

Frequently Asked Questions: Annual Filing Season Program, Updated 2018

General Guidance

1. What is the Annual Filing Season Program for return preparers?

The [Annual Filing Season Program](#) is a voluntary program designed to encourage non-credentialed tax return preparers to participate in continuing education (CE) courses.

Non-credentialed return preparers can elect to voluntarily demonstrate completion of basic 1040 filing season tax preparation and other tax law training through continuing education.

Return preparers who complete the requirements for the Annual Filing Season Program will be issued a Record of Completion that they can display and use to differentiate themselves in the marketplace if desired.

Preparers who participate are also included in a public database on IRS.gov that taxpayers use when searching for qualified tax return preparers. The Directory of Federal Tax Return Preparers with Credentials and Select Qualifications only includes attorneys, certified public accountants (CPAs), enrolled agents, enrolled retirement plan agents (ERPAs), enrolled actuaries, and individuals who have received an Annual Filing Season Program – Record of Completion.

2. Who can participate in the Annual Filing Season Program?

The Annual Filing Season Program is intended to recognize and encourage the voluntary efforts of non-credentialed tax return preparers to increase their knowledge and improve their filing season competency through continuing education. The program is not directed at or necessary for credentialed preparers such as attorneys, CPAs, enrolled agents, enrolled retirement plan agents or enrolled actuaries. They are already in possession of higher level qualifications.

3. What are the requirements for obtaining an Annual Filing Season Program – Record of Completion?

In [general](#), to obtain an Annual Filing Season Program – Record of Completion a return preparer must obtain 18 hours of continuing education from an IRS-approved CE Provider. The hours must include a 6 credit hour Annual Federal Tax Refresher course (AFTR) that covers filing season issues and tax law updates. The AFTR course must include a knowledge-based comprehension test administered at the conclusion of the course by the CE Provider. Unenrolled preparers who have passed recognized state or national tests qualify for an [exemption](#) from the AFTR course but still must obtain 15 hours of continuing education.

In addition to completing the appropriate CE courses, the return preparer must also renew his or her preparer tax identification number (PTIN) for the upcoming year and consent to adhere to the obligations in Circular 230, Subpart B and section 10.51.

Note: See question 6 below for more information about exemptions and see question 23 below for information about eligibility restrictions.

4. Is there a fee to obtain an Annual Filing Season Program – Record of Completion?

Just as for all CE courses, each IRS-approved CE provider will determine the course participant fee. However, the IRS does not charge any fee for participating in the program.

5. Do I need to notify the IRS once I have completed the Annual Filing Season Program’s Continuing Education requirements?

No, following the completion of all Continuing Education requirements and renewal of PTIN for the upcoming year, eligible return preparers will receive an email from the IRS. The email will provide instructions for logging into your PTIN account and completing the process. Among the final steps will be a required consent to adhere to specific practice obligations outlined in Subpart B and section 10.51 of Treasury Department [Circular No. 230](#). Following successful completion of these steps, you will be issued an Annual Filing Season Program - Record of Completion.

Please note that it may take up to four weeks following the completion of all requirements for return preparers to receive a Record of Completion and be placed on the Directory of Federal Tax Return Preparers with Credentials and Select Qualifications. Additionally, you will not be issued a Record of Completion until your PTIN is renewed for the upcoming tax year.

6. Who is exempt from taking the AFTR course?

Some unenrolled preparers are exempt from the AFTR course requirement because of their completion of other recognized state or national competency tests. These exempt groups are still required to meet other program requirements, including 15 CE credits (10 Federal Tax Law, 3 Federal Tax Law Updates, and 2 Ethics).

Return preparers who can obtain the AFTR – Record of Completion without taking the AFTR course are:

- Anyone who passed the Registered Tax Return Preparer test administered by the IRS between November 2011 and January 2013
- Established state-based return preparer program participants currently with testing requirements: Return preparers who are active registrants of the Oregon Board of Tax Practitioners, California Tax Education Council, and/or Maryland State Board of Individual Tax Preparers.
- SEE Part I Test-Passers: Tax practitioners who have passed the Special Enrollment Exam Part I within the past two years
- VITA volunteers: Quality reviewers and instructors with active PTINs
- Other accredited tax-focused credential-holders: The Accreditation Council for Accountancy and Taxation’s Accredited Business Accountant/Advisor (ABA) and Accredited Tax Preparer (ATP) programs

7. How do I obtain an Annual Filing Season Program – Record of Completion if I am exempt from the AFTR course?

Those who are exempted from the AFTR course must meet the alternative requirements (15 hours of IRS-approved CE, consent to Circular 230 practice requirements, and a valid PTIN for the

upcoming filing season) in order to receive an AFSP Record of Completion. Once all requirements are met, the exempted return preparer will be issued a Record of Completion.

A return preparer will not be required to notify the IRS of an exemption. The IRS obtains information about exemptions directly from the testing source (e.g. Oregon Board of Tax Practitioners).

8. How and when will I get my Record of Completion?

Once a return preparer has completed their CE requirements and renewed their PTIN for the upcoming year, they will receive an email from Taxpros@ptin.irs.gov with instructions on how to consent to the Circular 230 practice requirements and receive their certificate in their online secure mailbox. (Watch tutorial on [Consenting to the Circular 230 Requirements and Printing Your Record of Completion.](#))

Tax return preparers without an online PTIN account will receive a letter with instructions for completing the application process and obtaining their certificates.

9. Are credentialed preparers precluded from participating in the AFSP?

No, as indicated above, this program is not designed, directed or intended for credentialed preparers who already possess a much higher level of qualification. However, if a credentialed preparer seeks to participate in the program, a credentialed preparer would be required to meet the same requirements as those preparers in the exempt category.

10. Can an EA take an AFTR course and earn CE credit towards AFSP requirements and/or their EA credentials?

No. Due to the high level of knowledge required of Enrolled Agents (EAs), this basic level “refresher” course is not allowed for IRS credit.

Note: If an EA voluntarily takes an AFTR course (for no IRS credit), it may show in the CE history in their PTIN account, but it will not count towards either AFSP or EA CE requirement calculations.

11. What if a preparer has more federal tax update credits than is required for the federal tax law update category in any one calendar year?

The excess federal tax update credit will count toward their federal tax law requirement for that particular calendar year. The PTIN system will automatically apply the excess credit hours to the federal tax law category, although the excess will still show in the PTIN holder’s Federal Tax Update category in the preparer’s online account.

12. Will I still be able to represent clients before the IRS if I don’t participate in the Annual Filing Season Program?

Yes, as a PTIN holder you will continue to have limited representation rights before limited offices of the IRS with respect to clients whose returns you prepare and sign until December 31, 2015. However, beginning in 2016 only AFSP participants who obtain a Record of Completion will have those limited representation rights before the IRS for clients whose returns they prepared and signed after December 31, 2015. PTIN holders without an AFSP - Record of Completion or without other professional credentials will not be able to represent clients before the IRS in any matters for returns prepared and signed after December 31, 2015.

Attorneys, CPAs, and enrolled agents will continue to have unlimited representation rights and can represent clients before any office of the IRS.

13. I am a non-1040 preparer. Do the limited representation restrictions discussed in the previous FAQ apply to me as well?

Yes. Both 1040 and non-1040 preparers will need a Record of Completion for returns completed after December 31, 2015 to engage in limited practice.

14. Are preparers who participate in the Annual Filing Season Program subject to Circular 230 regulations?

To participate in the AFSP, non-credentialed preparers must agree to adhere to the practice requirements for tax practitioners outlined in Subpart B and section 10.51 of Treasury Department Circular No. 230.

Any return preparer who represents a taxpayer before the IRS is subject to Circular 230.

15. Why did the IRS launch this voluntary program? Why not wait to see if Congress passes legislation regarding return preparer oversight?

The IRS believes in a mandatory competency standard for federal tax return preparers. To this end, legislation continues to be our priority. In the interim, however, this program recognizes the efforts of unenrolled return preparers to improve their professional competency through continuing education. Anyone with a PTIN can prepare a federal tax return, but for those preparers with a PTIN who also work to ready themselves for the filing season through educational efforts, the program affords them a level of differentiation from the rest of the marketplace.

16. Do return preparers have to participate in the Annual Filing Season Program?

No, it is a voluntary program. Anyone with a preparer tax identification number (PTIN) can prepare tax returns for compensation, but continuing education is encouraged for all tax return preparers.

17. Will the AFSP – Record of Completion indicate the filing season for which it was issued?

Yes, each Record of Completion will clearly indicate the filing season for which it is valid (e.g., “Annual Filing Season Program – Record of Completion for Filing Season 2015”)

18. What term can preparers use on business cards or when advertising their qualifications?

A preparer may use the term “AFSP – Record of Completion”.

19. Is there a limit on the number of years a preparer who passed the RTRP test gets an exemption from the AFTR course and test?

No. Those who passed the RTRP test will be exempt from the AFTR course as long as the program is in place.

20. How long do states/agencies have to report a preparer’s exemption status?

Designations must be in place annually by December 31 in order for a preparer to qualify for the AFTR course exemption.

21. Can I take the same program more than once and receive credit?

As a general rule, preparers should not repeat a program within the same enrollment cycle, if you’re an enrolled agent, or AFSP program year. However, we do understand that a preparer may have a reason to take a program again if they feel they need a refresher on the subject matter.

22. Can an identity theft or data security program qualify for continuing education credit?

Yes, identity theft and data security programs that meet CE program requirements focusing on enhancing tax professional awareness of protecting client data, including review of Publications 4557 and/or 4524 safeguards, can qualify for continuing education credit in the federal tax law category.

23. Are there restrictions on eligibility for the program?

Yes. Revenue Procedure 2014-42 states that certain people are ineligible to participate in the Annual Filing Season Program, including individuals who are:

- a. Disbarred, suspended or disqualified from practice before the IRS under Circular 230,
- b. Convicted of a felony involving a financial matter, tax matter, or other violation of the public trust within 5 years preceding the date of application,
- c. Enjoined from representing persons before the IRS, preparing tax returns, or engaging in other conduct subject to injunction under section 7407,
- d. Engaged in misconduct that would have violated Circular 230 if the individual were subject to Circular 230, including knowingly providing false or misleading information, or participating in providing false or misleading information, to the IRS, or
- e. Not in compliance with personal federal tax obligations.

See [Section 4.06](#) for more details on eligibility criteria.

24. What happens if I do not agree with an IRS decision that I am ineligible to participate in the Annual Filing Season Program?

If the IRS believes you are ineligible for the program or proposes to revoke your participation, you will be provided an explanation in writing, along with instructions on how to appeal the decision.

Annual Federal Tax Refresher Course and Test

1. Does the IRS administer the comprehension test given at the end of the Annual Federal Tax Refresher Course?

No, the IRS does not administer the comprehension test. IRS-approved Continuing Education Providers offer the Annual Federal Tax Refresher course and are responsible for the development and administration of the comprehension test associated with the AFTR course. The IRS does provide a [course outline](#) and [test parameters](#) which must be followed by providers.

2. How do I find a provider offering the AFTR course?

The IRS provides a complete [listing](#) of all IRS-approved Continuing Education Providers. Refer to the Annual Federal Tax Refresher column under Program Categories Offered for providers who offer the AFTR course.

3. What does the AFTR course cover?

The Annual Federal Tax Refresher course will cover tax law topics across three domains: New Tax Law/Recent Updates, General Review, and Practices, Procedures and Professional Responsibility. The IRS will publish [course content guidelines](#) annually for IRS-approved CE Providers. It is the

responsibility of CE Providers to ensure all course content is covered in the Annual Federal Tax Refresher course.

4. What does the AFTR test cover? What is the format and how long is it?

The AFTR Course comprehension test will include all tax law topics covered in the AFTR course. Each AFTR test includes 100 questions that assess a return preparer's comprehension of each of the three domains on the AFTR course outline. Each AFTR test consists of only multiple choice questions with four potential answers and only one correct answer. Participants have a maximum of 3 hours to complete the exam. Refer to the [test parameters](#) published by the IRS for more information.

5. What if I take the course but do not pass the test?

The course has not been satisfactorily completed until the comprehension test is passed. CE Providers will not provide course completion information to the IRS until you pass the AFTR exam. Your provider's policy will determine whether you must re-take the course or just the course exam.

6. Is there a deadline for taking the AFTR course? For obtaining a Record of Completion?

To be eligible for an AFSP – Record of Completion, a return preparer must complete and pass the AFTR course and obtain their other CE by December 31 prior to the start of the tax season. As AFTR courses are offered by CE providers, return preparers are subject to the schedule of courses offered by these providers.

In no circumstance will the AFSP – Record of Completion be issued before a return preparer has registered or renewed their PTIN for the upcoming year.

7. Do I need a PTIN to take the AFTR course and related comprehension test?

Yes, to obtain credit for the course and enable the CE provider to report your course completion to the IRS, you must have a PTIN.

8. How long will it take to complete the AFTR course and test?

An AFTR course is 6 hours in length, regardless of the delivery method (online, in-person, self-study).

The related comprehension test will take a maximum of three continuous hours.

9. What is the cost of the AFTR course and test?

Each [IRS-Approved CE Provider](#) will determine their fee.

10. Can I take the test without completing the AFTR course?

No. You must complete the course before taking the test.

Public Directory of Tax Return Preparers

1. What is the Directory of Federal Tax Return Preparers with Credentials and Select Qualifications? When will it be available?

The Directory is a [public listing on the IRS website](#) of tax return preparers with credentials and select qualifications. It is a searchable, sortable listing that taxpayers can use to find a return preparer that carries their preferred credentials or qualification(s).

2. Who is included in the Directory and what information is shown?

The Directory includes the name, city, state and zip code, of all attorneys, CPAs, enrolled agents, enrolled retirement plan agents, enrolled actuaries, and AFSP participants who have obtained a Record of Completion and who have a valid PTIN.

3. I understand that if I receive an AFSP Record of Completion, I will be included in the public directory. Are there any advertising or endorsement restrictions that I must follow?

Revenue Procedure 2014-42, which established the Annual Filing Season Program, specifies that you may state you hold a valid Annual Filing Season Program Record of Completion for the calendar year and that you have complied with the IRS requirements for receiving the Record of Completion.

You may not use the terms “certified,” enrolled,” or “licensed” to describe this designation or in any way imply an employer/employee relationship with the IRS or make representations that the IRS has endorsed you.