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

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I N A S S E M B L Y

May 28, 2009

Introduced by M. of A. FARRELL -- read once and referred to the Committee on Ways and Means -- reported from committee, advanced to a third reading, amended and ordered reprinted, retaining its place on the order of third reading

AN ACT to amend the tax law, in relation to the definition of a tax return preparer

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

Section 1. Paragraph 14 of subdivision (a) of section 32 of the tax law, as amended by section 1 of part F of chapter 503 of the laws of 2009, is amended to read as follows:

(14) "Tax return preparer" means an individual who prepares a substantial portion of any return for compensation. [Enrolled agents or employees] EMPLOYEES of a tax return preparer or a commercial tax return preparation business who prepare returns for clients of that preparer or preparation business, as applicable, and partners who prepare returns for clients of a partnership engaged in a commercial tax return preparation business, are all "tax return preparers" for purposes of this section. Excluded from the definition of "tax return preparer" are attorneys, public accountants, ENROLLED AGENTS, and certified public accountants, and employees of an attorney, public accountant, ENROLLED AGENT, certified public accountant, or firm thereof preparing returns under the supervision of such attorneys, public accountants, certified public accountants AND ENROLLED AGENTS or firms thereof. Also excluded are volunteer tax preparers, employees of a business or partners in a partnership whose job responsibilities include preparation of only the business' or partnership's returns, and employees of a tax return preparer or a commercial tax return preparation business who provides only clerical or other comparable services.

S 2. This act shall take effect immediately.

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

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