

Calendar No. 47

114TH CONGRESS }
1st Session }

SENATE

{ REPORT
{ 114-24

AMENDING TITLE 31, UNITED STATES CODE, TO CLARIFY
THE USE OF CREDENTIALS BY ENROLLED AGENTS

APRIL 14, 2015.—Ordered to be printed

Mr. HATCH, from the Committee on Finance,
submitted the following

R E P O R T

[To accompany S. 914]

The Committee on Finance, having considered an original bill, S. 914, to amend title 31, United States Code, to clarify the use of credentials by enrolled agents, having considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

CONTENTS

I. LEGISLATIVE BACKGROUND	Page 1
II. EXPLANATION OF THE BILL	1
A. To Amend Title 31, United States Code, to Clarify the Use of Credentials by Enrolled Agents (sec. 1 of the bill and title 31 of the United States Code)	2
III. BUDGET EFFECTS OF THE BILL	2
IV. VOTES OF THE COMMITTEE	3
V. REGULATORY IMPACT AND OTHER MATTERS	3
VI. CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED	4

I. LEGISLATIVE BACKGROUND

The Committee on Finance, having considered S. 914, to amend title 31, United States Code, to clarify the use of credentials by enrolled agents, reports favorably thereon without amendment and recommends that the bill do pass.

BACKGROUND AND NEED FOR LEGISLATIVE ACTION

Background.—Based on a proposal recommended by Senator Portman, the Committee on Finance marked up original legislation

(a bill to amend title 31, United States Code, to clarify the use of credentials by enrolled agents) on February 11, 2015, and, with a majority present, ordered the bill favorably reported. This legislation is identical to a bill introduced by Senator Portman in the 114th Congress (S. 422) and the 113th Congress (S. 2447). Similar legislation was introduced by Senator Portman in the 113th Congress (S. 1134).

Need for legislative action.—The Committee believes that individuals who meet the regulatory requirements established by the Secretary should be able to use the specified credentials or designation in any State or Federal jurisdiction.

II. EXPLANATION OF THE BILL

A. TO AMEND TITLE 31, UNITED STATES CODE, TO CLARIFY THE USE OF CREDENTIALS BY ENROLLED AGENTS (SEC. 1 OF THE BILL AND TITLE 31 OF THE UNITED STATES CODE)

PRESENT LAW

Treasury Department Circular No. 230 provides rules relating to practice before the Internal Revenue Service (“IRS”) by attorneys, certified public accountants, enrolled agents, enrolled actuaries, and others.

REASONS FOR CHANGE

The Committee believes that individuals who meet the regulatory requirements established by the Secretary should be able to use the specified credentials or designation in any State or Federal jurisdiction.

EXPLANATION OF PROVISION

The provision permits enrolled agents meeting the Secretary’s qualifications to use the designation “enrolled agent,” “EA,” or “E.A.”

EFFECTIVE DATE

The provision is effective on the date of enactment.

III. BUDGET EFFECTS OF THE BILL

A. COMMITTEE ESTIMATES

In compliance with paragraph 11(a) of rule XXVI of the Standing Rules of the Senate and section 308(a)(1) of the Congressional Budget and Impoundment Control Act of 1974, as amended (the “Budget Act”), the following statement is made concerning the estimated budget effects of the revenue provisions of the bill to amend title 31, United States Code, to clarify the use of credentials by enrolled agents as reported.

The bill is estimated to have a negligible effect on Federal fiscal year budget receipts for the period 2015–2025.

B. BUDGET AUTHORITY AND TAX EXPENDITURES

Budget authority

In compliance with section 308(a)(1) of the Budget Act, the Committee states that no provisions of the bill as reported involve new or increased budget authority.

Tax expenditures

In compliance with section 308(a)(1) of the Budget Act, the Committee states that no provisions of the bill as reported affect the levels of tax expenditures.

C. CONSULTATION WITH CONGRESSIONAL BUDGET OFFICE

In accordance with section 403 of the Budget Act, the Committee advises that the Congressional Budget Office has not submitted a statement on the bill. The letter from the Congressional Budget Office will be provided separately.

IV. VOTES OF THE COMMITTEE

In compliance with paragraph 7(b) of rule XXVI of the Standing Rules of the Senate, the Committee states that, with a majority present, the bill to amend title 31, United States Code, to clarify the use of credentials by enrolled agents, was ordered favorably reported by voice vote on February 11, 2015.

V. REGULATORY IMPACT AND OTHER MATTERS

A. REGULATORY IMPACT

Pursuant to paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee makes the following statement concerning the regulatory impact that might be incurred in carrying out the provisions of the bill.

Impact on individuals and businesses, personal privacy and paperwork

The bill permits enrolled agents meeting the Secretary's qualifications to use the designation "enrolled agent," "EA," or "E.A."

The provisions of the bill do not impact personal privacy.

B. UNFUNDED MANDATES STATEMENT

This information is provided in accordance with section 423 of the Unfunded Mandates Reform Act of 1995 (Pub. L. No. 104-4).

The Committee has determined that the tax provisions of the reported bill do not contain Federal private sector mandates or Federal intergovernmental mandates on State, local, or tribal governments within the meaning of Public Law 104-4, the Unfunded Mandates Reform Act of 1995.

C. TAX COMPLEXITY ANALYSIS

Section 4022(b) of the Internal Revenue Service Reform and Restructuring Act of 1998 ("IRS Reform Act") requires the staff of the Joint Committee on Taxation (in consultation with the Internal Revenue Service and the Treasury Department) to provide a tax

complexity analysis. The complexity analysis is required for all legislation reported by the Senate Committee on Finance, the House Committee on Ways and Means, or any committee of conference if the legislation includes a provision that directly or indirectly amends the Internal Revenue Code and has widespread applicability to individuals or small businesses. The staff of the Joint Committee on Taxation has determined that there are no provisions that are of widespread applicability to individuals or small businesses.

VI. CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In the opinion of the Committee, it is necessary in order to expedite the business of the Senate, to dispense with the requirements of paragraph 12 of rule XXVI of the Standing Rules of the Senate (relating to the showing of changes in existing law made by the bill as reported by the Committee).

