Sharon Cranford at scranford@naeahq.org.

The Director/Office of Professional Responsibility Answers Your Questions about the Upcoming Renewal for Enrolled Agents By Brien T. Downing, Director, Office of Professional Responsibility

Q. When will I receive the renewal notice? In the past, it has come in November and must be returned no later than January 31.

A. To ensure an orderly transition to rolling renewals, the Office of Professional Responsibility will delay the implementation of the renewal of enrollment schedule for Enrolled Agents who have a social security number (SSN) or individual tax identification number (ITIN) that ends with the numbers 0, 1, 2, or 3, until a date no sooner than June 1, 2004. Enrolled Agents affected by this delay should not file an application for renewal of enrollment until prior to that date or such later date as determined by the Office of Professional Responsibility and published in the Internal Revenue Bulletin.

Q. What qualifies for Continuing Professional Education (CPE)?

A. To qualify for continuing education credit, a course of learning must be a qualifying program designed to enhance professional knowledge in Federal taxation or Federal tax related matters, including accounting, tax preparation software and taxation or ethics. The Office of Professional Responsibility is working on additional guidance regarding qualifying continuing professional education.

Q. Do I need to demonstrate that I have taken 2 hours of ethics CPE?

A. The Office of Professional Responsibility encourages all Enrolled Agents to take ethics starting this year. However, under the regulations, 2 hours of ethics is not actually required until:

2004 for those with SSNs or ITINs ending in 0, 1, 2, and 3;
2005 for those with SSNs or ITINs ending in 4, 5, and 6; and,
2006 for those with SSNs or ITINs ending in 7, 8, and 9.

Q. When will I receive my new EA card?

A. As mentioned in item 1 above, renewal for those with SSNs or ITINs ending in 0, 1, 2, and 3, is delayed until sometime in 2004. The Service will be issuing letters to all Enrolled Agents whose SSN or ITIN ends in 0, 1, 2, or 3, alerting them to the need to renew, along with a renewal application form. This letter will provide a date when Enrolled Agents should expect to receive their renewal cards.

Q. Will my new EA card be different from the one I have now and how long will it be good for?

A. With the staggered renewal, the expiration date for Enrolled Agents will not be at the same time, but will vary depending on the last digit of the Enrolled Agent's SSN or ITIN. The enrollment period will be three years.

A relatively new Enrolled Agent raised the following question: I was issued my first card June 4, 2003 as the result of passing the 2002 SEE exam. I will be in the first group to "roll" since my SSN ends with a 1. That means that within a year of receiving my first enrollment card I will re-enroll.

Q. Will I pay a full enrollment fee again for the new enrollment period? The last fee would only have covered one year of enrollment? I have already paid a full fee for a period that ends March 31, 2005 (less than two years). If I pay another full fee for this rolling re-enrollment, I will be paying for one full period and one year at a cost for two full periods. Is there some plan to amortize?

A. As is the case in any situation where someone becomes an Enrolled Agent in middle of an enrollment cycle, the Service does not have any procedures for amortizing enrollment fees.

Q. The information I have been able to find mentions CPE requirements for the past two years. Am I responsible for CPE for two years I wasn't an EA? The information seems to assume that the rules apply to persons who have been members for at least three years. (By the way, CPE is not a problem even I have to produce CPE for the last two years. I just want to know if I'm going to be responsible for a period of time I wasn't an EA yet.)

A. No, for renewal purposes, the annual CPE requirements only apply for the years in which you were an Enrolled Agent. You are not required to take CPE for those years prior to becoming an Enrolled Agent.