
2024-2025

Annual Report



CTEC

California[®]
Tax Education
Council

Statement of Mission

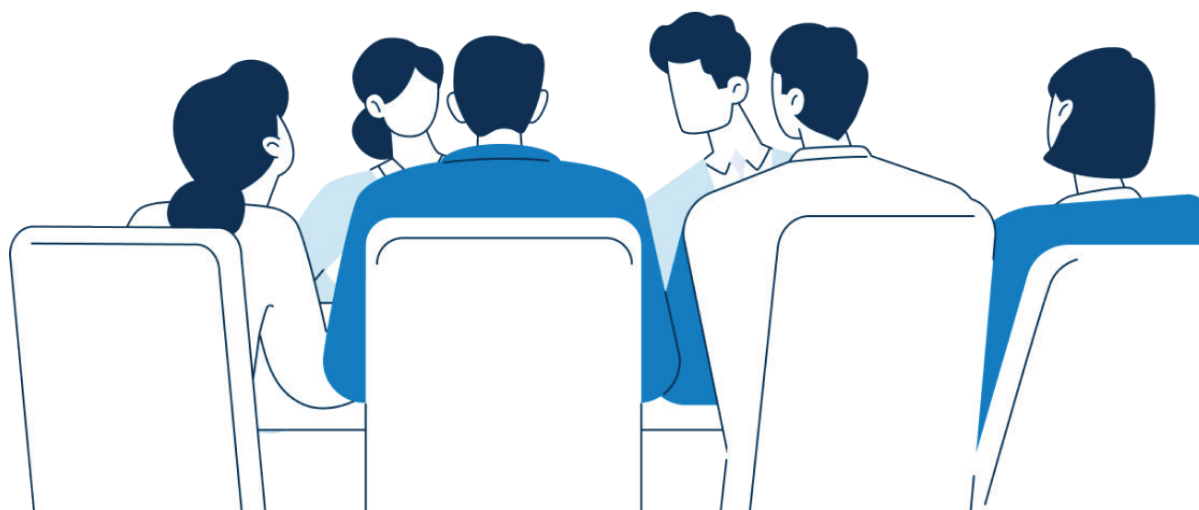
The California Tax Education Council (CTEC) will continue to establish professional tax education standards, approve tax education providers who comply with these standards, and facilitate tax preparer compliance for the benefit of California taxpayers.

— California Tax Education Council



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Introduction

The California Tax Education Council (CTEC) is the organization that registers non-exempt paid preparers, the second largest segment of tax preparation professionals serving California consumers.

Anyone who, for a fee, assists with or prepares a state or federal income tax return, excluding CPAs, attorneys and enrolled agents or their employees, must be registered with CTEC.

The responsibility for approving tax schools was transferred by the California State Legislature and the Governor from the California



Department of Consumer Affairs to CTEC effective July 1, 1997. The Council is a nonprofit quasi-public benefit corporation made up of CTEC Registered Tax Preparers, as well as appointees from nonprofit and for-profit organizations which represent tax professionals. Representatives to the Council are appointed as described in Section 22251.2 of the California Business & Professions Code.

The Council is charged with providing a list of approved curriculum providers, approving providers of tax education, verifying education and registering tax preparers who must also obtain a bond.

MESSAGE FROM THE CHAIR

Over the past year, CTEC has taken meaningful steps toward fulfilling our mission to support CTEC Registered Tax Preparers (CRTPs), education providers, and taxpayers. I am proud to highlight several key advancements, including the debut of our redesigned website and the integration of advanced technologies like search engine optimization (SEO) and AI-powered chat, all of which have enhanced our services and regulatory oversight.

In 2025, we unveiled a refreshed CTEC website, featuring a new contemporary logo, intuitive navigation, and improved accessibility for users throughout the state. This upgrade was developed to better serve California's diverse population, providing streamlined access to tax preparer resources, educational materials, and compliance support.

Following the website launch, we implemented a focused SEO campaign to boost CTEC's online presence and ensure that critical information is more readily available. Early results during the 2025 renewal season show increased website traffic—higher search impressions, more clicks, and a growing number of active users—suggesting greater engagement from both tax professionals and the public. This broader reach is helping more people access the resources and compliance tools they need.

Additionally, we rolled out AI-driven chat support to improve user interaction and responsiveness. This innovative feature has enabled us to efficiently address user questions and streamline communications, particularly during peak periods. Initial feedback and usage metrics indicate that our efforts are making a positive impact on user support and regulatory compliance.

On behalf of the Board,
thank you for your continued support.



*C. Lester Crawford, Chair
CTEC Registered Tax Preparer
(CRTP)*

2024 - 2025 Council Members



C. Lester Crawford

Chair

CTEC Registered Tax Preparer
Los Angeles, CA



Fernando E. Angell III

Treasurer

CTEC Registered Tax Preparer
Downey, CA



Ray Davis

Secretary

Appointed by: H & R Block Tax
Services, Inc.



Michael Carr

CTEC Registered Tax Preparer
Sun City, CA



Aaron Chambers

CTEC Registered Tax Preparer
Madera, CA



Karen De Vaney

Appointed by: California
Society of Tax Consultants, Inc.



Susie L. DiMaggio

Appointed by: California
Society of Enrolled Agents



Kaya Klotzek

Appointed by: National
Society of Accountants



Tom O'Saben

Appointed by: National
Association of Tax Professionals



Robert Ovalle

Appointed by: Jackson Hewitt
Tax Service Inc.



Lee Reams, Sr.

Appointed by: National
Association of Enrolled Agents



Jodi Runyan-Schechter

CTEC Registered Tax Preparer
Simi Valley, CA



Yvette Rupp

CTEC Registered Tax Preparer
Fresno, CA

2024 - 2025 Government Agency Representatives



Rebecca Landeros
Representative,
California Franchise Tax Board



Raquel Hopkins
Representative,
California Franchise Tax Board



Cedric Brown
Representative,
Internal Revenue Service

2024 - 2025 CTEC Administrative Staff



Tabitha Bolkish



Amanda Harden

ANNUAL REGISTRATIONS

In January 1997, when CTEC took over the former Tax Preparer Program from the California Department of Consumer Affairs, there were approximately 27,000 registered tax preparers in California.

As of June 30, 2025, CTEC has registered 39,489 preparers.

The following table shows each year's annual registration numbers.



| REGISTRATION YEAR | TOTAL REGISTRATIONS |
|-------------------|---------------------|
| 07/01/97-06/30/98 | 28,831 |
| 07/01/98-06/30/99 | 29,009 |
| 07/01/99-06/30/00 | 29,773 |
| 07/01/00-06/30/01 | 28,444 |
| 07/01/01-06/30/02 | 29,943 |
| 07/01/02-06/30/03 | 32,093 |
| 07/01/03-06/30/04 | 34,391 |
| 07/01/04-06/30/05 | 36,931 |
| 07/01/05-06/30/06 | 39,226 |
| 07/01/06-06/30/07 | 40,565 |
| 07/01/07-06/30/08 | 41,881 |
| 07/01/08-06/30/09 | 44,888 |
| 07/01/09-06/30/10 | 44,147 |
| 07/01/10-06/30/11 | 43,674 |
| 07/01/11-06/30/12 | 41,934 |
| 07/01/12-06/30/13 | 38,481 |
| 07/01/13-06/30/14 | 39,201 |
| 07/01/14-06/30/15 | 41,564 |
| 07/01/15-06/30/16 | 39,965 |
| 07/01/16-06/30/17 | 39,306 |
| 07/01/17-06/30/18 | 39,904 |
| 07/01/18-06/30/19 | 39,770 |
| 07/01/19-06/30/20 | 39,446 |
| 07/01/20-06/30/21 | 38,464 |
| 07/01/21-06/30/22 | 38,278 |
| 07/01/22-06/30/23 | 38,844 |
| 07/01/23-06/30/24 | 38,533 |
| 07/01/24-06/30/25 | 39,489 |

CTEC REGISTERED TAX PREPARERS (CRTPs)



| | | | |
|------------------|--------|-----------------|--------|
| Alameda | 1,159 | Orange | 3,240 |
| Amador | 20 | Placer | 293 |
| Butte | 149 | Plumas | 9 |
| Calaveras | 38 | Riverside | 2,806 |
| Colusa | 17 | Sacramento | 1,501 |
| Contra Costa | 859 | San Benito | 77 |
| Del Norte | 13 | San Bernardino | 2,904 |
| El Dorado | 76 | San Diego | 3,124 |
| El Dorado County | 1 | San Francisco | 439 |
| Fresno | 917 | San Joaquin | 722 |
| Glenn | 20 | San Luis Obispo | 136 |
| Humboldt | 68 | San Mateo | 432 |
| Imperial | 328 | Santa Barbara | 275 |
| Inyo | 5 | Santa Clara | 1,523 |
| Kern | 879 | Santa Cruz | 197 |
| Kings | 94 | Shasta | 116 |
| Lake | 51 | Siskiyou | 35 |
| Lassen | 14 | Solano | 430 |
| Los Angeles | 12,077 | Sonoma | 357 |
| Madera | 144 | Stanislaus | 592 |
| Marin | 120 | Sutter | 99 |
| Mariposa | 14 | Tehama | 36 |
| Mendocino | 60 | Trinity | 2 |
| Merced | 284 | Tulare | 412 |
| Modoc | 2 | Tuolumne | 32 |
| Mono | 3 | Ventura | 747 |
| Monterey | 447 | Yolo | 120 |
| Napa | 92 | Yuba | 68 |
| Nevada | 80 | Out of State | 734 |
| | | Total | 39,489 |

CTEC CONTINUES TO ADVANCE PUBLIC AWARENESS EFFORTS

Following the launch of its new website in April 2025, CTEC initiated a comprehensive advertising and public awareness initiative aimed at informing and protecting California taxpayers. Leveraging a multi-channel strategy—including digital, audio, video, Google Ads, and podcasts—CTEC continued to expand both its reach and engagement.

A Google Ads campaign was implemented statewide, targeting Californians across multiple regions and generating over 10.5 million impressions and 266,370 interactions.

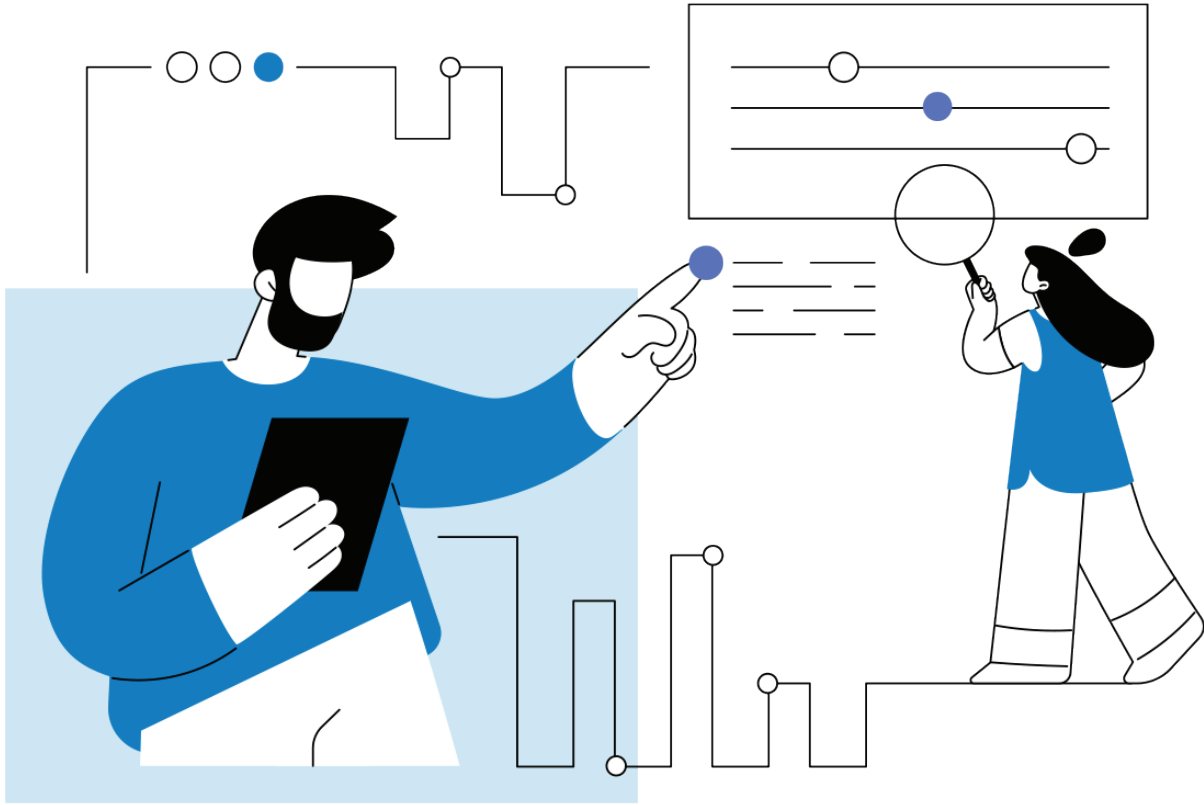
Simultaneously, a specialized mobile, audio, and video campaign focused on the Los Angeles DMA to alert taxpayers about potential wildfire-related tax scams.

Altogether, these efforts achieved over 4.7 million impressions and reached 983,707 unique individuals, with each person exposed to CTEC’s messaging about five times—an ideal frequency for building public awareness. These metrics show that CTEC’s creative content was both highly engaging and memorable, with performance consistently exceeding industry benchmarks.

Additionally, the California Franchise Tax Board (FTB) partnered with CTEC to deliver public service announcements to wildfire victims on the CTEC Taxpayer Beware podcast, available in both English and Spanish. Podcasts remained a cornerstone of CTEC’s outreach, with the initial campaign launching during tax season to reach taxpayers at a critical time. Season 5 of Taxpayer Beware (English) garnered 63,166 downloads, while Contribuyente Cuídese (Spanish) received 31,333 downloads—placing both series within the top 5% of national averages for audience engagement. In September, a second wave of paid podcast promotion specifically targeted the Los Angeles area, resulting in a surge in impressions and downloads and further amplifying CTEC’s efforts to warn wildfire victims about scams.

Looking ahead to 2026, CTEC will continue its outreach through podcasts, mobile, audio, video, and Google Ads—alongside an expanded outdoor advertising campaign in Los Angeles—to further strengthen its public awareness efforts.

ELEVATING OUTREACH IN THE DIGITAL ERA



The SEO-focused transition to the new website resulted in record gains in online visibility and user engagement, particularly during the renewal season. Key resources—such as verification and education provider search pages—experienced high levels of traffic, while CTEC continued to attract new visitors through both traditional and emerging AI-driven search channels.

Overall, CTEC’s digital reach and public accessibility reached unprecedented levels, laying a strong foundation for continued progress throughout the year.

CTEC’s website support system, which integrates live chat and AI-powered assistance, maintained its effectiveness in handling a high volume of inquiries. Most questions were resolved promptly, ensuring timely and reliable support for both taxpayers and tax professionals statewide.

Looking ahead to 2026, CTEC will continue to expand its digital outreach and support efforts to further enhance public awareness and accessibility across California.

A NEW LOGO FOR A NEW ERA

This year, CTEC took a significant step forward with the launch of a new logo. The updated design reflects CTEC's commitment to professionalism, accessibility, and evolving with the needs of California's tax education community.



A Modern Look for a Trusted Organization

The new logo is more than just a visual update—it represents CTEC's dedication to clarity and trust. Designed to be simple, modern, and easily recognizable, the new mark strengthens CTEC's presence across digital and print platforms. This change supports ongoing efforts to reach a wider audience, enhance public awareness, and ensure that California taxpayers and tax professionals can easily identify CTEC as a reliable resource.

The logo update was a collaborative effort that welcomed input from CTEC Registered Tax Preparers (CRTPs) and education providers. Through a targeted survey, CRTPs—particularly younger professionals—expressed a desire for a more contemporary logo, noting that “it needs a modern look” and “something they can be proud of to put on business cards.” This feedback played a key role in shaping a refreshed brand identity that resonates with both current and future generations of tax professionals.

Looking Ahead

Updating the CTEC logo is part of a broader strategy to keep pace with the changing landscape of tax education and compliance. As CTEC continues to expand its outreach and modernize its communications, the new logo will serve as a symbol of CTEC's ongoing commitment to quality, transparency, and service for all Californians.

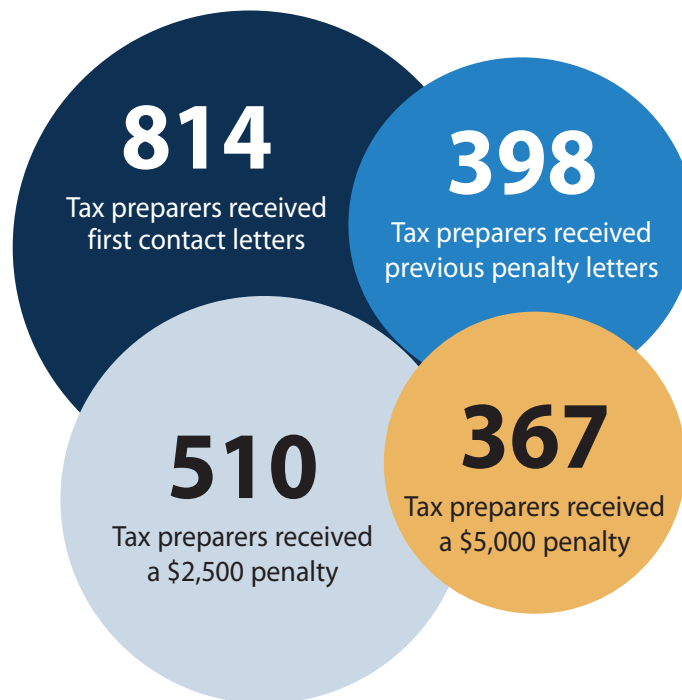
2024/2025 ENFORCEMENT UPDATE

During the 2024/2025 fiscal year, the Franchise Tax Board (FTB) Tax Preparer Enforcement Team contacted 1,110 questionable tax preparers, including some who failed to comply in the prior year. Tax preparers in need of attention from enforcement are contacted by mail.

Unregistered tax preparers who are caught preparing or assisting with preparing tax returns for a fee will receive a \$2,500 penalty – a first failure to register penalty. However, the penalty will be waived if proof of a valid credential is provided to FTB within 90-days from the date the penalty notice is mailed to the tax preparer.

If the tax preparer does not provide FTB with proof of a valid credential, FTB will issue a \$5,000 penalty for each subsequent failure to register.

CTEC pays for the entire enforcement program. All penalties collected by FTB are deposited into the state's general fund. To report an unregistered tax preparer, visit CTEC.org.



Results are as of December 4, 2025

CTEC APPROVED EDUCATION PROVIDERS

FOR CONTINUING EDUCATION (20 HOURS)

@ 1ST ATTEMPT (AT YOUR PACE ONLINE)

225 East Robinson Street, Suite 570
Orlando, FL 32801
(Phone) 877-724-6150
www.taxce.com
CTEC Provider #: 6258

1 0 4 0 AND MORE CONTINUING EDUCATION

2669 Ne Twin Knolls Ste 106
Bend, OR 97701
(Phone) 650-843-9829
(Fax) 541-617-9537
www.taxcoursesonline.com
CTEC Provider #: 6203

1 1 1 ACCELERATED CONTINUING EDUCATION DBA MY TAX COURSES ONLINE

2653 Bruce B Downs Blvd Suite 108a-Pmb 190
Wesley Chapel, FL 33544
(Phone) 800-605-3538
www.mytaxcoursesonline.com
CTEC Provider #: 6260

101 EDUCATION SERVICES INC.

11857 Barona Mesa Ave
Las Vegas, NV 89138
(Phone) 800-214-4307
(Fax) 877-674-9290
www.irstaxtraining.com
CTEC Provider #: 6224

3IS TAX SCHOOL

16756 Blackhawk Street
Granada Hills, CA 91344
(Phone) 855-620-7988
(Fax) 818-742-6248
www.3isschool.com
CTEC Provider #: 6239

A & B OFFICE, INCOME TAX TRAINING SCHOOL

12432 Oxnard St.
North Hollywood, CA 91606
(Phone) 818-505-3537
(Fax) 818-308-8533
www.abeducate.com
CTEC Provider #: 1057

AARDVARK TAX ONLINE

1950 W Corporate Way Ste 25302
Anaheim, CA 92801
(Phone) 877-212-1384
www.aardvarktax.com/california
CTEC Provider #: 3083

ACCOUNTANT'S EDUCATION SERVICES/ CPE4U COLORADO

4380 S Syracuse St Ste 110
Denver, CO 80237
(Phone) 720-389-5900
(Fax) 720-708-3246
www.aestax.com
CTEC Provider #: 1066

ARCOIRIS INCOME TAX INC.

1920 N Tustin St.
Orange, CA 92865
(Phone) 714-998-8986
(Fax) 714-429-2020
CTEC Provider #: 6232

AROUND THE BLOCK TAX SERVICES

739 E. HOLT AVE
Pomona, CA 91767
(Phone) 909-270-6471
(Fax) 909-614-7671
CTEC Provider #: 3094

AZTECA TECHNOLOGY CORPORATION DBA AZTECA TAX SYSTEMS

3111 N. Tustin Ave. STE 235
Orange, CA 92865
(Phone) 714-363-0006
(Fax) 714-384-7505
www.aztecataxsystems.com
CTEC Provider #: 6294

BECKER PROFESSIONAL DEVELOPMENT CORPORATION DBA BECKER PROFESSIONAL EDUCATION

399 South Spring Ave Suite 108
St. Louis, MO 63110
Phone: 877-272-3926
www.becker.com
CTEC Provider #: 6295

BRASS TAX PRESENTATIONS

1224 10th Street, Ste 210
Coronado, CA 92118
(Phone) 858-487-2553
(Fax) 619-435-4657
www.BrassTax.com
CTEC Provider #: 1008

CA CHAPTER-NAT'L ASSN OF TAX PROFESSIONALS

9165 Owari Lane
Riverside, CA 92508
(Phone) 951-534-4501
(Fax) 951-848-9549
www.califnatp.com
CTEC Provider #: 2014

CA SOCIETY OF ENROLLED AGENTS

PO Box 129
Rancho Cordova, CA 95741
(Phone) 916-366-6646
(Fax) 916-366-6674
www.csea.org
CTEC Provider #: 1001

CAL TAX SCHOOL

PO Box 892033
Temecula, CA 92589
(Phone) 877-900-4346
(Fax) 877-900-4310
www.CalTaxSchool.org
CTEC Provider #: 3055

CALIFORNIA CPA EDUCATION FOUNDATION

500 Capitol Mall Ste 1760
Sacramento, CA 95814
(Phone) 800-922-5272
(Fax) 650-802-6224
www.calcpa.org
CTEC Provider #: 2099

CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION

450 N Street
Sacramento, CA 95814
(Phone) 916-704-6533
CTEC Provider #: 3069

CALIFORNIA SOCIETY OF TAX CONSULTANTS, INC.

PO Box 10
Manhattan Beach, CA 90267
(Phone) 949-715-4192
(Fax) 949-715-6931
www.cstcsociety.org
CTEC Provider #: 1000

CALIFORNIA TAX COURSES

4859 W. Slauson Ave #406
Los Angeles, CA 90056
(Phone) 888-229-1994
<https://cataxcourses.com/ctec-courses/ctec-60-hour-course/accounting>
CTEC Provider #: 6280

CALIFORNIA TAX INSTITUTE

5281 Laurel View Circle
Yorba Linda, CA 92886
(Phone) 800-995-1747
(Fax) 714-777-4267
www.californiataxinstitute.com
CTEC Provider #: 1022

CE SELF STUDY

11037 Warner Avenue, Suite 147
Fountain Valley, CA 92708
(Phone) 714-248-6678
www.ceselfstudy.com
CTEC Provider #: 6243

CERIFI CPEDGE

3625 Brookside Pkwy, Suite 450
Alpharetta, GA 30022
(Phone) 844-245-5970
<https://cerificpedge.com>
CTEC Provider #: 3039

COLLEGE OF SAN MATEO

1700 W. Hillsdale Blvd.
San Mateo, CA 94402
(Phone) 650-574-6161
www.collegeofsanmateo.edu/accounting
CTEC Provider #: 3025

CTEC APPROVED EDUCATION PROVIDERS

FOR CONTINUING EDUCATION (20 HOURS)

COUNTINGWORKS, INC.

2549 Eastbluff Drive #448
Newport Beach, CA 92660
(Phone) 818-338-8700
(Fax) 818-743-0551
www.clientwhys.com
CTEC Provider #: 1044

CPE SOLUTIONS, LLC

3710 Corporex Park Drive, Suite 140
Tampa, FL 33619
(Phone) 800-545-7601
(Fax) 813-662-3563
www.cpecredit.com
CTEC Provider #: 3063

DRAKE SOFTWARE

235 East Palmer Street
Franklin, NC 28734
(Phone) 828-524-8020
(Fax) 828-349-5713
www.drakesoftware.com
CTEC Provider #: 3038

FAST FORWARD ACADEMY

3625 Brookside Pkwy Ste 450
Alpharetta, GA 30022
(Phone) 714-332-1514
www.fastforwardacademy.com
CTEC Provider #: 6209

FAST FORWARD ACADEMY

3625 Brookside Pkwy Ste 450
Alpharetta, GA 30022
Phone: 714-332-1514
www.fastforwardacademy.com
CTEC Provider #: 6209

FEDERAL DIRECT TAX SERVICES

11905 Pendleton Pike
Indianapolis, IN 46236
(Phone) 317-723-8873
(Fax) 317-252-0360
www.federaldirecttax.com
CTEC Provider #: 6245

GATEWAY TAX SERVICE

11200 Crenshaw Blvd
Inglewood, CA 90303
(Phone) 323-757-6900
(Fax) 310-496-0109
www.gatewaytaxservice.com
CTEC Provider #: 3058

GEAR UP

3625 Brookside Pkwy Ste 450
Alpharetta, GA 30022
(Phone) 571-329-4709
(Fax) 972-250-2972
www.checkpointlearning.com/gearup
CTEC Provider #: 1013

GOLDEN STATE TAX TRAINING INSTITUTE, INC.

14100 Madison Avenue NE
Bainbridge Island, WA 98110
(Phone) 877-674-9290
(Fax) 877-674-3472
www.gstti.com
CTEC Provider #: 2040

H & R BLOCK TAX SERVICES, INC.

One H&R Block Way
Kansas City, MO 64105
(Phone) 816-854-4809
<https://hrblock.csod.com/default.aspx?c=seminar>
CTEC Provider #: 1040

HERA'S INCOME TAX SCHOOL

3705 W Pico Blvd
Los Angeles, CA 90019
(Phone) 877-300-6837
www.herasincometaxschool.com
CTEC Provider #: 2086

HISPANIC ASSOCIATION OF PROFESSIONAL SERVICES

1152 3rd Avenue
Chula Vista, CA 91911
(Phone) 619-300-1249
(Fax) 619-330-4806
www.haps-ca.org
CTEC Provider #: 6237

INTERNAL REVENUE SERVICE

300 N. Los Angeles St, Stop 1053
Los Angeles, CA 90012
(Phone) 213-576-4196
(Fax) 213-894-6541
CTEC Provider #: 1052

INTERNAL REVENUE SERVICE – TAX FORUMS

1111 Constitution Avenue NW
Washington, DC 20224
(Phone) 202-317-4246
CTEC Provider #: 6181

IRS STAKEHOLDER LIAISON

4330 Watt Avenue
Sacramento, CA 95821
(Phone) 470-719-6716
www.irs.gov/taxpros
CTEC Provider #: 1060

IRS STAKEHOLDER PARTNERSHIPS, EDUCATION AND COMMUNICATION (VITA/TCE)

401 West Peachtree Street; NW Stop 54WI
Atlanta, GA 30308
(Phone) 559-443-7687
www.irs.gov/app/vita/
CTEC Provider #: 6238

JACKSON HEWITT TAX SERVICE

501 N. Cattlemen Road,
Suite 300
Sarasota, FL 34232
(Phone) 800-234-1040
www.jacksonhewitt.com
CTEC Provider #: 1009

L & R TAX TRAINING SCHOOL

109 West Transit Street
Ontario, CA 91762
(Phone) 909-986-8372
(Fax) 909-986-8375
www.mdproservice.com
CTEC Provider #: 3016

LA RUSA LLC

2380 Drew Street, Ste 2
Clearwater, FL 33765
(Phone) 813-867-7111
(Fax) 813-422-5271
www.larusatax.com
CTEC Provider #: 6297

LAMBERS, INC.

5910 Breckenridge Pkwy Ste A
Tampa, FL 33610
(Phone) 800-272-0707
(Fax) 727-507-8380
www.lambers.com
CTEC Provider #: 6231

LATIN AMERICAN BUSINESS INSTITUTE

7853 SW Ellipse Way
Stuart, FL 34997
(Phone) 772-333-2423
(Fax) 772-800-7246
www.labitax.com
CTEC Provider #: 6269

LATINO TAX PROFESSIONALS ASSOCIATION

1588 Moffett Street Ste. F
Salinas, CA 93905
(Phone) 866-936-2587
(Fax) 831-424-3218
www.latinotaxpro.org
CTEC Provider #: 2080

LIBERTY TAX SERVICE

500 Grapevine Hwy, Suite 300
Hurst, TX 76054
(Phone) 800-790-3863
www.libertytax.com
CTEC Provider #: 2097

MTP MENTORS LLC DBA LATIN TAX ACADEMY

PO Box 151327
Austin, TX 78715
(Phone) 512-960-4036
www.latintaxacademy.com
CTEC Provider #: 6298

CTEC APPROVED EDUCATION PROVIDERS

FOR CONTINUING EDUCATION (20 HOURS)

MY-CPE LLC

1600 Highway 6 South, Suite 250
Sugarland, TX 77478
(Phone) 747-284-0497
www.my-cpe.com
CTEC Provider #: 6273

NATIONAL ASSOCIATION OF ENROLLED AGENTS

1100 G Street NW Suite 450
Washington, DC 20005
(Phone) 202-822-6232
www.naea.org
CTEC Provider #: 6257

NATIONAL ASSOCIATION OF TAX PROFESSIONALS

P. O. Box 8002
Appleton, WI 54912-8002
(Phone) 800-558-3402
(Fax) 800-747-0001
www.natptax.com
CTEC Provider #: 1067

NATIONAL SOCIETY OF ACCOUNTANTS

1330 Braddock Place, Suite 540
Alexandria, VA 22314
(Phone) 703-705-9046
(Fax) 703-549-2512
www.nsacct.org
CTEC Provider #: 2094

NATIONAL SOCIETY OF TAX PROFESSIONALS

11700 NE 95th St, Ste 100
Vancouver, WA 98682
(Phone) 360-695-8309
(Fax) 360-695-7115
www.nsttp.org
CTEC Provider #: 2001

PLATINUM PROFESSIONAL SERVICES, INC.

3040 Seal Beach Blvd. Suite 300
Seal Beach, CA 90740
(Phone) 877-315-1772
(Fax) 877-317-9412
www.platinumprostudies.com
CTEC Provider #: 2052

PRONTO TAX SCHOOL, INC.

301 Government Center Dr., Suite 200
Wilmington, NC 28403
(Phone) 310-422-1283
www.prontotaxschool.com
CTEC Provider #: 6201

REFUNDS TODAY DBA NATIONAL TAX SCHOOL

225 Chastain Meadows Ct
Kennesaw, GA 30144
(Phone) 706-449-9017
www.Nationaltaxschool.net
CTEC Provider #: 3044

RIVERSIDE TAX CONSULTANTS ASSOCIATION

P.O. Box 5546
Riverside, CA 92517
(Phone) 951-924-5421
(Fax) 951-242-1039
www.rtcaweb.org
CTEC Provider #: 2036

SANTA ANA COLLEGE

1530 W. 17th Street
Santa Ana, CA 92706
(Phone) 714-564-6771
www.sac.edu
CTEC Provider #: 2019

SPIDELL PUBLISHING

P.O. Box 61044
Anaheim, CA 92803
(Phone) 800-277-2257
www.caltax.com
CTEC Provider #: 1019

SURGENT MCCOY CPE, LLC

201 N. King Of Prussia Rd., Suite 370
Radnor, PA 19087
(Phone) 610-994-9606
(Fax) 610-688-3977
www.surgentcpe.com
CTEC Provider #: 6217

TAX IQ ACADEMY

PO Box 106
Sorrento, FL 32776
Phone: 866-256-1746
www.taxiqacademy.com
CTEC Provider #: 6296

TAX MATERIALS, INC.

15105 Minnetonka Ind. Rd., Suite 221
Minnetonka, MN 55345
Phone: 952-746-5276
Fax: 952-746-5278
www.thetaxbook.com
CTEC Provider #: 6193

TAX PRACTICE PRO, INC.

69 Brookside Ave Ste 222
Chester, NY 10918
(Phone) 800- 943-1750
(Fax) 845- 206-0648
www.taxpracticepro.com
CTEC Provider #: 6248

TAX TALK TODAY

4401a Connecticut Avenue,
NW, 170
Washington, DC 20008
(Phone) 202-559-9330
(Fax) 202-559-9333
www.taxtalktoday.com
CTEC Provider #: 3022

TAXRESOURCES, INC.

600 Coolidge Drive, Suite 300
Folsom, CA 95630
(Phone) 714-382-7732
(Fax) 916-904-8499
www.taxaudit.com
CTEC Provider #: 3027

THE INCOME TAX SCHOOL

201 N. King Of Prussia Rd.,
Suite 370
Radnor, PA 19087
(Phone) 610-994-9606
www.theincometaxschool.com
CTEC Provider #: 1071

THE TAX SCHOOL

2450 Washington Ave Ste 160
San Leandro, CA 94577
(Phone) 800-327-1040
(Fax) 800-426-2345
www.thetaxschool.com
CTEC Provider #: 1003

WEBCE

12222 Merit Dr, Suite 500
Dallas, TX 75251
(Phone) 877-488-9308
(Fax) 214-570-0213
<https://www.webce.com/cpe/tax-ce/ctec-ce>
CTEC Provider #: 6216

WESTERN CPE

2201 Baxter Lane #3987
Bozeman, MT 59772
(Phone) 800-822-4194
(Fax) 406-585-3144
www.westerncpe.com
CTEC Provider #: 2071

WOLTERS KLUWER, CCH CPE LINK

2700 Lake Cook Road
Riverwoods, IL 60015
(Phone) 800-344-3734
(Fax) 773-866-3084
<http://www.cchgroup.com>
CTEC Provider #: 1075

CTEC APPROVED EDUCATION PROVIDERS

FOR QUALIFYING EDUCATION (60 HOURS)

101 EDUCATION SERVICES INC.

11857 Barona Mesa Ave
Las Vegas, NV 89138
(Phone) 1-800-214-4307
(Fax) 877-674-9290
www.irstaxtraining.com
CTEC Provider #: 6224

3IS TAX SCHOOL

16756 Blackhawk Street
Granada Hills, CA 91344
(Phone) 855-620-7988
(Fax) 818-742-6248
www.3isschool.com
CTEC Provider #: 6239

A & B OFFICE, INCOME TAX TRAINING SCHOOL

12432 Oxnard St.
North Hollywood, CA 91606
(Phone) 818-505-3537
(Fax) 818-308-8533
www.abeducate.com
CTEC Provider #: 1057

AROUND THE BLOCK TAX SERVICES

739 E. HOLT AVE
Pomona, CA 91767
(Phone) 909-270-6471
(Fax) 909-614-7671
CTEC Provider #: 3094

AZTECA TECHNOLOGY CORPORATION DBA AZTECA TAX SYSTEMS

3111 N. Tustin Ave. STE 235
Orange, CA 92865
(Phone) 714-363-0006
(Fax) 714-384-7505
www.aztecataxsystems.com
CTEC Provider #: 6294

CA SOCIETY OF ENROLLED AGENTS

PO Box 129
Rancho Cordova, CA 95741
(Phone) 916-366-6646
(Fax) 916-366-6674
www.csea.org
CTEC Provider #: 1001

CALIFORNIA TAX COURSES

4859 W. Slauson Ave #406
Los Angeles, CA 90056
(Phone) 888-229-1994
<https://cataxcourses.com/ctec-courses/ctec-60-hour-course/>
CTEC Provider #: 6280

CALIFORNIA TAX INSTITUTE

5281 Laurel View Circle
Yorba Linda, CA 92886
(Phone) 800-995-1747
(Fax) 714-777-4267
www.californiataxinstitute.com
CTEC Provider #: 1022

CHAFFEY COLLEGE

5885 Haven Ave.
Rancho Cucamonga, CA 91737
(Phone) 909-652-6846
(Fax) 909-652-6825
www.chaffey.edu
CTEC Provider #: 2046

COLLEGE OF SAN MATEO

1700 W. Hillsdale Blvd.
San Mateo, CA 94402
(Phone) 650-574-6161
www.collegeofsanmateo.edu/accounting
CTEC Provider #: 3025

COLLEGE OF THE DESERT

43-500 Monterrey Avenue
Palm Desert, CA 92260
(Phone) 760-776-7316
www.collegeofthedesert.edu
CTEC Provider #: 6235

EVERGREEN VALLEY COLLEGE

3095 Yerba Buena Road
San Jose, CA 95135
(Phone) 408-531-6126
www.evc.edu
CTEC Provider #: 6182

FEDERAL DIRECT TAX SERVICES

11905 Pendleton Pike
Indianapolis, IN 46236
(Phone) 317-723-8873
(Fax) 317-252-0360
www.federaldirecttax.com
CTEC Provider #: 6245

FULLERTON COLLEGE, BUSINESS, CIS & ECONOMIC WORKFORCE DIVISION

321 E. Chapman Ave.
Fullerton, CA 92832
(Phone) 714-992-7201
www.fullcoll.edu
CTEC Provider #: 6267

GATEWAY TAX SERVICE

11200 Crenshaw Blvd
Inglewood, CA 90303
(Phone) 323-757-6900
(Fax) 310-496-0109
gatewaytaxservice.com
CTEC Provider #: 3058

GOLDEN STATE TAX TRAINING INSTITUTE, INC.

14100 Madison Avenue Ne
Bainbridge Island, WA 98110
(Phone) 877-674-9290
(Fax) 877-674-3472
www.gstti.com
CTEC Provider #: 2040

H & R BLOCK TAX SERVICES, INC.

One H&R Block Way
Kansas City, MO 64105
(Phone) 816-854-4809
<https://hrblock.csod.com/default.aspx?c=seminar>
CTEC Provider #: 1040

JACKSON HEWITT TAX SERVICE

501 N. Cattlemen Road, Suite 300
Sarasota, FL 34232
(Phone) 800-234-1040
www.jacksonhewitt.com
CTEC Provider #: 1009

JDMAN TAX SCHOOL

2008 W. Carson St., Ste. 202
Torrance, CA 90501
(Phone) 310-755-1256
(Fax) 424-558-3249
CTEC Provider #: 6278

L & R TAX TRAINING SCHOOL

109 West Transit Street
Ontario, CA 91762
(Phone) 909-986-8372
Fax: 909-986-8375
www.mdproservice.com
CTEC Provider #: 3016

LA RUSA LLC

2380 Drew Street, Ste 2
Clearwater, FL 33765
(Phone) 813-867-7111
(Fax) 813-422-5271
www.larusatax.com
CTEC Provider #: 6297

LATIN AMERICAN BUSINESS INSTITUTE

7853 SW Ellipse Way
Stuart, FL 34997
(Phone) 772-333-2423
(Fax) 772-800-7246
www.labitax.com
CTEC Provider #: 6269

LATINO TAX PROFESSIONALS ASSOCIATION

1588 Moffett Street Ste. F
Salinas, CA 93905
(Phone) 866-936-2587
(Fax) 831-424-3218
www.latinotaxpro.org
CTEC Provider #: 2080

LIBERTY TAX SERVICE

500 Grapevine Hwy, Suite 402
Hurst, TX 76054
(Phone) 800-790-3863
www.libertytax.com
CTEC Provider #: 2097

CTEC APPROVED EDUCATION PROVIDERS

FOR QUALIFYING EDUCATION (60 HOURS)

LOS ANGELES VALLEY COLLEGE

5800 Fulton Ave
Valley Glen, CA 91401
(Phone) 818-947-2600
www.lavc.edu
CTEC Provider #: 6274

MIRA COSTA COLLEGE BUSINESS DEPT.

Business Dept, 1 Barnard Drive
Oceanside, CA 92056-3899
(Phone) 760-757-2121 X6488
(Fax) 760-795-6770
www.miracosta.edu/Instruction/Accounting
CTEC Provider #: 1074

MODESTO JUNIOR COLLEGE

435 College Avenue, Founders Hall #100
Modesto, CA 95350
(Phone) 209-575-6129
<https://people.mjc.edu/tamk>
CTEC Provider #: 6286

MORENO VALLEY COLLEGE

16130 Lasselle Street
Moreno Valley, CA 92551
(Phone) 951-571-6108
www.mvc.edu
CTEC Provider #: 6290

MT. SAN ANTONIO COLLEGE

1100 North Grand Avenue
Walnut, CA 91789
(Phone) 909-274-6795
(Fax) 909-274-2936
www.mtsac.edu
CTEC Provider #: 6256

NATIONAL TAX TRAINING SCHOOL

P.O. Box 767
Mahwah, NJ 07430
(Phone) 201-684-0828
(Fax) 201-684-0829
www.nattax.com
CTEC Provider #: 1025

NORCO COLLEGE

2001 Third Street
Norco, CA 92860
(Phone) 951-372-7194
(Fax) 951-972-7192
www.norcollege.edu
CTEC Provider #: 6228

PLATINUM PROFESSIONAL SERVICES, INC.

3040 Seal Beach Blvd. Suite 300
Seal Beach, CA 90740
(Phone) 877-315-1772
(Fax) 877-317-9412
www.platinumprostudies.com
CTEC Provider #: 2052

PRONTO TAX SCHOOL, INC.

301 Government Center Dr, Suite 200
Wilmington, NC 28403
(Phone) 310-422-1283
www.prontotaxschool.com
CTEC Provider #: 6201

RIO HONDO COLLEGE

3600 Workman Mill Road
Whittier, CA 90601
Phone: 562-463-7358
Fax: 562-463-4650
www.riohondo.edu
CTEC Provider #: 6210

RIVERSIDE CITY COLLEGE

4800 Magnolia Avenue
Riverside, CA 92506
(Phone) 951-222-8000
CTEC Provider #: 6289

SAN DIEGO MIRAMAR & MESA COMMUNITY COLLEGE

10440 Black Mountain Road
Attn: M107-P
San Diego, CA 92126
(Phone) 619-388-7699
www.sdmiramar.edu
CTEC Provider #: 6250

SANTA ANA COLLEGE

1530 W. 17th Street
Santa Ana, CA 92706
(Phone) 714-564-6771
(Fax) 714-564-6133
www.sac.edu
CTEC Provider #: 2019

SANTA MONICA COLLEGE

1900 PICO BLVD.
SANTA MONICA, CA 90405
(Phone) 310-434-4846
(Fax) 310-434-3603
www.smc.edu
CTEC Provider #: 6244

SOUTHWESTERN COMMUNITY COLLEGE DISTRICT

8100 Gigantic Street, Bldg. 4100
San Diego, CA 92154
(Phone) 619-216-6331
(Fax) 619-482-6402
www.swccd.edu
CTEC Provider #: 6265

THE INCOME TAX SCHOOL

201 N. King Of Prussia Rd., Suite 370
Radnor, PA 19087
(Phone) 610-994-9606
www.theincometaxschool.com
CTEC Provider #: 1071

UNIVERSAL ACCOUNTING CENTER

12441 South 900 East, #120
Draper, UT 84020
(Phone) 801-265-3777
(Fax) 801-265-3798
www.universalaccounting.com
CTEC Provider #: 3060

UPLOOK LLC

1968 S Coast Hwy Ste 5776
Laguna Beach, CA 92651
Phone: 415-599-0501
www.uplookeducation.com
CTEC Provider #: 6292

WEBCE

12222 Merit Dr, Suite 500
Dallas, TX 75251
(Phone) 877-488-9308
(Fax) 214-570-0213
<https://www.webce.com/cpe/tax-ce/ctec-ce>
CTEC Provider #: 6216



INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
California Tax Education Council, Inc.
Sacramento, California

Opinion

We have audited the accompanying financial statements of California Tax Education Council, Inc. (CTEC) (a nonprofit organization), which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities and changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of California Tax Education Council, Inc. as of June 30, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of California Tax Education Council, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about California Tax Education Council, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of California Tax Education Council, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about California Tax Education Council, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The statement of activities - budget to actual is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Moore Messina Webb, LLP

Roseville, California

November 10, 2025

STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED JUNE 30, 2025

| | <u>2025</u> | <u>2024</u> |
|---------------------------------------|----------------------------|----------------------------|
| Assets | | |
| <u>Current assets</u> | | |
| Cash | \$ 454,741 | \$ 314,810 |
| Investments | 1,291,913 | 760,759 |
| Prepaid expenses | 68 | 814 |
| Total Current assets | <u>1,746,722</u> | <u>1,076,383</u> |
| <u>Noncurrent assets</u> | | |
| Property and equipment, net | - | - |
| Intangible assets, net | 139,864 | 58,579 |
| Total Noncurrent assets | <u>139,864</u> | <u>58,579</u> |
| Total Assets | <u><u>\$ 1,886,586</u></u> | <u><u>\$ 1,134,962</u></u> |
| Liabilities and net assets | | |
| <u>Current liabilities</u> | | |
| Accounts payable | \$ 101,869 | \$ 54,402 |
| Accrued expenses | 1,198 | 24 |
| Total Current liabilities | <u>103,067</u> | <u>54,426</u> |
| <u>Net assets</u> | | |
| Net assets without donor restrictions | <u>1,783,519</u> | <u>1,080,536</u> |
| Total Liabilities and net assets | <u><u>\$ 1,886,586</u></u> | <u><u>\$ 1,134,962</u></u> |

The accompanying notes are an integral part of these financial statements.

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED JUNE 30, 2025

| | 2025 | 2024 |
|--|----------------------------|----------------------------|
| Revenue | | |
| Registration fees | \$ 1,335,705 | \$ 1,458,708 |
| Application and processing fees | 843,839 | 275,880 |
| Late registration fees | 361,570 | 228,360 |
| Mailing list | 4,000 | 2,250 |
| Provider fees | 75,675 | 37,225 |
| Certificates | 890 | 750 |
| Other income | 1,088 | 1,147 |
| Interest income | 39,629 | 32,767 |
| Investment income | - | 4,538 |
| Total Revenue | <u>2,662,396</u> | <u>2,041,625</u> |
| Program and Administrative Expenses | | |
| Program services | | |
| Communication and technology | 167,825 | 140,056 |
| Curriculum provider committee | 110,909 | 127,602 |
| Executive committee | - | 662 |
| Governmental relations committee | 398,647 | 384,198 |
| Public awareness committee | 471,607 | 481,847 |
| Tax preparer committee | 511,297 | 463,090 |
| Supporting services | | |
| Audit oversight committee | 11,200 | 11,200 |
| Board activities | 163,347 | 176,846 |
| General and administrative | <u>124,581</u> | <u>117,612</u> |
| Total program and administrative expenses | <u>1,959,413</u> | <u>1,903,113</u> |
| Change in net assets | 702,983 | 138,512 |
| Net assets - beginning of year | <u>1,080,536</u> | <u>942,024</u> |
| Net assets - end of year | <u><u>\$ 1,783,519</u></u> | <u><u>\$ 1,080,536</u></u> |

The accompanying notes are an integral part of these financial statements.

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED JUNE 30, 2024

| | Communication & Technology | Curriculum Provider Committee | Governance Committee | Governmental Relations Committee | Public Awareness Committee | Tax Preparer Committee | Audit Oversight Committee | Board Activities | General and Administrative | Total Expenses |
|--------------------------------|----------------------------|-------------------------------|----------------------|----------------------------------|----------------------------|------------------------|---------------------------|------------------|----------------------------|----------------|
| Accounting & Auditing | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ 11,200 | \$ — | \$ — | \$ 11,200 |
| Advertising & Public Relations | — | — | — | — | 291,713 | — | — | — | — | 291,713 |
| Amortization | — | 2,984 | — | — | 19,891 | 10,277 | — | — | — | 33,152 |
| Audit Review | — | 17,342 | — | — | — | — | — | — | — | 17,342 |
| Bank Service Charges | — | — | — | — | — | — | — | — | — | — |
| Credit Card Fees | — | — | — | — | — | 58,436 | — | — | — | 58,436 |
| Education and Training | — | — | 662 | — | — | — | — | — | 5,064 | 5,726 |
| Enforcement | — | — | — | 298,002 | — | — | — | — | — | 298,002 |
| Fees and Licenses | — | — | — | — | — | — | — | — | 200 | 200 |
| Insurance | 2,425 | — | — | — | — | — | — | — | 1,152 | 3,577 |
| Investment Account Fees | — | — | — | — | — | — | — | — | 414 | 414 |
| Legal Fees | — | — | — | — | — | — | — | — | 15,378 | 15,378 |
| Management Fee | 28,350 | 28,350 | — | 85,050 | 28,350 | 226,800 | — | 85,050 | 85,050 | 567,000 |
| Meetings & Conferences | — | — | — | 1,146 | — | — | — | 51,423 | — | 52,569 |
| Microsoft Cloud | 10,487 | — | — | — | — | — | — | — | — | 10,487 |
| Outside Consultants | 42,000 | 78,926 | — | — | 132,498 | 138,070 | — | — | 2,000 | 393,494 |
| Postage | — | — | — | — | — | 13,891 | — | — | — | 13,891 |
| Printing | — | — | — | — | 7,594 | 15,616 | — | — | 7,914 | 31,124 |
| Taxes | — | — | — | — | — | — | — | — | 440 | 440 |
| Telephone | — | — | — | — | 1,801 | — | — | — | — | 1,801 |
| Travel | — | — | — | — | — | — | — | — | — | — |
| Mileage | — | — | — | — | — | — | — | 3,666 | — | 3,666 |
| Airfare | — | — | — | — | — | — | — | 7,702 | — | 7,702 |
| Cab | — | — | — | — | — | — | — | 1,119 | — | 1,119 |
| Hotel | — | — | — | — | — | — | — | 24,460 | — | 24,460 |
| Parking | — | — | — | — | — | — | — | 676 | — | 676 |
| Per Diem | — | — | — | — | — | — | — | 2,750 | — | 2,750 |
| Website and Database Updates | 56,794 | — | — | — | — | — | — | — | — | 56,794 |
| Total Expenses | \$ 140,056 | \$ 127,602 | \$ 662 | \$ 384,198 | \$ 481,847 | \$ 463,090 | \$ 11,200 | \$ 176,846 | \$ 117,612 | \$ 1,903,113 |

The accompanying notes are an integral part of these financial statements.

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED JUNE 30, 2025

| | Communication & Technology | Curriculum Provider Committee | Governmental Relations Committee | Public Awareness Committee | Tax Preparer Committee | Audit Oversight Committee | Board Activities | General and Administrative | Total Expenses |
|--------------------------------|----------------------------|-------------------------------|----------------------------------|----------------------------|------------------------|---------------------------|------------------|----------------------------|----------------|
| Accounting & Auditing | \$ 10,800 | \$ — | \$ — | \$ — | \$ — | \$ 11,200 | \$ — | \$ — | \$ 22,000 |
| Advertising & Public Relations | 16,080 | — | — | 287,224 | 5,977 | — | — | — | 309,281 |
| Amortization | — | 3,154 | — | 21,024 | 10,861 | — | — | — | 35,039 |
| Credit Card Fees | — | — | — | — | 75,957 | — | — | 496 | 76,453 |
| Education and Training | — | — | — | — | — | — | — | 1,040 | 1,040 |
| Enforcement | — | — | 311,384 | — | — | — | — | — | 311,384 |
| Fees and Licenses | 240 | — | — | 8,673 | — | — | — | 334 | 9,247 |
| Insurance | 2,503 | — | — | — | — | — | — | 1,292 | 3,795 |
| Legal Fees | — | — | — | — | — | — | — | 17,810 | 17,810 |
| Management Fee | 28,350 | 28,350 | 85,050 | 28,350 | 226,800 | — | 85,050 | 85,050 | 567,000 |
| Meetings & Conferences | — | — | — | — | — | — | 52,828 | 9,462 | 62,290 |
| Microsoft Cloud | 18,272 | — | — | — | — | — | — | — | 18,272 |
| Outside Consultants | 42,000 | 79,405 | — | 120,000 | 158,484 | — | — | 500 | 400,389 |
| Postage | — | — | — | — | 15,102 | — | — | 364 | 15,466 |
| Printing | — | — | — | — | 18,116 | — | — | 8,167 | 26,283 |
| Taxes | — | — | — | — | — | — | — | 66 | 66 |
| Telephone | — | — | — | 4,866 | — | — | — | — | 4,866 |
| Travel | — | — | — | — | — | — | — | — | — |
| Mileage | — | — | — | — | — | — | 2,881 | — | 2,881 |
| Airfare | — | — | — | — | — | — | 4,597 | — | 4,597 |
| Cab | — | — | — | — | — | — | 574 | — | 574 |
| Hotel | — | — | 2,213 | — | — | — | 15,069 | — | 17,282 |
| Parking | — | — | — | — | — | — | 364 | — | 364 |
| Per Diem | — | — | — | — | — | — | 1,984 | — | 1,984 |
| Other | — | — | — | 1,470 | — | — | — | — | 1,470 |
| Website and Database Updates | 49,580 | — | — | — | — | — | — | — | 49,580 |
| Total Expenses | \$ 167,825 | \$ 110,909 | \$ 398,647 | \$ 471,607 | \$ 511,297 | \$ 11,200 | \$ 163,347 | \$ 124,581 | \$ 1,959,413 |

The accompanying notes are an integral part of these financial statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2025

| | 2025 | 2024 |
|--|-------------|-------------|
| Cash flows from operating activities: | | |
| Change in net assets | \$ 702,983 | \$ 138,512 |
| Adjustment to reconcile change in net assets to net cash provided by operating activities: | | |
| Amortization | 35,039 | 33,152 |
| Changes in operating assets and liabilities | | |
| Prepaid expenses | 746 | (746) |
| Accounts payable | 47,467 | (1,396) |
| Accrued liabilities | 1,174 | (843) |
| Net cash provided by operating activities | 787,409 | 168,679 |
| Cash flows from investing activities: | | |
| Proceeds from redemption of certificates of deposit | 760,759 | 1,590,000 |
| Purchase of certificates of deposit | (1,291,913) | (1,840,185) |
| Cash paid for the purchase of intangible assets | (116,324) | - |
| Net cash used by investing activities | (647,478) | (250,185) |
| Net increase in cash | 139,931 | (81,506) |
| Cash - beginning of year | 314,810 | 396,316 |
| Cash - end of year | \$ 454,741 | \$ 314,810 |
| Supplemental disclosures of cash flow information: | | |
| Cash paid during the year for income tax | \$ 263 | \$ 440 |

The accompanying notes are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

1. Organization and significant accounting policies

The following items comprise the significant accounting policies of California Tax Education Council, Inc. (the CTEC or Organization). The policies reflect industry practices and conform to accounting principles generally accepted in the United States of America (GAAP).

Description of Business

California Tax Education Council, Inc. ("CTEC or Organization") is a nonprofit public benefit corporation. It is organized under the Nonprofit Public Benefit Corporation Law for public purposes. The Organization is exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code.

The purpose of CTEC is to lessen the burdens of government by the organization and operation of the "tax education council," the quasi-public body established by California Business and Professions Code, Chapter 14, Tax Preparers, Section 22250-22259. As such, CTEC is responsible for (1) approving those tax curriculum providers who meet its standards and comply with its procedures and (2) issuing certificates of completion and statements of compliance as required under Section 22255 of the California Business and Professions Code.

CTEC registers tax preparers who prepare state or federal income tax returns for a fee, excluding certified public accountants, attorneys, enrolled agents, enrolled actuaries, and certain financial institutions or their employees. The Organization is also charged with approving providers of tax education and maintaining and distributing to the public a list of those approved providers. CTEC registered over 39,000 tax preparers for the years ended June 30, 2025 and 2024.

Use of Estimates

Management uses estimates and assumptions in preparing these financial statements in accordance with generally accepted accounting principles in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenue and expenses. Actual results could vary from the estimates that were used.

Cash and Cash Equivalents

The Organization considers any cash on hand, demand deposits and all highly liquid investments purchased with a maturity of three months or less to be cash and cash equivalents.

Investments

Excess cash is invested in certificates of deposit and are reported at their estimated net realizable value.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2025

1. Organization and significant accounting policies (continued)

Property and Equipment and Intangible Assets

Property and equipment and intangible assets are carried at cost and depreciated or amortized over the estimated useful life of the related asset. CTEC capitalizes equipment or intangible assets with a cost of over \$500 and an estimated life of one year or more. Costs of repairs and maintenance are charged to expense. Upon retirement or disposal of equipment, the costs and related depreciation or amortization are removed from the accounts, and gains or losses, if any, are reflected in the earnings for financial and income tax reporting purposes. Depreciation or amortization is provided for under the straight-line method for financial and tax reporting. The estimated useful lives used for calculating depreciation for property and equipment and intangible assets are as follows.

| | |
|--------------------|------------|
| Computer equipment | 5 years |
| Computer software | 6-10 years |

Impairment of Long-Lived Assets

The Organization reviews long-lived assets for impairment whenever events or circumstances indicate that the carrying value of such assets may not be fully recoverable. Impairment is evaluated based on the sum of undiscounted estimated future cash flows expected to result from use of the assets compared to its carrying value. If impairment is recognized, the carrying value of the impaired asset is reduced to its fair value. There were no impairment losses recognized by the Organization for long-lived assets for the years ended June 30, 2025 and 2024.

Revenue and Cost Recognition

The Organization recognizes revenue in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 606, Revenue from Contracts with Customers (ASC 606). In accordance with these provisions, the Organization recognizes revenue when its customer obtains control of promised goods or services in an amount that reflects the consideration to which the Organization expects to receive in exchange for those goods or services. To determine revenue recognition for the arrangements that the Organization determines are within the scope of FASB Topic 606, the Organization performs the following five steps: (1) identify the contract(s) with a customer, (2) identify the performance obligation(s) in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligation(s) in the contract, and (5) recognize revenue when (or as) the Organization satisfies a performance obligation.

Registration fees

Revenue related to registration fees or application and processing fees collected from CTEC Registered Tax Preparers ("CRTPs") are recorded when received, at which time it has been determined that control has transferred to the CRTP as all fees are non-refundable. Annual registration for CRTPs begins on August 1st of each year and ends October 31st. Extended registration starts on November 1st of each year and ends January 15th of the subsequent year.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2025

1. Organization and significant accounting policies (continued)

Revenue and Cost Recognition (continued)

Provider fees

Provider fee revenue is recognized when the Organization satisfies its performance obligation by approving continuing education courses for CRTPs, as required for registration renewal. Provider fees are charged to individuals and business entities seeking approval of their courses, and all fees are non-refundable. Revenue is recognized at the point in time when the course approval service has been provided to the applicant. Amounts received in advance of the approval are recorded as contract liabilities until the approval process is complete and the performance obligation is satisfied.

The timing of revenue recognition, billings, and cash collections results in accounts receivable, contract assets, and contract liabilities. Accounts receivable are recorded when the right to consideration becomes unconditional. The Organization does not have any accounts receivable as all fees are paid at time of application. There were no significant contract assets or contract liabilities as of June 30, 2025, 2024 or 2023.

To become a CRTP an individual must successfully complete a 60-hour qualifying education course, complete a Live Scan and pass the background check, have a current \$5,000 surety bond, and a valid Preparer Tax Identification Number issued by the Internal Revenue Service. complete a Live Scan and pass the background check. After they have become registered, CRTPs must complete 20 hours of continuing education, and renew annually.

Advertising and Public Relations Costs

The Organization expenses advertising and public relations costs on contracts spanning two years or less. These costs are used to inform the public that tax preparers must be registered in the State of California. The Organization uses an advertising and public relations firm for the purpose of informing the public about the requirements. Advertising and public relations cost for the years ended June 30, 2025 and 2024, amounted to \$471,607 and \$481,847, respectively.

Enforcement

The Organization contracts with the State of California, Franchise Tax Board ("FTB"), for reimbursement of expenses incurred by the FTB's Fraud and Discovery Section while educating and enforcing the provisions of the Business and Professions Code Section 22250-22259, relating to the registration of tax preparers and California Revenue and Taxation Code 19167(d) and (e). For the years ended June 30, 2025 and 2024, enforcement expense amounted to \$311,384 and \$298,002, respectively.

Cost Allocation

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The allocated expenses include management fees and amortization which are allocated on the basis of estimates of time and effort. Other expenses were determined to be directly attributable to a specific category and were not allocated.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2025

1. Organization and significant accounting policies (continued)

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and state income taxes under Section 23701(f) of the California Revenue and Taxation Code.

Although the functions and activities of the Organization are generally tax exempt, the Organization receives revenues from the sale of mailing lists of CTEC Registered Tax Preparers. To the extent such "unrelated" activities reflect a net profit, such net profit is reported as "unrelated business income" and is taxed at prevailing corporate tax rates. For the years ended June 30, 2025 and 2024, the Organization had an immaterial amount of federal and state income tax expenses for unrelated business income.

Uncertain Tax Positions

Accounting guidance issued by the FASB prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. For those benefits to be recognized, a tax position must be more-likely-than-not to be sustained upon examination by taxing authorities. The Organization did not have unrecognized tax benefits as of June 30, 2025 and does not expect this to change significantly over the next twelve months. The Organization will recognize interest and penalties accrued on any unrecognized tax benefits as a component of income tax expense. Generally, the Organization's federal returns for the year ended June 30, 2021 and thereafter and the Organization's California returns for the year ended June 30, 2020 and thereafter remain open to examination by the respective taxing authorities.

Concentrations

Credit Risk

Financial instruments which potentially subject the Organization to concentration of credit risk consist primarily of cash and investments.

The Organization maintains cash in bank deposit accounts and investments which, at times, may exceed federally insured limits. The Organization has not experienced any losses in such accounts. The Organization believes they are not exposed to any significant credit risk on cash.

Sunset Provision Contingency

Business and Professions Code Section 22259(b), states "This chapter shall remain in effect only until January 1, 2028, and as of that date is repealed."

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2025

1. Organization and significant accounting policies (continued)

Reclassifications

Certain amounts in the June 30, 2024 financial statements have been reclassified to conform to the June 30, 2025 presentation. These reclassifications had no effect on previously reported change in net assets or net assets.

Subsequent Events

Subsequent events were evaluated through November 10, 2025 which is the date the financial statements were available to be issued.

2. Fair value measurements and disclosures

The Organization measures its assets at fair value in accordance with the fair value Measurements and Disclosures Topic of the FASB Accounting Standards Codification (ASC). This guidance defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date and establishes a framework for measuring fair value.

The Fair Value Measurements Topic of the FASB ASC establishes a framework for measuring fair value under generally accepted accounting principles. The framework provides a fair value hierarchy that prioritizes inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under the Fair Value Measurements Topic are described below:

Level 1 - Inputs that utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company has the ability to access.

Level 2 - Inputs that include quoted prices for similar assets and liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. Fair values for these instruments are estimated using pricing models, quoted prices of securities with similar characteristics, or discounted cash flows.

Level 3 - Inputs that are unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions, as there is little, if any, related market activity.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2025

2. Fair value measurements and disclosures (continued)

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Investments held at fair value as of June 30, 2025

| | Fair Value | Level 1 | Level 2 | Level 3 |
|-------------------------|--------------|---------|--------------|---------|
| Investments: | | | | |
| Certificates of deposit | \$ 1,291,913 | \$ - | \$ 1,291,913 | \$ - |

Investments held at fair value as of June 30, 2024

| | Fair Value | Level 1 | Level 2 | Level 3 |
|-------------------------|------------|---------|------------|---------|
| Investments: | | | | |
| Certificates of deposit | \$ 760,759 | \$ - | \$ 760,759 | \$ - |

The cost and fair value of investment were as follows for the year ended June 30, 2025

| | Cost | Unrealized Loss | Fair Value |
|-------------------------|--------------|--------------------|--------------|
| Investments: | | | |
| Certificates of deposit | \$ 1,291,913 | \$ - | \$ 1,291,913 |

The cost and fair value of investment were as follows for the year ended June 30, 2024

| | Cost | Unrealized Loss | Fair Value |
|-------------------------|------------|--------------------|------------|
| Investments: | | | |
| Certificates of deposit | \$ 760,759 | \$ - | \$ 760,759 |

3. Property and equipment

Property and equipment consists of the following at June 30:

| | 2025 | 2024 |
|--------------------------------|-----------|-----------|
| Computer equipment | \$ 22,905 | \$ 22,905 |
| Less: accumulated depreciation | (22,905) | (22,905) |
| Property and equipment, net | \$ - | \$ - |

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2025

4. Intangible assets

Intangible assets consists of the following at June 30:

| | 2025 | 2024 |
|--------------------------------|-------------------|------------------|
| Computer software | \$ 495,237 | \$ 378,912 |
| Less: accumulated amortization | (355,373) | (320,333) |
| Intangible assets, net | <u>\$ 139,864</u> | <u>\$ 58,579</u> |

Amortization expense for the years ended June 30, 2025 and 2024 was \$35,039 and \$33,152, respectively.

Amortization of intangible assets over the next five years is as follows:

| <u>Year ending June 30,</u> | |
|-----------------------------|-----------|
| 2026 | \$ 27,316 |
| 2027 | 27,316 |
| 2028 | 27,316 |
| 2029 | 16,618 |
| 2030 | 16,618 |

4. Management Company

Advocation Strategies, Inc. ("Management Company"), provides management services for the Organization, under an agreement approved by the Board of Directors, budgeted, and renewed each year. The Management Company is paid a flat fee and is responsible for all of the Organization's daily operations. Payment is made monthly in the amount of \$47,250 and was \$567,000 for the years ended June 30, 2025 and 2024.

The management fee includes all the Management Company's employee related costs. CTEC has no employees.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2025

5. Liquidity

As of June 30, 2025, the Organization has no legal or donor restrictions on any financial assets. The Organization collects the majority of its revenue between August 1st of any current year and January 15th of the following year.

The Organization's financial assets available for general expenditures within one year from June 30, 2025 consist of the following:

| | |
|-------------|---------------------|
| Cash | \$ 454,741 |
| Investments | <u>1,291,913</u> |
| Total | <u>\$ 1,746,654</u> |

6. Contingencies

The Organization is occasionally involved in litigation matters that arise in the ordinary course of business. There are no significant legal proceedings pending to which the Organization is a party for which management believes the ultimate outcome would have a material adverse effect on the Organization's financial position.

SUPPLEMENTAL INFORMATION

California Tax Education Council, Inc.
Statement of Activities, Budget to Actual
Year Ended June 30, 2025

| | Budget | Actual | Variance Over Budget |
|--|---------------------|---------------------|---------------------------------|
| Revenues | | | |
| Registration fees | \$ 1,408,700 | \$ 1,335,705 | \$ (72,995) |
| Application and processing fees | 594,000 | 843,839 | 249,839 |
| Late registration fees | 331,800 | 361,570 | 29,770 |
| Mailing list | 3,900 | 4,000 | 100 |
| Provider fees | 63,180 | 75,675 | 12,495 |
| Certificates | 700 | 890 | 190 |
| Other income | 570 | 1,088 | 518 |
| Interest income | 18,000 | 39,629 | 21,629 |
| Total revenues | <u>\$ 2,420,850</u> | <u>\$ 2,662,396</u> | <u>\$ 241,546</u> |
| Program and Administrative Expenses | | | |
| Program services | | | |
| Communication and technology | \$ 152,085 | \$ 167,825 | \$ 15,740 |
| Curriculum provider committee | 105,730 | 110,909 | 5,179 |
| Executive committee | 250 | - | (250) |
| Governance committee | 2,000 | - | (2,000) |
| Governmental relations committee | 465,500 | 398,647 | (66,853) |
| Public awareness committee | 429,430 | 471,607 | 42,177 |
| Tax preparer committee | 249,000 | 511,297 | 262,297 |
| Supporting services | | | |
| Audit oversight committee | 16,500 | 11,200 | (5,300) |
| Board activities | 129,000 | 163,347 | 34,347 |
| General and administrative | 661,500 | 124,581 | (536,919) |
| Total program and administrative expenses | <u>\$ 2,210,995</u> | <u>\$ 1,959,413</u> | <u>\$ (251,582)</u> |



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