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October 21, 2009

Mr. Robert L. Cross, President
National Society of Accountants
1010 North Fairfax Street
Alexandria, VA 22314-1574

Dear Mr. Cross:

Thank you for your letter of October 8, 2009 concerning the IAAM's public position on potential tax preparer regulation. We respectfully disagree with many of the characterizations you have used in highlighting your disagreement. We are also disappointed with your stating that our views are based on flawed or incomplete information. This couldn't be further from the truth.

The IAAM has been advocating its position on possible tax preparer regulation since 2005 when we saw, firsthand, how these abuses arise. In response, we formulated and advanced proactive legislation to resolve the growing abuses we encountered. In our proposed three-point plan, we advocate the best possible way to clean up professional abuses without creating onerous and expensive government oversight. The plan provides incentive for the non-credentialed preparer to pass the one exam that truly demonstrates competence, the EA exam, while it uses target-specific education to insure all preparers, regardless of classification, maintain necessary competence to insure public protection. It also challenges reputable professional associations to invest and maintain resources to help non-credentialed practitioners pass the EA exam, while keeping credentialed practitioners current with industry-approved education programs that fund necessary public awareness campaigns.

We wish your board had taken the time to study and consider our position back in 2006 as you contemplated your current position. More importantly, we are disappointed that NSA never invited IAAM to the committee table to participate on such an important issue. As a result, the NSA assumed its position was reflective of its state affiliates, and as you now can see that is not true.

This issue reminds me of the time when police officers across our state stepped up enforcement of speed limits by stopping and ticketing people for speeding. It didn't stop the speeders, rather it gave rise to the radar detector. So after decades of failure to slow people down, police agencies invested in electronic speed signs that flashed red when drivers exceeded the speed limit. They saw drivers immediately slow down with the vast majority maintaining speeds within posted limits after the signs were moved.

We believe the proactive approach works well.

Sincerely,

Robert Blehm, President

Copy: Members, IAAM Board of Directors; Members, NSA Board of Governors; NSA State Affiliated Organizations
Msword/iaam/tax preparer regulation