S T A T E O F N E W Y O R K

1664

2009-2010 Regular Sessions

I N A S S E M B L Y

(PREFILED)

January 7, 2009

Introduced by M. of A. DIAZ, McDONOUGH -- read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law, in relation to registration of tax preparers

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. The tax law is amended by adding a new article 23 to read as follows:

ARTICLE 23
REGISTRATION OF TAX PREPARERS

SECTION 700. DEFINITIONS.
701. REGISTRATION OF TAX PREPARERS.
702. SURETY AND NOTICE REQUIREMENTS.
703. CONFIDENTIALITY OF INFORMATION.
704. HANDLING AND RETENTION OF DOCUMENTS.
705. RESPONSIBILITIES OF TAX PREPARERS; VIOLATIONS; CIVIL AND CRIMINAL PENALTIES.
706. REGULATIONS.

S 700. DEFINITIONS. FOR THE PURPOSES OF THIS ARTICLE:

(1) THE TERM "TAX PREPARER" SHALL MEAN (A) A PERSON WHO, FOR A FEE OR FOR OTHER CONSIDERATION, ASSISTS WITH OR PREPARES FIVE OR MORE TAX RETURNS FOR OTHER PERSONS IN ANY ONE YEAR OR WHO ASSUMES FINAL RESPONSIBILITY FOR COMPLETED WORK ON SUCH RETURNS ON WHICH PRELIMINARY WORK HAS BEEN DONE BY OTHER PERSONS, OR WHO HOLDS HIMSELF OR HERSELF OUT AS OFFERING THOSE SERVICES. A PERSON ENGAGED IN THAT ACTIVITY SHALL BE DEEMED TO BE A SEPARATE PERSON FOR THE PURPOSES OF THIS ARTICLE, IRRESPECTIVE OF AFFILIATION WITH, OR EMPLOYMENT BY, ANOTHER TAX PREPARER; AND

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets [ ] is old law to be omitted.

LBD03901-01-9

(B) A CORPORATION, PARTNERSHIP, ASSOCIATION, OR OTHER ENTITY THAT HAS ASSOCIATED WITH IT PERSONS NOT EXEMPTED UNDER SUBDIVISION TWO OF THIS SECTION, WHICH PERSONS SHALL HAVE AS PART OF THEIR RESPONSIBILITIES THE PREPARATION OF DATA AND ULTIMATE SIGNATORY AUTHORITY ON TAX RETURNS, AND WHO ASSIST WITH OR PREPARE FIVE OR MORE TAX RETURNS FOR A FEE OR OTHER CONSIDERATION IN ANY ONE YEAR, OR THAT HOLDS ITSELF OUT AS OFFERING THOSE SERVICES OR HAVING THAT AUTHORITY.

(2) NOTWITHSTANDING THE FOREGOING, THE TERM "TAX PREPARER" DOES NOT INCLUDE:

(A) ANY PERSON LICENSED OR OTHERWISE AUTHORIZED TO PRACTICE PUBLIC ACCOUNTANCY, OR OTHERWISE SUBJECT TO THE PROVISIONS OF ARTICLE ONE HUNDRED FORTY-NINE OF THE EDUCATION LAW, AND HIS OR HER EMPLOYEES WHILE FUNCTIONING WITHIN THE SCOPE OF THEIR EMPLOYMENT.

(B) ANY PERSON ADMITTED TO PRACTICE LAW IN THIS STATE WHERE THE PERSON RENDERS SERVICE WITHIN THE COURSE AND SCOPE OF HIS OR HER PRACTICE AS AN ATTORNEY AT LAW, AND HIS OR HER EMPLOYEES WHILE FUNCTIONING WITHIN THE SCOPE OF THEIR EMPLOYMENT.

(C) ANY FINANCIAL INSTITUTION REGULATED BY THE STATE OR FEDERAL GOVERNMENT, AND EMPLOYEES THEREOF, INSOFAR AS THE ACTIVITIES OF THE EMPLOYEES ARE RELATED TO THEIR EMPLOYMENT AND THE ACTIVITIES OF THE FINANCIAL INSTITUTION WITH RESPECT TO TAX PREPARATION ARE SUBJECT TO FEDERAL OR STATE EXAMINATION OR OVERSIGHT.

(D) ANY OTHER PERSON, CORPORATION, PARTNERSHIP, ASSOCIATION OR OTHER ENTITY SUBJECT TO THE PROVISIONS OF THE BANKING LAW AND SUBJECT TO EXAMINATION, OVERSIGHT OR SUPERVISION BY THE BANKING DEPARTMENT, AND THE EMPLOYEES THEREOF WHILE FUNCTIONING WITHIN THE SCOPE OF THEIR EMPLOYMENT.

(E) A PERSON WHO IS ENROLLED TO PRACTICE BEFORE THE INTERNAL REVENUE SERVICE PURSUANT TO FEDERAL LAW AND REGULATIONS, AND HIS OR HER EMPLOYEES WHILE FUNCTIONING WITHIN THE SCOPE OF THEIR EMPLOYMENT.

(F) WHILE ACTING AS SUCH, ANY FIDUCIARY, OR THE EMPLOYEES THEREOF, ACTING ON BEHALF OF THE FIDUCIARY ESTATE, THE TESTATOR, GRANTOR, OR BENEFICIARIES THEREOF.

(G) A PERSON WHO, AS PART OF THE REGULAR DUTIES OF HIS OR HER EMPLOYMENT, PREPARES HIS OR HER EMPLOYER'S INCOME, SALES, PAYROLL OR OTHER TAX RETURNS.

(H) A PERSON OR ENTITY THAT ASSISTS WITH OR PREPARES TAX RETURNS WITHOUT REQUIRING THE PAYMENT OF FEES OR OTHER CONSIDERATIONS FROM THE TAXPAYERS ON WHOSE BEHALF THE RETURNS ARE PREPARED.

(3) THE TERM "TAX RETURN" SHALL MEAN A RETURN, DECLARATION, STATEMENT, REFUND, CLAIM, OR OTHER DOCUMENT REQUIRED TO BE MADE OR FILED IN CONNECTION WITH STATE OR FEDERAL INCOME TAXES OR STATE BANK AND CORPORATION FRANCHISE TAXES.

(4) THE TERM "CLIENT" SHALL MEAN AN INDIVIDUAL FOR WHOM A TAX PREPARER PERFORMS OR AGREES TO PERFORM TAX PREPARATION SERVICES.

S 701. REGISTRATION OF TAX PREPARERS. (1) EXCEPT AS OTHERWISE PROVIDED IN THIS ARTICLE OR AS OTHERWISE PERMITTED BY LAW, NO PERSON SHALL, FOR A FEE OR FOR OTHER CONSIDERATION, ASSIST WITH OR PREPARE FIVE OR MORE TAX RETURNS FOR OTHER PERSONS, ASSUME FINAL RESPONSIBILITY FOR COMPLETED WORK ON A RETURN ON WHICH PRELIMINARY WORK HAS BEEN DONE BY ANOTHER PERSON, IN ANY ONE YEAR, OR HOLD HIMSELF OR HERSELF OUT AS OFFERING SUCH SERVICES FOR A FEE OR OTHER COMPENSATION, UNLESS SUCH PERSON

(A) HAS APPLIED FOR AND RECEIVED A REGISTRATION FROM THE DEPARTMENT PURSUANT TO THIS ARTICLE; OR

(B) EMPLOYS ONE OR MORE REGISTERED TAX PREPARERS WHO ARE SOLELY RESPONSIBLE FOR PROVIDING SUCH SERVICES.

(2) TO QUALIFY FOR REGISTRATION AS A TAX PREPARER, AN APPLICANT SHALL FULFILL THE FOLLOWING REQUIREMENTS:

(A) APPLICATION: HAVE FILED AN APPLICATION WITH THE DEPARTMENT;

(B) EDUCATION: HAVE SATISFIED THE EDUCATION REQUIREMENTS SET FORTH IN SUBDIVISION THREE OF THIS SECTION;

(C) AGE: BE AT LEAST EIGHTEEN YEARS OF AGE;

(D) CHARACTER: BE OF GOOD MORAL CHARACTER AS DETERMINED BY THE DEPARTMENT;

(E) CODE OF ETHICS: AGREE IN WRITING TO COMPLY WITH THE CODE OF ETHICS ADOPTED BY THE DEPARTMENT PURSUANT TO SECTION SEVEN HUNDRED SIX OF THIS ARTICLE; AND

(F) FEE: PAY A FEE OF SEVENTY-FIVE DOLLARS TO THE DEPARTMENT FOR APPLICATION AND REGISTRATION. THE COMMISSIONER SHALL DETERMINE BY REGULATION THE AMOUNT OF SUCH FEE, IF ANY, THAT IS REFUNDABLE AND THE CIRCUMSTANCES UNDER WHICH A REFUND WILL BE MADE. IF THE COMMISSIONER DETERMINES THAT A DIFFERENT FEE IS NEEDED TO DEFRAY THE COSTS OF ADMINISTERING THIS ARTICLE, HE OR SHE MAY PROVIDE FOR A DIFFERENT FEE AMOUNT BY REGULATION; PROVIDED, HOWEVER, THAT ANY REGULATIONS THAT CHANGE THE AMOUNT OF THE FEE SHALL APPLY ONLY ON A PROSPECTIVE BASIS.

(3) THE COMMISSIONER SHALL ESTABLISH THE EDUCATIONAL REQUIREMENTS FOR REGISTRATION BY REGULATION. SUCH REGULATIONS SHALL REQUIRE THE COMPLETION OF A MINIMUM OF SIXTY HOURS OF INSTRUCTION IN BASIC PERSONAL INCOME TAX LAW, THEORY AND PRACTICE, AND ETHICS, OFFERED BY A CURRICULUM PROVIDER APPROVED BY THE DEPARTMENT. OF THE REQUIRED SIXTY HOURS, FORTY-FIVE HOURS SHALL BE CONCERNED WITH FEDERAL TAX CURRICULUM AND FIFTEEN HOURS SHALL BE CONCERNED WITH STATE TAX CURRICULUM. THE DEPARTMENT MAY WAIVE SUCH EDUCATIONAL REQUIREMENTS WHERE AN APPLICANT HAS ESTABLISHED HIS OR HER TECHNICAL COMPETENCY AND KNOWLEDGE BY OBTAINING A CREDENTIAL FROM A NATIONALLY RECOGNIZED CREDENTIALING BODY IN ACCOUNTANCY OR TAXATION AND SATISFACTORY TO THE DEPARTMENT.

(4) AN INITIAL REGISTRATION AND EACH RENEWAL OF SUCH REGISTRATION SHALL BE VALID FOR A PERIOD OF ONE YEAR. AN APPLICANT FOR RENEWAL OF REGISTRATION SHALL MEET THE REQUIREMENTS OF SUBDIVISION TWO OF THIS SECTION; PROVIDED, HOWEVER, THAT THE CONTINUING EDUCATION REQUIREMENTS FOR RENEWAL SHALL BE THE COMPLETION ON AN ANNUAL BASIS OF NOT LESS THAN TWENTY HOURS OF CONTINUING EDUCATION, INCLUDING TWELVE HOURS IN FEDERAL TAXATION, FOUR HOURS IN NEW YORK TAXATION AND AN ADDITIONAL FOUR HOURS IN EITHER FEDERAL, NEW YORK OR LOCAL GOVERNMENT TAXATION FROM AN APPROVED CURRICULUM PROVIDER. IN LIEU OF MEETING THE CONTINUING EDUCATION REQUIREMENTS FOR RENEWAL, THE DEPARTMENT MAY ACCEPT EVIDENCE THAT THE TAX PREPARER HAS OBTAINED OR MAINTAINED THE VALIDITY OF A CREDENTIAL AS PROVIDED IN SUBDIVISION THREE OF THIS SECTION.

(5) A CORPORATION, PARTNERSHIP, ASSOCIATION OR OTHER ENTITY AS DEFINED IN PARAGRAPH (B) OF SUBDIVISION ONE OF SECTION SEVEN HUNDRED OF THIS ARTICLE SHALL SUBMIT AN APPLICATION FOR REGISTRATION AS PROVIDED IN THE REGULATIONS OF THE DEPARTMENT. SUCH REGULATIONS SHALL AT A MINIMUM REQUIRE THE APPLICATION TO CONTAIN SUCH INFORMATION AS THE DEPARTMENT DEEMS NECESSARY TO IDENTIFY THE ENTITY AND ITS PRINCIPALS, AND TO BE ACCOMPANIED BY THE DOCUMENT SUBSCRIBED BY THE PRINCIPALS AGREEING TO COMPLY WITH THE CODE OF ETHICS, PURSUANT TO PARAGRAPH (E) OF SUBDIVISION TWO OF THIS SECTION, AND THE FEE ESTABLISHED PURSUANT TO PARAGRAPH (F) OF SUBDIVISION TWO OF THIS SECTION.

S 702. SURETY AND NOTICE REQUIREMENTS. (1) EVERY TAX PREPARER SHALL MAINTAIN IN FULL FORCE AND EFFECT A BOND, CONTRACT OF INDEMNITY, OR IRREVOCABLE LETTER OF CREDIT, PAYABLE TO THE PEOPLE OF THE STATE OF NEW YORK. THE PRINCIPAL SUM OF THE BOND SHALL BE FIVE THOUSAND DOLLARS FOR

EACH INDIVIDUAL PREPARING TAX RETURNS FOR ANOTHER PERSON; PROVIDED, HOWEVER, THAT THE COMMISSIONER MAY REQUIRE THE MAINTENANCE OF SURETY IN A HIGHER AMOUNT PURSUANT TO REGULATION, AND PROVIDED FURTHER, HOWEVER, THAT IN NO EVENT SHALL THE TOTAL BOND REQUIRED FOR ANY SINGLE TAX PREPARER AND THE TAX PREPARERS EMPLOYED OR ASSOCIATED WITH IT BE REQUIRED TO EXCEED ONE HUNDRED TWENTY-FIVE THOUSAND DOLLARS. SUCH SURETY SHALL BE FOR THE BENEFIT OF ANY PERSON OR PERSONS DAMAGED BY ANY FRAUD, DISHONESTY, MISSTATEMENT, MISREPRESENTATION, DECEIT, OR ANY UNLAWFUL ACTS OR OMISSIONS BY THE TAX PREPARER, OR THE TAX PREPARERS EMPLOYED BY OR ASSOCIATED WITH IT TO PROVIDE TAX PREPARATION SERVICES.

(2) PRIOR TO RENDERING ANY TAX PREPARATION SERVICES, A TAX PREPARER SHALL PROVIDE THE CLIENT IN WRITING WITH THE TAX PREPARER'S NAME, ADDRESS, TELEPHONE NUMBER, THE REGISTRATION NUMBER ASSIGNED BY THE DEPARTMENT, AND EVIDENCE OF COMPLIANCE WITH THE SURETY REQUIREMENT OF THIS SECTION, AND SHALL PROVIDE WRITTEN MATERIALS IN A FORM APPROVED BY THE DEPARTMENT INDICATING HOW TO CONTACT THE DEPARTMENT WITH ANY QUESTIONS OR COMPLAINTS REGARDING SERVICES PROVIDED BY THE TAX PREPARER.

S 703. CONFIDENTIALITY OF INFORMATION. (1) NO CONFIDENTIAL INFORMATION OBTAINED BY A TAX PREPARER, IN HIS OR HER PROFESSIONAL CAPACITY, CONCERNING A CLIENT OR A PROSPECTIVE CLIENT SHALL BE DISCLOSED BY THE TAX PREPARER WITHOUT THE WRITTEN PERMISSION OF THE CLIENT OR PROSPECTIVE CLIENT, EXCEPT FOR THE FOLLOWING:

(A) DISCLOSURES MADE BY A TAX PREPARER IN COMPLIANCE WITH A SUBPOENA OR A SUMMONS ENFORCEABLE BY ORDER OF A COURT.

(B) DISCLOSURES MADE BY A TAX PREPARER REGARDING A CLIENT OR PROSPECTIVE CLIENT TO THE EXTENT THE TAX PREPARER REASONABLY BELIEVES IT IS NECESSARY TO MAINTAIN OR DEFEND HIMSELF OR HERSELF IN A LEGAL PROCEEDING INITIATED BY THE CLIENT OR PROSPECTIVE CLIENT.

(C) DISCLOSURES MADE BY A TAX PREPARER IN RESPONSE TO AN OFFICIAL INQUIRY FROM A FEDERAL, STATE OR LOCAL GOVERNMENT AGENCY.

(D) DISCLOSURES MADE BY A TAX PREPARER OR TO A TAX PREPARER'S DULY AUTHORIZED REPRESENTATIVE TO ANOTHER TAX PREPARER IN CONNECTION WITH A PROPOSED SALE OR MERGER OF THE TAX PREPARER'S PROFESSIONAL PRACTICE.

(E) DISCLOSURES MADE BY A TAX PREPARER TO ANOTHER TAX PREPARER TO THE EXTENT NECESSARY FOR PURPOSES OF PROFESSIONAL CONSULTATION.

(F) DISCLOSURES MADE TO ORGANIZATIONS THAT PROVIDE PROFESSIONAL STANDARDS REVIEW AND ETHICS OR QUALITY CONTROL PEER REVIEW.

(G) DISCLOSURES MADE WHEN SPECIFICALLY REQUIRED BY LAW.

(2) PRIOR TO MAKING ANY DISCLOSURE PURSUANT TO PARAGRAPH (D) OR (E) OF SUBDIVISION ONE OF THIS SECTION, THE TAX PREPARER SHALL REQUIRE THE TAX PREPARER OR HIS OR HER REPRESENTATIVE WHO WOULD RECEIVE THE INFORMATION TO EXECUTE A WRITTEN INSTRUMENT STATING THAT THE CONFIDENTIALITY OF SUCH INFORMATION WILL BE MAINTAINED. A COPY OF THIS AGREEMENT SHALL BE MAINTAINED BY THE TAX PREPARER MAKING THE DISCLOSURE FOR THE PERIOD SPECIFIED IN SECTION SEVEN HUNDRED FOUR OF THIS ARTICLE. ANY VIOLATION OF SUCH WRITTEN AGREEMENT SHALL BE DEEMED A VIOLATION OF THIS ARTICLE.

(3) IN THE EVENT THAT CONFIDENTIAL CLIENT INFORMATION MAY BE DISCLOSED TO PERSONS OR ENTITIES OUTSIDE THE UNITED STATES OF AMERICA IN CONNECTION WITH THE SERVICES PROVIDED, THE TAX PREPARER SHALL INFORM THE CLIENT IN WRITING AND OBTAIN THE CLIENT'S WRITTEN PERMISSION FOR THE DISCLOSURE.

(4) ANY REQUEST SEEKING A CLIENT'S WRITTEN PERMISSION FOR DISCLOSURE OF CONFIDENTIAL INFORMATION SHALL BE ON A SEPARATE AND DISCRETE DOCUMENT OF NOT LESS THAN TWELVE-POINT TYPE AND SHALL CLEARLY IDENTIFY EACH AUTHORIZED RECIPIENT OF THE INFORMATION AND HOW SUCH RECIPIENT WILL BE

PERMITTED TO USE THE INFORMATION. THE COMMISSIONER MAY SPECIFY ADDITIONAL REQUIREMENTS FOR SUCH REQUESTS BY REGULATION.

S 704. HANDLING AND RETENTION OF DOCUMENTS. (1) TAX PREPARERS SHALL HANDLE DOCUMENTS CONTAINING CONFIDENTIAL INFORMATION IN ACCORDANCE WITH SECTION SEVEN HUNDRED THREE OF THIS ARTICLE AND IN COMPLIANCE WITH ANY ADDITIONAL REQUIREMENTS ESTABLISHED IN THE REGULATIONS OF THE DEPARTMENT OR OTHER LAWS.

(2) NO TAX PREPARER SHALL FAIL OR REFUSE TO GIVE A CLIENT, FOR HIS OR HER OWN RECORDS, A COPY OF ANY DOCUMENT REQUIRING THE CLIENT'S SIGNATURE, WITHIN A REASONABLE TIME AFTER THE CLIENT SIGNS THE DOCUMENT. NO TAX PREPARER SHALL FAIL TO RETURN, UPON THE DEMAND BY OR ON BEHALF OF A CLIENT, RECORDS OR OTHER DATA PROVIDED TO THE TAX PREPARER BY THE CLIENT.

(3) COPIES OF ALL TAX RETURNS AND OTHER RECORDS REQUIRED BY THIS ARTICLE SHALL BE MAINTAINED FOR A PERIOD OF NOT LESS THAN FOUR YEARS OF THE DATE OF COMPLETION.

S 705. RESPONSIBILITIES OF TAX PREPARERS; VIOLATIONS; CIVIL AND CRIMINAL PENALTIES. (1) EVERY TAX PREPARER SHALL HAVE THE AFFIRMATIVE RESPONSIBILITY TO ACT IN THE BEST INTERESTS OF HIS OR HER CLIENTS AND IN ACCORDANCE WITH THE CODE OF ETHICS PROMULGATED BY THE DEPARTMENT PURSUANT TO SECTION SEVEN HUNDRED SIX OF THIS ARTICLE.

(2) IT SHALL BE A VIOLATION OF THIS ARTICLE FOR A TAX PREPARER TO DO ANY OF THE FOLLOWING:

(A) FAIL TO REGISTER AS A TAX PREPARER WITH THE DEPARTMENT;

(B) MAKE, OR AUTHORIZE THE MAKING OF, ANY STATEMENT OR REPRESENTATION, ORAL OR WRITTEN OR RECORDED BY ANY MEANS, WHICH IS INTENDED TO INDUCE PERSONS TO USE THE TAX PREPARATION SERVICE OF THE TAX PREPARER, WHICH STATEMENT OR REPRESENTATION IS FRAUDULENT, UNTRUE, OR MISLEADING;

(C) OBTAIN THE SIGNATURE OF A CLIENT ON A TAX RETURN OR AUTHORIZING DOCUMENT WHICH CONTAINS BLANK SPACES TO BE FILLED IN AFTER IT HAS BEEN SIGNED;

(D) FAIL TO SIGN A CUSTOMER'S TAX RETURN WHEN PAYMENT FOR SERVICES RENDERED HAS BEEN MADE;

(E) KNOWINGLY GIVE FALSE OR MISLEADING INFORMATION TO THE DEPARTMENT, THE CLIENT, OR THE SURETY COMPANY;

(F) WHEN PREPARING A NEW YORK INCOME TAX RETURN, FAIL TO ADVISE A CLIENT OF ALL VOLUNTARY CONTRIBUTION CHECK-OFFS ON THE RETURN AND PROVIDE THE CLIENT WITH AN OPPORTUNITY TO MAKE A CONTRIBUTION TO ANY VOLUNTARY CONTRIBUTION CHECK-OFF ON THE RETURN;

(G) VIOLATE ANY PROVISION OF SECTION SEVEN HUNDRED ONE, SEVEN HUNDRED TWO, SEVEN HUNDRED THREE OR SEVEN HUNDRED FOUR OF THIS ARTICLE.

(3) THE COMMISSIONER MAY REVOKE OR SUSPEND THE REGISTRATION OF ANY PERSON WHO IS DETERMINED TO HAVE FAILED TO COMPLY WITH ANY OF THE PROVISIONS OF THIS ARTICLE OR ANY REGULATION ADOPTED PURSUANT TO THIS ARTICLE, OR TO HAVE KNOWINGLY AIDED AND ABETTED ANOTHER PERSON IN VIOLATING ANY OF THE PROVISIONS OF THIS ARTICLE OR ANY REGULATION ADOPTED PURSUANT TO THIS ARTICLE. IN LIEU OF SUCH REVOCATION OR SUSPENSION, THE COMMISSIONER MAY ASSESS A CIVIL PENALTY NOT TO EXCEED FIVE THOUSAND DOLLARS FOR ANY SUCH VIOLATION.

(4) ANY VIOLATION OF ANY PROVISION OF THIS ARTICLE SHALL BE A CLASS A MISDEMEANOR, AND UPON CONVICTION THE COURT MAY ORDER AS PART OF THE SENTENCE IMPOSED RESTITUTION OR REPARATION TO THE VICTIM OF THE CRIME PURSUANT TO SECTION 60.27 OF THE PENAL LAW.

S 706. REGULATIONS. THE COMMISSIONER IS AUTHORIZED TO PROMULGATE REGULATIONS TO IMPLEMENT THE PROVISIONS OF THIS ARTICLE. SUCH REGULATIONS SHALL INCLUDE THE ADOPTION OF A CODE OF ETHICS FOR TAX PREPARERS, AND

SUCH OTHER MATTERS AS ARE REQUIRED BY THIS ARTICLE OR ARE DEEMED NECESSARY BY THE COMMISSIONER.

S 2. Nothing in this act shall be construed to impair or limit the validity of any additional local laws or regulations, not inconsistent with the provisions of this act, applicable to tax preparers.

S 3. If any clause, sentence, paragraph, section or part of this act be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair or invalidate the remainder hereof but shall be applied in its operation to the clause, sentence, paragraph, section or part hereof directly involved in the controversy in which such judgment shall have been rendered.

S 4. This act shall take effect on the first of October in the year next succeeding the year in which it shall have become a law; provided, however, that the commissioner of taxation and finance shall be immediately authorized and directed to promulgate any rules and regulations and take any other actions necessary for implementation of this act on such effective date.