

standing up for taxpayers

why minimum standards for paid preparers matter

COMMENTS FROM OUR ALLIES AND CANDIDATES FOR PUBLIC OFFICE

The Center of Economic Progress (CEP) has released a report entitled *Standing Up for Taxpayers: Why Minimum Standards for Paid Preparers Matter*. It highlights the need for paid tax preparers to be educated and regulated in order to protect taxpayers.

Summary Of The Comments

Everyone agrees that minimum competency standards should be established for paid tax preparers in Illinois to ensure that taxpayers are protected and empowered as consumers.

COMMENTS SOUGHT FROM:

Gubernatorial Candidates (8):

- Bruce Rauner
- Jeanne Ives
- Daniel Biss
- Bob Daiber
- **Chris Kennedy**
- Tio Hardman
- **Robert Marshall**
- **J.B. Pritzler**

Attorney General Candidates (10):

- Scott Drury
- **Sharon Fairley**
- Aaron Goldstein
- Gary Grasso
- Erika Harold
- **Renato Mariotti**
- Kwame Raoul
- **Nancy Rotering**
- Jesse Ruiz
- **Pat Quinn**

Those highlighted in bold were able to comment within the defined timeline and overwhelmingly supported increased oversight of paid tax preparers and the establishment of state level legislation.

QUOTES FROM OUR ALLIES:

“Having opposed paid tax preparers’ previous abuse of tax refund anticipation loans, we agree with the Center for Economic Progress that there is a need for strong minimum standards for paid tax preparers and protection of taxpayers from predatory and ill-informed preparers,” said Dory Rand, president of Woodstock Institute, a Chicago-based research and policy nonprofit focused on financial equity.

—Woodstock Institute

“Tax time is critical for the financial security of Illinois families because if tax preparers make mistakes, it’s Illinoisans who pay,” says Jody Blaylock, Senior Policy Associate with Heartland Alliance. *“We need to ensure that all tax preparers are providing high-quality services so that fewer families are stuck with costly errors on their tax returns.”*

—Heartland Alliance

“Taxes are an important engine that drive crucial public investments in quality of life, fair opportunity for upward mobility, and economic and social justice. For people in poverty, their own tax liability should kept comparatively low, so that, even while making their own fair contribution to those public investments, they also have maximum capacity for self-support given their income level. It matters deeply for people in poverty that everyone pay taxes consistently with law, and that they personally are served well and not cheated. The CEP proposal is an excellent way to better accomplish these goals,” said John Bouman, President of the Sargent Shriver National Center on Poverty Law.

—Shriver Center



QUOTES FROM CANDIDATES FOR PUBLIC OFFICE:

“Although certain kinds of professionals who do taxes for clients are regulated, such as CPA’s, lawyers and tax specialists called ‘enrolled agents,’ there are many independent tax preparers that remain unregulated at the state or federal level. In Illinois, we have seen abusive and exploitative tactics used in this industry. For example, Attorney General Lisa Madigan today recently filed a lawsuit to shut down a Chicago tax preparer for defrauding consumers out of thousands of dollars in illegal fees.”

—Sharon Fairley

“The issues you bring up here, disproportionately affect the poor and those on fixed incomes. In fighting for economic justice, we must ensure that protections are in place that guard against predatory practices like high fees, high interest tax refund loans, and outright fraud. The AG’s office must be an advocate for the people, for those who, on their own, would have little or no recourse against unscrupulous tax preparers. The AG must be a proactive fighter for justice, and this means crafting meaningful and effective legislation, vigorous enforcement of said legislation, and most of all to go in to court to stop such practices. That is what I will do as Attorney General.”

—Aaron Goldstein

“...I support increased oversight of paid tax preparers. There are almost no regulations in the tax preparation industry and a tax code that is extremely complex. Money that flows into low-income households during tax season, primarily in the form of the earned-income tax credit, presents a perfect target for unscrupulous tax preparers. In addition, low-income taxpayers who seek paid tax preparation assistance are often provided inferior service, inaccurate returns, and price gouging. Sadly, many taxpayers are our most vulnerable who are intimidated by the complexities of the process.”

—Nancy Rotering

“The Trump Administration and Congress have consistently failed to implement reasonable and thoughtful regulation protecting consumers and working-class Americans. It is important for Illinois to take reasonable and proactive steps to protect the interests of the residents of Illinois. It is time to implement minimum standards and qualifications to be a paid tax preparer in Illinois.”

—Renato Mariotti

“When I’m governor, I will work with communities and stakeholders to ensure that low and middle income working families have access to the financial tools and opportunities they need to build better lives, including creating minimum standards for paid tax preparers.”

—J.B. Pritzker

ABOUT THE CENTER FOR ECONOMIC PROGRESS

CEP is a nonpartisan 501(c)(3) nonprofit organization, and does not support or oppose any candidates for public office. CEP helps low income, working families as a trusted provider of tax and financial services. Everything we do, from direct service to informing public policy, improves the financial stability of those we serve. Everything we do is made possible and made better by our volunteers.

