



BEACON HILL
FINANCIAL EDUCATORS

51A Middle Street Newburyport MA 01950

Phone: 800-588-7039 Fax: 877-902-4284

contact@bhfe.com

www.bhfe.com

Course Information

Course Title: *Practice Before the IRS*

#290624

Number of continuing education credit hours recommended for this course:

In accordance with the standards of the National Registry of CPE Sponsors and the IRS, CPE credits have been granted based on a 50-minute hour.

EA, OTRP 2 (All States) IRS: Qualified Sponsor number: *FWKKO*.

CPA: 2 (Accepted in all states)

National Registry of CPE Sponsors ID Number: 107615.

Sponsor numbers for states requiring sponsor registration

Florida Division of Certified Public Accountancy: 0004761 (Ethics #0011467)

Hawaii Board of Public Accountancy: 14003

New York State Board of Accountancy (for ethics): 002146

Ohio State Board of Accountancy: CPE .51PSR

Pennsylvania Board of Accountancy: PX 178025

Texas State Board of Accountancy: 009349

Course Description

The Internal Revenue Service routinely processes more than 240 million tax returns each year, many of them prepared by tax professionals. Not surprisingly, as tax law becomes increasingly complex, taxpayers often seek the assistance of knowledgeable professionals to represent them with respect to tax and other matters before the IRS. However, the ability to represent a client before the IRS is, with certain exceptions, extremely limited.

This course addresses the nature of practice before the IRS, identifies those permitted to engage in such practice and examines the power of attorney under which a taxpayer authorizes representation before the IRS.

Course Content

Publication/Revision date: 2/2/2024.

Author: Paul J. Winn CLU ChFC

Final exam (online): Ten questions (multiple-choice).

Program Delivery Method: Self-Study (NASBA QAS Self-Study/Interactive)

Subject Codes/Field of Study

EA/OTRP: Federal Tax Law

CPA: Taxes

Course Level, Prerequisites, and Advance Preparation Requirements

Level: Overview. This program is appropriate for professionals at all organizational levels.

Prerequisites: Basic familiarity with federal taxation

Advance Preparation: None

Instructions for Taking This Course

- Log in to your secure account at www.bhfe.com. Go to "My Account."
- You must complete this course within one year of purchase (If the course is "Expired," contact us and we will add the latest edition of the course to your account (no charge).
- To retain the course-PDF after completion (for future reference) and to enable enhanced navigation: From "My Account," Download and save the course-PDF to your computer. This will enable the search function (Menu: Edit>Find) and bookmarks (icon on left side of document window).
- Complete the course by following the learning objectives listed for the course, studying the text, and, if included, studying the review questions at the end of each major section (or at the end of the course).
- Once you have completed studying the course and you are confident that the learning objectives have been met, answer the final exam questions (online).

Instructions for Taking the Online Exam

- Log in to your secure account at www.bhfe.com. Go to "My Account."
- A passing grade of at least 70% is required on the exam for this course.
- You will have three attempts to pass the exam (call or email us after three unsuccessful attempts for instructions).
- The exam is not timed, and it does not need to be completed in one session.
- For a printed copy of the exam questions, open the exam and press "Print Exam."
- Once you pass the exam, the results (correct/incorrect answers) and certificate of completion appear in "My Account." A confirmation email is also sent.
- CFP Board and IRS credit hours, if applicable, are reported on Tuesdays and at the end of the month.

Have a question? Call us at 800-588-7039 or email us at contact@bhfe.com.

Learning Objectives

Upon completion of this course, you should be able to:

- Define "practice before the Internal Revenue Service";
- Recognize the general scope of permitted enrolled agent practice responsibilities;
- Identify the extent of practice privileges possessed by individuals permitted to practice before the IRS;
- Describe the nature and function of a tax power of attorney and identify the acts that may be performed for a client under it; and
- Understand how to withdraw from and revoke an existing tax power of attorney.

Copyright 2017 - 2024 by Winn Publications *ALL RIGHTS RESERVED*. NO PART OF THIS COURSE MAY BE REPRODUCED IN ANY FORM OR BY ANY MEANS WITHOUT THE WRITTEN PERMISSION OF THE PUBLISHER.

All materials relating to this course are copyrighted by Winn Publications. Purchase of a course includes a license for one person to use the course materials. Absent specific written permission from the copyright holder, it is not permissible to distribute files containing course materials or printed versions of course materials to individuals who have not purchased the course. It is also not permissible to make the course materials available to others over a computer network, Intranet, Internet, or any other storage, transmittal, or retrieval system. This document is designed to provide general information and is not a substitute for professional advice in specific situations. It is not intended to be, and should not be construed as, legal or accounting advice which should be provided only by professional advisers.

Table of Contents

Course Information	ii
Learning Objectives	iii
Table of Contents	iv
Introduction to the Course	6
Learning Objectives.....	6
Chapter 1 – IRS Practice	7
Introduction	7
Chapter Learning Objectives.....	7
Professional Practice.....	7
Who is Permitted to Practice before the IRS	7
Professionals with Limited Practice Rights.....	7
Enrolled Actuaries.....	7
Enrolled Retirement Plan Agents.....	8
Registered Tax Return Preparers	8
Professionals with Unlimited Practice Rights.....	9
Other Representation	9
Representation Based on Taxpayer Relationship	9
Who may not Practice before the IRS	10
Loss of Eligibility	10
Failing to Meet Renewal Requirements	10
Enrolled Agent Renewal Cycles	10
Requesting Inactive Retirement Status.....	11
Suspension and Disbarment.....	11
Incompetence and Disreputable Conduct	11
Summary.....	12
Chapter Review	14
Chapter 2 – Representing a Client before the IRS	15
Introduction	15
Chapter Learning Objectives.....	15
Power of Attorney	15
Acts Performed Under a Power of Attorney	15
Substituting or Delegating Authority	16
Agent Authorizing IRS to Disclose Returns to Others.....	16
When a Power of Attorney is Required.....	16
Non-IRS Power of Attorney.....	17
Perfecting a Power of Attorney	18
Processing a Non-IRS Power of Attorney.....	18
Common Reasons for IRS Rejection of a Power of Attorney.....	19
Signatures and/or Signature Dates Missing	19
Lack of Specificity as to Authorized Acts	19
When the Matter isn't a <i>Tax Matter</i>	20
Civil Penalties.....	21
Filing and Updating a Power of Attorney	22
Retention/Revocation of Prior Power(s) of Attorney	23
Revocation of Power of Attorney/Withdrawal of Representative.....	23
Preparing IRS Form 2848.....	24
Taxpayer Information – Line 1	24
The Individual Client	24
Clients Filing 1040 Schedule C.....	24
Clients Filing a Joint Return	24
Corporate, Partnership or Association Clients	24
Corporate Clients Filing Consolidated Tax Returns.....	25
Exempt Organization Clients	25

Trust Clients	25
Representing a Decedent.....	25
Estate Clients.....	25
When the Matter is a Gift.....	26
Employee Plan Clients	26
Representative – Line 2.....	26
Multiple Representatives.....	26
Centralized Authorization File (CAF) Number.....	26
Preparer Tax Identification Number (PTIN)	26
Students in Low Income Taxpayer Clinics (LITCs) and Student Tax Clinic Program (STCP)	27
Acts Authorized – Line 3.....	27
Specific Use Not Recorded on Centralized Authorization File – Line 4.....	28
Additional Acts Authorized – Line 5a	28
Specific Acts not Authorized – Line 5b.....	30
Retention/Revocation of Prior Power(s) of Attorney – Line 6	30
Taxpayer’s Signature – Line 7	30
Declaration of Representative – Part II.....	31
Summary	31
Chapter Review	33
Answers to Chapter Review Questions	34
Chapter 1.....	34
Chapter 2.....	35
Glossary	37
Appendix.....	39