

House _____ Amendment NO. _____

Offered By _____

1 AMEND House Bill No. 943, Page 1, Section A, Line 2, by inserting after all of said line the
2 following:

3
4 "143.980. 1. This section shall be known as the "Taxpayer Protection Act".

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

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

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

15 (3) "Willful or reckless conduct", the same meaning as defined under 26 U.S.C. Section
16 6694;

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

27 4. (1) In a court of competent jurisdiction, the director of revenue may commence suit to
28 enjoin any paid tax return preparer from further engaging in any conduct described in subdivision
29 (2) of this subsection, or from further action as a paid tax return preparer.

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

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

Action Taken _____ Date _____

- 1 **(b) Prepared any income tax return or claim for refund that includes an understatement of a**
2 **taxpayer's liability due to the paid tax return preparer's willful or reckless conduct;**
3 **(c) Where required, failed to sign an income tax return or claim for refund;**
4 **(d) Where required, failed to furnish his or her preparer tax identification number;**
5 **(e) Where required, failed to retain a copy of an income tax return;**
6 **(f) Where required by due diligence requirements imposed by department rules and**
7 **regulations, failed to be diligent in determining a taxpayer's eligibility for tax benefits;**
8 **(g) Negotiated a check issued to a taxpayer by the department without the permission of the**
9 **taxpayer;**
10 **(h) Engaged in any conduct subject to any criminal penalty provided under chapters 135 to**
11 **155;**
12 **(i) Misrepresented to the department the paid tax return preparer's eligibility to practice or**
13 **otherwise misrepresented the paid tax return preparer's experience or education;**
14 **(j) Guaranteed the payment of any income tax refund or the allowance of any income tax**
15 **credit; or**
16 **(k) Engaged in any other fraudulent or deceptive conduct that substantially interferes with**
17 **the proper administration of the laws of this state.**
18 **(3) (a) If the court finds that a paid tax return preparer has continually or repeatedly**
19 **engaged in any conduct described in subdivision (2) of this subsection and that an injunction**
20 **prohibiting the conduct would not be sufficient to prevent the paid tax return preparer's interference**
21 **with the proper administration of the laws of this state, the court may enjoin the paid tax return**
22 **preparer from acting as a paid tax return preparer in Missouri.**
23 **(b) Being enjoined from preparing tax returns or claims for refund for the United States or**
24 **any other state in the five years preceding the petition for an injunction under this section shall**
25 **establish a prima facie case for an injunction to be issued under this section. For purposes of this**
26 **paragraph, the term "state" shall mean a state of the United States, the District of Columbia, Puerto**
27 **Rico, United States Virgin Islands, or any territory or insular possession subject to the jurisdiction of**
28 **the United States.";** and
29

30 Further amend said bill by amending the title, enacting clause, and intersectional references
31 accordingly.