

SENATE BILL NO. 237

BY SENATOR MORRELL

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AN ACT

To enact R.S. 47:1679, relative to requirements for paid preparers; to require paid preparers to sign returns, reports, claims for refund, and other claims and to provide identifying information; to provide for penalties; to provide for a maximum annual penalty; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:1679 is hereby enacted to read as follows:

**§1679. Paid preparers; required information on returns, reports, claims for refund, and other claims**

**A.(1) Any return, report, claim for refund, or other claim prepared by a paid preparer shall be signed by the preparer and shall bear the preparer's preparer tax identification number, federal employer identification number, or Louisiana Department of Revenue account number.**

**(2)(a) Any person who is a paid preparer with respect to any return, report, claim for refund, or other claim who fails to sign the return, report, claim for refund, or other claim or provide one of the identification numbers required by this Section shall pay a penalty of fifty dollars for each failure to sign and for each failure to provide one of the required identification numbers unless it can be shown that the failure was due to reasonable cause.**

**(b) The penalty that may be imposed on a paid preparer pursuant to this Section for returns, reports, claims for refund, and other claims filed during any calendar year shall not exceed twenty-five thousand dollars.**

**(c) The penalty provided for by this Section shall be an obligation to be assessed, collected, and enforced against the paid preparer in the same manner as if it were a tax due.**

1            **B. This Section shall apply to any return, report, claim for refund, or**  
2 **other claim prepared by a paid preparer as follows:**

3            **(1) For income taxes, all taxable periods ending on or after June 30,**  
4 **2018, and filed on or after January 1, 2019.**

5            **(2) For corporation franchise tax, all taxable periods ending on or after**  
6 **June 30, 2018, and filed on or after June 30, 2019.**

7            **(3) For taxes other than income and corporation franchise taxes, all**  
8 **taxable periods beginning on or after July 1, 2018.**

9            **(4) For any return, report, claim, or other filing not included in**  
10 **Paragraphs (1) through (3) of this Subsection, all filed on or after January 1,**  
11 **2019.**

12            **C.(1) For purposes of this Section, the term "paid preparer" shall mean**  
13 **any of the following:**

14            **(a) Any person who prepares, for compensation, any return, report,**  
15 **claim for refund, or other claim that is filed with the secretary of the**  
16 **Department of Revenue.**

17            **(b) Any person who owns or operates a business, the primary activity**  
18 **of which is the preparation for compensation of any return, report, claim for**  
19 **refund, or other claim that is filed with the secretary of the Department of**  
20 **Revenue, and employs one or more persons in such business.**

21            **(c) Any person who prepares a substantial portion of a return, report,**  
22 **claim for refund, or other claim that is filed with the secretary of the**  
23 **Department of Revenue and does not sign as the preparer, but rather has the**  
24 **taxpayer sign as if the return, report, claim for refund, or other claim were**  
25 **self-prepared.**

26            **(2) Nothing in this Subsection shall be construed to include in the**  
27 **definition of "paid preparer" either of the following:**

28            **(a) Any employee who prepares a return, report, claim for refund, or**  
29 **other claim for the employer by whom he is regularly and continuously**  
30 **employed.**

1                   **(b) An attorney or other tax advisor whose association with a return,**  
2                   **report, claim for refund, or other claim is limited to that of rendering advice to**  
3                   **a taxpayer or preparer and was not otherwise involved in preparing the return,**  
4                   **report, claim for refund, or other claim for which advice was rendered.**

5                   Section 2. This Act shall become effective on July 1, 2018.

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PRESIDENT OF THE SENATE

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_