



October 8, 2009

Robert Blehm, EA, ABA, ATA
IAAM President
29225 Harper Ave
St Clair Shores, MI 48081-1248

Dear Mr. Blehm:

I am writing as President of the National Society of Accountants to express my disappointment with the position IAAM has taken with respect to possible tax preparer regulation by the IRS. My disappointment does not come because IAAM has taken a different position than NSA. IAAM certainly has the right to its own view on this issue. What disappoints me is that the position taken by IAAM seems to be based on a fundamental misunderstanding of the views expressed not only by NSA but also by other national organizations. The inescapable conclusion is that the processes used to develop the IAAM position were either flawed or incomplete. Clearly, this could easily have been avoided if IAAM had referred to NSA's position posted on our website or inquired about our position or the positions of the other national organizations that are stakeholders in this matter, all of which have been widely reported and are publicly available.

For example, the NSA position that "One of the minimum standards should be successfully passing a qualifying examination to demonstrate basic knowledge..." is classified as "rigorous" in the message sent out by IAAM Executive Director Jon Hayes. Representatives of NSA, H&R Block, NATP, NAEA, AICPA and others agree that the "basic knowledge" to be tested consists of the material included in IRS Publication 17. Had IAAM known this fact, I suspect your board members would not have taken a public position classifying such a test as "rigorous."

There are other areas of the IAAM position that lack a fundamental understanding of the underlying facts, but a full discussion of these matters is not the point of this letter. NSA is always guided by a belief that public positions must be the result of a process that serves the principle of balancing the public interest with our responsibilities to our profession and our members. Our position on the issue of tax preparer regulation has been developed over a number of years in consultation with our member committees, representatives of multiple governmental agencies, public interest groups and other professional organizations, including state affiliates such as IAAM. We are convinced that our current position serves the public and the profession. While we are saddened that IAAM does not agree, we are firm in our conviction. I hope that in the future we can do a better job not only of coordinating our relative positions but ensuring they are based on a solid understanding of the facts at hand.

Sincerely,

A handwritten signature in black ink that reads "Robert L. Cross". The signature is written in a cursive style with a prominent "R" and "C".

Robert L. Cross
NSA President