

May nn, 2016

The Honorable John A. Koskinen
Commissioner
Internal Revenue Service
1111 Constitution Avenue, Northwest
Washington, DC 20224

Dear Commissioner Koskinen:

As the Internal Revenue Service (IRS) grapples with a myriad of tax administration challenges, including identity theft and general noncompliance, we write to express our serious concern over the agency's plan to significantly increase the IRS's fee for taking the Special Enrollment Exam (SEE).

This exam, taken for the purpose of achieving the enrolled agent (EA) distinction, is a comprehensive test of every aspect of our tax code – individual, corporate, partnership, trust and estates, excise tax and more. As you know, currently the IRS charges an administration fee of eleven dollars for each of the three sections of the test. As we understand it, the IRS is proposing to increase the fee to \$99 for each of the three sections. When factoring in the additional \$98 per-section charged by the testing company, the future total for taking the entire exam will be near \$600.

In an environment where complex tax laws necessitate most Americans to seek professional assistance in filing their returns, not to mention interacting with the IRS on individual tax matters at issue, we believe having more professional tax practitioners – enrolled agents, CPAs and attorneys – is both intuitive and common-sense. The IRS's proposed fee increases will result in fewer tax professionals, ultimately hurting consumers. Many unenrolled tax preparers take the SEE to increase their professionalism and to obtain a credential that is highly regarded and respected.

A cost of \$600 just for an exam fee is a substantial upfront cost for most Americans, regardless of the type of test. Furthermore, when taking into account the already limited universe of EA candidates who choose to undertake this rigorous exam, we are concerned that this additional financial hurdle will only serve to make the SEE unaffordable for individuals otherwise capable of successfully obtaining their EA credential. We reiterate our strong belief that Americans want and need increasing numbers of trained tax professionals with expertise in this highly complex field, and this exorbitant increase in the SEE fee may ultimately result in an unnecessary decline in the number of individuals obtaining the EA credential.

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The IRS has consistently sought to implement minimum standards for return preparers, and should be encouraging qualified individuals to pursue the EA credential as a common-sense next step. We do not believe increasing the cost of the SEE, and by such a substantial amount, in any way encourages aspiring tax professionals to take this next step. The EA credential ultimately serves to benefit general tax administration and the public at large as do the general public services the IRS provides.

In that vein, we are seeking information and clarity about the IRS's decisions regarding SEE fee increases. We ask that you please provide an explanation of why the IRS felt the current eleven-dollar per-section fee was inadequate for administration of the SEE exam? We also seek an explanation as to how the IRS anticipates such a significant fee increase impacting American taxpayers who seek professional assistance to prepare their returns?

Lastly, we respectfully request that the IRS delay implementation of this fee increase for the SEE, and would also strongly urge the IRS to keep any fee increase as low as possible in order to avoid a severe decline in EA credentialed tax professionals that Americans need and trust. We look forward to your prompt response, and appreciate your consideration.

Sincerely,

CHARLES W. BOUSTANY, JR., M.D.
Member of Congress