

SENATE AMENDMENT NO. _____

Offered by _____ of _____

Amend _____ SCS/Senate Bill No. 219, Page 1, Section Title, Line 3,

2 by striking all of said line and inserting in lieu thereof the
 3 following: "to consumer protections for preparation of financial
 4 documents."; and

5 Further amend said bill and page, section A, line 2, by
 6 inserting immediately after said line the following:

7 "143.980. 1. This section shall be known as the "Taxpayer
 8 Protection Act".

9 2. For the purposes of this section, the following terms
 10 shall mean:

11 (1) "Department", the Missouri department of revenue;

12 (2) "Paid tax return preparer", a person who prepares for
 13 compensation, or who employs one or more persons to prepare for
 14 compensation, any income tax return or claim for refund required
 15 to be filed under this chapter. The preparation of a substantial
 16 portion of a return or claim for refund shall be treated as the
 17 preparation of such return or claim for refund. A paid tax
 18 return preparer shall not include any certified public accountant
 19 who holds an active license issued by any state and the employees
 20 of such certified public accountant or certified public
 21 accounting firm or an enrolled agent enrolled to practice before
 22 the federal Internal Revenue Service pursuant to 31 C.F.R.
 23 Section 10.4;

1 (3) "Willful or reckless conduct", the same meaning as
2 defined under 26 U.S.C. Section 6694;

3 3. For all tax years beginning on or after January 1, 2020,
4 any income tax return or claim for refund prepared by a paid tax
5 return preparer shall be signed by the paid tax return preparer
6 and shall bear the paid tax return preparer's Internal Revenue
7 Service preparer tax identification number. Any person who is
8 the paid tax return preparer with respect to any income tax
9 return or claim for refund and who fails to sign the return or
10 claim for refund, or who fails to provide his or her preparer tax
11 identification number, shall pay a penalty of fifty dollars for
12 each such failure, unless it can be shown that the failure was
13 due to reasonable cause and not willful or reckless conduct. The
14 aggregate penalty that may be imposed by the department on any
15 paid tax return preparer with respect to returns or claims for
16 refund filed during any calendar year shall not exceed
17 twenty-five thousand dollars per paid tax return preparer.

18 4. (1) In a court of competent jurisdiction, the director
19 of revenue may commence suit to enjoin any paid tax return
20 preparer from further engaging in any conduct described in
21 subdivision (2) of this subsection, or from further action as a
22 paid tax return preparer.

23 (2) In any action under subdivision (1) of this subsection,
24 if the court finds that injunctive relief is appropriate to
25 prevent the recurrence of willful or reckless conduct, the court
26 may enjoin the paid tax return preparer from further engaging in
27 any conduct specified in the action. The court may enjoin
28 conduct when a paid tax return preparer has done any of the
29 following:

1 (a) Prepared any income tax return or claim for refund that
2 includes an understatement of a taxpayer's liability due to an
3 unreasonable position. For purposes of this subdivision, the
4 term "unreasonable position" shall have the same meaning as
5 defined under 26 U.S.C. Section 6694;

6 (b) Prepared any income tax return or claim for refund that
7 includes an understatement of a taxpayer's liability due to the
8 paid tax return preparer's willful or reckless conduct;

9 (c) Where required, failed to sign an income tax return or
10 claim for refund;

11 (d) Where required, failed to furnish his or her preparer
12 tax identification number;

13 (e) Where required, failed to retain a copy of an income
14 tax return;

15 (f) Where required by due diligence requirements imposed by
16 department rules and regulations, failed to be diligent in
17 determining a taxpayer's eligibility for tax benefits;

18 (g) Negotiated a check issued to a taxpayer by the
19 department without the permission of the taxpayer;

20 (h) Engaged in any conduct subject to any criminal penalty
21 provided under chapters 135 to 155;

22 (i) Misrepresented to the department the paid tax return
23 preparer's eligibility to practice or otherwise misrepresented
24 the paid tax return preparer's experience or education;

25 (j) Guaranteed the payment of any income tax refund or the
26 allowance of any income tax credit; or

27 (k) Engaged in any other fraudulent or deceptive conduct
28 that substantially interferes with the proper administration of
29 the laws of this state.

1 (3) (a) If the court finds that a paid tax return preparer
2 has continually or repeatedly engaged in any conduct described in
3 subdivision (2) of this subsection and that an injunction
4 prohibiting the conduct would not be sufficient to prevent the
5 paid tax return preparer's interference with the proper
6 administration of the laws of this state, the court may enjoin
7 the paid tax return preparer from acting as a paid tax return
8 preparer in Missouri.

9 (b) Being enjoined from preparing tax returns or claims for
10 refund for the United States or any other state in the five years
11 preceding the petition for an injunction under this section shall
12 establish a prima facie case for an injunction to be issued under
13 this section. For purposes of this paragraph, the term "state"
14 shall mean a state of the United States, the District of
15 Columbia, Puerto Rico, United States Virgin Islands, or any
16 territory or insular possession subject to the jurisdiction of
17 the United States."; and

18 Further amend the title and enacting clause accordingly.