

April 26, 2010

The Honorable Douglas H. Shulman  
Commissioner  
Internal Revenue Service  
CC:PA:LPD:PR (REG-134235-08)  
Room 5205  
P.O. Box 7604  
Ben Franklin Station  
Washington, DC 20044

RE: Comments on REG-134235-08, Proposed Regulations Relating to the Issuance of  
Preparer Identification Numbers by the IRS to Tax Return Preparers

Dear Commissioner Shulman:

The AICPA appreciates the opportunity to provide comments (as attached) on REG-134235-08, the IRS proposed amendments to the regulations under Internal Revenue Code section 6109. In general, the proposed regulations: (1) require tax return preparers, including nonsigning preparers, to apply for or renew a preparer tax identification number (PTIN) and exclusively use that PTIN when signing tax returns generally filed after December 31, 2010; and (2) authorize the Service to prescribe a user fee for the application or renewal of a PTIN.

We have been in the forefront of the public discussion over the last several years with the IRS and congressional officials about the most effective ways to regulate tax return preparers. In this context, we strongly support the IRS's goals (as reflected by REG-134235-08 and the January 2010 Preparer Review Report) of enhancing compliance and elevating the ethical conduct of tax return preparers, objectives which are consistent with the AICPA's Code of Professional Conduct and the Statements on Standards for Tax Services.

The AICPA believes the issuance of one unique identifying number to each tax return preparer, coupled with making all preparers subject to the professional ethics standards of Circular 230 and the Code's civil preparer penalty regime, will prove to be an effective method for addressing your concerns about taxpayer's receiving competent and ethical service from qualified tax professionals. However, as highlighted in our comments, we have some serious concerns with aspects of the proposed regulations; and most notably the nonsigning preparer construct.

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We are well aware that the IRS plans to conduct a campaign to educate the public about the need to regulate tax return preparers. In this regard, the IRS can be assured that we will work with the Service to help it implement the January report's recommendation to meet both the public interest and CPA practice requirements.

If you would like to discuss this matter in more depth or have any questions, please contact me at [aeinhorn@deloitte.com](mailto:aeinhorn@deloitte.com), or (202) 879-4966; Lawrence H. Carlton, Chair, AICPA Preparer Regulation Task Force, at [lhc@carltonduran.com](mailto:lhc@carltonduran.com), or 781-275-7520; or Benson S. Goldstein, AICPA Senior Technical Manager, at [bgoldstein@aicpa.org](mailto:bgoldstein@aicpa.org), or (202) 434-9279.

Sincerely,

A handwritten signature in black ink that reads "Alan Einhorn". The signature is written in a cursive, flowing style.

Alan R. Einhorn  
Chair, Tax Executive Committee