

How to Report Tax Scams and Tax Preparer Fraud

The California Tax Education Council provides tips on how to report questionable tax preparers.

Sacramento, CA (April 10, 2025) — The [Internal Revenue Service](#) and the State of California have different definitions on who can prepare tax returns for a fee. The procedures for reporting questionable tax preparers also differ significantly between federal and state levels.

“California is one of the few states that has set requirements for paid tax preparers so reporting a fraudulent tax preparer to the IRS is different from what needs to be reported on a state level. It can get pretty confusing for a victim,” said Ray Davis, board member with the [California Tax Education Council \(CTEC\)](#) and host of the organization’s podcast, [Taxpayer Beware](#).

California law requires anyone who prepares tax returns for a fee to be either an [attorney](#) with the [State Bar of California](#), [certified public accountant \(CPA\)](#) with the [California Board of Accountancy](#), [CTEC-registered tax preparer \(CRTP\)](#), or IRS [enrolled agent \(EA\)](#).

Anyone caught preparing tax returns for a fee in California without the required credential may face penalties up to \$5,000 from the [California Franchise Tax Board \(FTB\)](#), the enforcement arm of CTEC.

To file a report with FTB, taxpayers can do the following:

- To report tax preparers who don't have a credential (cannot be verified as an active California attorney or CPA, CRTP, or EA), can call FTB enforcement at (916) 845-6193 or file a complaint at ctec.org/complaint/preparer.
- To report fraud on tax returns, call the Taxpayer Service Center at (800) 852-5711 or visit any [FTB field office](#) listed on its website.

To file a report with the IRS...

- Fill out [Form 14157](#) to report a complaint about a tax preparer.
- Fill out [Form 14157-A](#) to report tax preparer fraud or misconduct affidavit. This form also has a list of documents taxpayers will need to submit to the IRS, such as a copy of the tax return provided by the tax preparer in question.

“We cannot stress this enough. Anyone who reports fraud or questionable tax preparers will not get in trouble with the IRS or FTB. If anything, they rely on these reports,” Davis said.

To hear the IRS and FTB give tips on avoiding tax fraud, download the CTEC podcast at taxpayerbeware.org or in Spanish at contribuyentecudese.org.

CTEC is a nonprofit organization that was established in 1997 by the California State Legislature to protect taxpayers against fraud and incompetent tax preparers. Visit ctec.org for more details.

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