



1201 K Street, Suite 1000
Sacramento, CA 95814
(916) 441-5351
www.calcpa.org

October 20, 2011

The Honorable Douglas H. Shulman
Commissioner
Internal Revenue Service
1111 Constitution Avenue, NW
Washington, DC 20224

RE: User Fees & Fingerprinting PTIN Applicants, Potential Cessation of Provisional PTIN Program
(REG-116284-11)

Dear Commissioner Shulman:

On behalf of the 38,000 members of the California Society of CPAs and the taxpayers they serve, we urge you carefully consider the recommendations contained in the October 7, 2011 letter from the AICPA signed by Patricia Thompson, CPA, Chair of the AICPA Tax Executive Committee. CalCPA is in support of the positions expressed in that letter. Further, every California CPA when licensed is required to submit to a comprehensive background check including fingerprinting and examination of all criminal data bases. Additionally, California CPAs are required to report subsequent criminal convictions along with any discipline by any governmental entity including the IRS or civil claims above \$30,000 to the California Board of Accountancy. Those who do report or are discovered not to have reported are subject to discipline including license revocation for those subsequent acts. We oppose requiring CPAs to submit yet another set of fingerprints however they are obtained as unnecessary and costly overregulation.

CPAs take full responsibility for the acts of every employee, shareholder and partner of the firm. Requiring unlicensed employees to provide fingerprints would be an additional and unnecessary expense without any increase in consumer protection. Additionally we are alarmed that the IRS is considering discontinuing the provisional PTIN program. California's economy is already struggling and this proposal would make it much more difficult, time consuming and costly to provide compliance services to taxpayers.

We would hope that you reconsider this ill-conceived proposal to eliminate the provisional PTIN program and requiring that the non-signing, unlicensed employees of CPA firms be required to submit fingerprints as part of a background check. A CPA firm has a vested interest in ensuring that its employees are suitable, properly supervised and adequately trained for the positions they occupy without additional government intervention.

We realize that you have Congressional mandates to fulfill, but we urge you to use common sense in implementation and not lean toward overregulation in costly areas that have no consumer benefit.

Respectfully,

A handwritten signature in black ink that reads "A. V. Arias".

Alfonso V. Arias, Chair
Committee on Taxation