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Provider Newsletter

July 2026

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CTEC Mission Statement

The California Tax Education Council (CTEC) will continue to protect the public by establishing professional tax education standards, approve tax education providers who comply with these standards, and facilitate tax preparer compliance.

Curriculum Provider Committee Mission

The Curriculum Provider Standards Committee of the California Tax Education Council has responsibility for several of CTEC's statutory duties including: setting standards and procedures for curriculum providers, approving or denying schools as curriculum providers, enforcing compliance on the part of curriculum providers, and providing CTEC Registered Tax Preparers and the public with a list of approved curriculum providers.

CTEC does not directly provide tax education. Instead, it relies on professional societies, the Franchise Tax Board (FTB), the Internal Revenue Service (IRS), and CTEC approved curriculum providers to deliver the qualifying and continuing education courses required by California law (**California Business and Professions Code Section 22255**).

To fulfill this responsibility, CTEC has established standards, policies, and procedures designed to ensure the quality, consistency, and effectiveness of both qualifying and continuing education programs.

CTEC continually reviews and updates its education standards and policies to promote high-quality instruction and support the preparation of accurate, ethical, and compliant tax returns.

All curriculum providers are responsible for becoming familiar with CTEC's current policies and complying with all requirements published on the **CTEC website** under the **Provider Policies** section. Providers are expected to uphold CTEC's education standards by consistently delivering high-quality courses that meet all applicable requirements.

Recap of the May 2026 Board Meeting

An **Executive Summary** of the Curriculum Provider policies is available on the CTEC website under the **Provider Policies** section. The Executive Summary provides a concise overview of each CP policy and is intended as a quick reference only. In the event of any inconsistency or conflict, the full text of the applicable CP policy shall prevail. CTEC Approved Education Providers are responsible for reviewing and relying on the complete policies when developing, administering, and maintaining their educational programs.

Revised Policies

The following Curriculum Provider Standards Committee policies were revised and approved by the CTEC Board at its May 2026 Board Meeting.

Please note: The policy documents linked below display additions in blue text and deletion in red text to clearly identify the approved revisions.

CP13A – Qualifying Education Courses

The Board reviewed the Qualifying Education (QE) Final Examination requirements and approved revisions to Policy CP13A. Effective January 1, 2027, all QE final examinations must be preceded by a penalty of perjury statement requiring students to certify that they completed the QE course without assistance from others before taking the examination. Providers should update their QE examination process to ensure compliance with this new requirement by the effective date.

Please click here to view the approved revisions for CP13A.

CP14 – Course Review Policy

The Board reviewed the Conditional Approval provisions that were originally adopted at the November 2024 CTEC Board Meeting. Under the prior policy, curriculum providers were limited to one Conditional Approval during the initial provider application process and one Conditional Approval during a periodic review or audit.

After discussion, the Board approved revisions to these provisions. Rather than limiting providers to a one-time Conditional Approval, the revised policy prohibits providers from electing Conditional Approval in consecutive review cycles.

As a result, a provider that receives a Conditional Approval during an initial application, periodic review, or audit will not be eligible to elect another Conditional

Approval during its next subsequent review or audit. The provider must successfully complete that review cycle without a Conditional Approval before becoming eligible to elect one again

Please click here to view the approved revisions for CP14.

CP19 – Provider Reporting Requirements

The Board approved revisions to the reporting requirements for Qualifying Education (QE) courses, effective January 1, 2027.

Beginning on that date, curriculum providers will be required to report additional student information, including:

- The date the course was initiated (or, if unavailable, the date the student first accessed or purchased the course);
- The date the course was completed; and
- The student's passing grade for the federal, ethics, and California final examinations.

Please click here to view the approved revisions for CP19.

CP23 – Education Standards

The Board approved revisions to the Education Standards regarding curriculum provider recordkeeping requirements. Effective January 1, 2027, curriculum providers will be required to maintain records of each student's:

- Course initiation date;
- Course completion date; and
- Passing grade for the federal, ethics, and California final examinations, consistent with the new reporting requirements adopted in CP19.

Please click here to view the approved revisions for CP23.

CP23A – Exhibit Qualifying Education Guidelines

Attached is an updated version of CP23A. Unless there are federal or CA law changes, we don't anticipate any additional changes until 2027. The following are citations related to significant changes:

- Exam & Review Questions: Although policy has always specified that the exam and review questions must be related to the course content, additional clarification has been added on page 2 of CP23A.

- IRC §165(c)(2): Lets taxpayers deduct losses from transactions entered for profit—so scam losses tied to an investment or other profit motive may be deductible without a disaster declaration. Ref: CCA 202511015.

- IRC §139C: Allows certain “qualified first responder” disability related pension or annuity payments to be excluded from gross income when those payments are received after the individual reaches' retirement age beginning in 2027 even if they retired years earlier. Currently the payments are only excludable until they reach normal retirement age.

- IRC §62(a): Allows an above-the-line charity deduction for non-itemizers beginning in 2026

- IRC §170(b)(1)(I): Dictates that an individual taxpayer's itemized charitable contributions are only deductible to the extent that the aggregate total of those gifts exceeds 0.5% of their contribution base (which is generally their Adjusted Gross Income).

- IRC §62(a)(2)(D): Expands the above-the-line educator deduction, created an unlimited itemized deduction amounts exceeding the above-the-line cap, broadened eligible expenses and expanded who qualifies as an educator.

Please click here to view the approved revisions for CP23A.

Please click here to view the final copy of Policy CP23A - Exhibit Qualifying Education Guidelines.

CP34 – Advertising Disclosures

The Board approved revisions to the Advertising Disclosures policy. Approximately two years ago, the Board removed paragraph (d) from CP34. Since that time, CTEC has experienced a steady increase in providers failing the Provider Periodic Review. The Board voted to restore this provision to clarify the prohibited use of promotional terms such as "quick and easy" when advertising CTEC-approved courses.

The revised language reinforces that all CTEC approved courses must meet CTEC's established educational standards, including required course content and minimum course length requirements.

Providers must ensure that all course advertising accurately reflects the educational requirements and expectations associated with CTEC approved programs.

Please click here to view the approved revisions for CP34.

New Policy: CP38 – Nano Learning Programs

We are pleased to announce that the IRS Return Preparer Office (RPO) has approved CTEC to offer Nano courses. Nano learning was first introduced by NASBA for CPAs several years ago in recognition of preparers’ frequent need to quickly learn about a single tax issue as it arises in practice.

The Board approved Policy CP38 – Nano Learning Programs, establishing a new option for CTEC-approved curriculum providers to offer Nano Learning Programs.

Nano learning is an asynchronous program of learning completed individually without the assistance or interaction of a real time instructor that is designed to permit a participant to learn a given subject in a minimum of 10 minutes and less than 20 minutes using electronic media (including technology applications and processes and computer-based or web-based technology). A nano learning program differs from a self-study program in that it is typically focused on a single learning objective. Approved Nano Learning Programs may be eligible for one-fifth (0.2) continuing education (CE) credit.

Please note: The system enhancements required to support this new course delivery method are currently in progress. Once implemented, providers will be able to report 0.2 CE credits through their online CTEC Provider Account.

Please click here to view Policy CP38 - Nano Learning Programs.

Provider Reporting

CTEC has identified two incidents of mass cheating involving final QE exams from two different providers. In one case, a firm supplied its employees with answers to a provider's final exam. In the second, an individual was found selling final exam answers from another provider's QE course online.

As a result, CTEC is taking steps to identify suspected test cheaters. The first measure will require providers to submit additional information when reporting student CE or QE completions to CTEC as reflected in the approved policy revisions listed above.

Probable New Requirements for Qualifying Education (QE) Final Examinations

We would like to remind all QE providers of the importance of CTEC qualifying education (QE). QE provides individuals with the fundamental knowledge needed for tax preparation, and successful completion of the course, along with a passing background check, is required to become a California Registered Tax Preparer (CRTP). The California Business and Professions Code Sections 22250–22259 established CTEC for several purposes, including ensuring that tax preparers in California are properly educated.

CTEC takes this responsibility very seriously. When that mandate is circumvented, it is necessary to develop procedures that help prevent future misuse. Most commercial software platforms include features that administer a single set of exam questions in random order, while others randomly draw questions from a larger question bank. Many programs offer both methods. In other cases, providers may manually grade exams and therefore may not have the capability to randomize exam questions.

As part of CTEC's implementation of the revised **Qualifying Education (QE) Final Examination** requirements, we will be gathering information from all CTEC Approved Education Providers regarding their current examination administration processes.

To help CTEC better understand providers' current examination administration capabilities and support a smooth implementation of the new requirements, an email will be sent to all CTEC Approved Education Providers requesting the following information:

1. Do you use computer software to administer the QE final examination?
If yes, please identify the software you use and describe any available question randomization or examination security features.

2. If you do not use computer software, do you administer and grade QE final examinations manually?

CTEC appreciates your prompt response and cooperation as we work with providers to implement these policy changes.

Reminder: Annual Provider Renewal Registration

Renewal Period: October 1, 2026 - December 31, 2026

To maintain CTEC approved provider status for the following year, all CTEC Approved Education Providers must renew their provider registration annually.

Providers offering Qualifying Education (QE) and/or Continuing Education (CE) must complete a separate renewal application for each provider type during the renewal period.

To complete the renewal process, providers must submit the following:

1. A completed Provider Renewal Application for each provider type (QE and/or CE).
2. A copy of the IRS Return Preparer Office (RPO) renewal confirmation (Letter 4866-R) for the upcoming year (required for CE providers only).
3. The CTEC Provider Renewal Application Fee of $200 for each provider registration, due no later than December 31, 2026.

Late Renewal Fees

Providers that do not complete the renewal process by midnight (local time) on December 31, 2026, will be assessed the following late fees in addition to the $200 renewal fee:

- January 1 through January 31: $50
- February 1 through February 28 (February 29 in leap years): $200

Important Reminders

Course materials are not required as part of the Annual Provider Renewal process.

The Annual Provider Renewal is separate from the Provider Periodic Review, which is conducted every three years and does require the submission of course materials.

Online Renewal

Both the Annual Provider Renewal and the Provider Periodic Review are completed through your online CTEC Provider Account, making the application process faster and more efficient. Providers may also pay all applicable fees online using Visa or Mastercard.

Provider Periodic Reviews

CTEC Approved Education Providers are required to undergo a Provider Periodic Review every three (3) years to maintain their approved provider status.

Providers offering Continuing Education (CE) and Qualifying Education (QE) courses must submit each type of course for review. The requirements of Policy CP14 apply to both CE and QE courses.

Notification

Providers selected for a periodic review will be notified no later than February 1 of the review year.

Notifications will be sent by email to the provider's last known contact information. Providers are responsible for ensuring that their online CTEC Provider Account contains current and accurate contact information.

Submission Requirements

Providers must electronically submit all required course materials and completed review checklists, as specified in Policy CP02, no later than June 30 of the review year.

Failure to submit a complete periodic review package by the deadline will result in revocation of the provider's approved status, effective July 1.

Important Reminders

CTEC approved courses must remain in compliance with all applicable CTEC standards and policies at all times, not only during the periodic review process.

Please note that CTEC does not assist providers in developing or revising course materials.

Provider Task Force Meeting Requirements

The Curriculum Provider Task Force Meeting is designed to keep CTEC Approved Education Providers informed of changes affecting CTEC educational requirements, policies, procedures, and program administration. The meeting also serves to educate prospective education providers and provides a forum for providers to discuss questions, concerns, and issues related to CTEC approved education programs.

All currently approved education providers are required to attend a Provider Task Force Meeting at least once every three (3) years as a condition of maintaining their approved provider status.

The next Provider Task Force Meeting is scheduled for **May 25, 2027**, and will be held virtually via the Zoom platform.

Failure to satisfy this attendance requirement will result in the termination of the provider's approved status.

Important Reminders Regarding Education Reporting and Student Communication

2026/2027 CRTP Renewal Registration

The 2026/2027 CTEC Registered Tax Preparers (CRTPs) renewal registration period opens August 1, 2026 and closes October 31, 2026.

CRTPs who miss the October 31 renewal deadline may renew late their registration through January 15, 2027, by paying the applicable late fees.

After January 15, 2027, individuals who have not renewed their registration must apply as a new applicant. This requires:

- Submitting a new application
- Paying the $100 application fee plus ~~a~~ the $2 processing fee;
- Successfully completing a new Live Scan background check;
- Completing all other applicable registration requirements.

Please remind your students that completing Continuing Education (CE) alone does not renew their CTEC registration.

As a CTEC Approved Education Provider, your responsibility is to report successfully completed education hours to CTEC.

Each year, some CRTPs mistakenly believe that completing their CE course automatically renews their CTEC registration or that their education provider completes the renewal process on their behalf. Once a student’s education hours have been reported to CTEC, it is the CRTP's responsibility to log in to their CTEC account and complete all remaining renewal requirements, including payment of the applicable renewal fee.

Verify Student Information Before Reporting

Before reporting education hours, providers must verify that:

- The student's name and CTEC ID match CTEC's record and
- The name shown on the course completion certificate matches the name used to purchase and complete the course.

Accurate reporting helps prevent delays in processing student education records and renewal applications.

Reminder Regarding Professional Designation

Please remember that individuals registered with CTEC are CTEC Registered Tax Preparers (CRTPs). **They are registered, not licensed, certified, or enrolled.**

Education Reporting Requirements

All CTEC Approved Education Providers are required to report the students' successful course completion electronically to CTEC in accordance with the reporting schedule established by CTEC, which conforms to the IRS Return Preparer Office (RPO) reporting requirements.

COURSE COMPLETED	REPORTING DUE DATE
JANUARY - MARCH	MARCH 31
APRIL - JUNE	JUNE 30
JULY - SEPTEMBER	SEPTEMBER 30
OCTOBER - DECEMBER	10TH BUSINESS DAY FROM THE COURSE COMPLETION DATE

(1) If the program completion is within the last ten business of the quarter providers will have ten business days from the completion date to report the CE. In other words, providers will always have at least ten business days from the completion of a course to complete the reporting. Those 10 days (about 1 and a half weeks) will provide leeway when the due date falls on weekends, holidays and at the end of the quarter.

Registration Cycle and Continuing Education Reminders

CTEC's registration cycle runs from November 1st through October 31st of the following year. Continuing Education (CE) completed during this period is applied to the corresponding registration cycle.

For example, any CE course completed on or after November 1, 2026, may be applied toward the 2027/2028 renewal registration cycle, provided the education has not already been used to satisfy a previous renewal requirement.

CE Courses Must Be Completed After Initial CTEC Registration

If a CRTP completed continuing education courses prior to registering with CTEC, those CE hours cannot be used toward the annual CE requirement. CE courses must be taken after an initial CTEC registration.

Before enrolling a student in CE courses intended to meet CTEC's annual education requirement, providers should verify that the individual:

- Is currently registered with CTEC; and
- Has a valid CTEC identification (ID) number.

Important Reminder Regarding Live Scan Forms

CTEC has become aware that some providers are distributing Request for Live Scan Service forms directly to students. Please discontinue this practice immediately.

Individuals applying for an initial CTEC registration must first submit a new CTEC application. After the application has been submitted, the applicant can download the appropriate Request for Live Scan Service form directly from within their online application.

Providing Request for Live Scan Service forms before an application has been submitted may result in applicants using an incorrect form and could delay the processing of their CTEC application.

Background Check Information

CTEC has also received reports that some providers are providing guidance to students regarding CTEC background check requirements. In some instances, applicants have been incorrectly advised that criminal incidents more than 10 years old do not need to be disclosed on their CTEC application.

This information is incorrect.

Providers should not provide advice or guidance regarding CTEC background check requirements or disclosure obligations. All questions concerning criminal history disclosures, background checks, or application eligibility should be referred directly to the CTEC office.

Important Reminder: Continuing Education (CE) Must Be Completed After a New Registration Is Final (Policy TP02):

CTEC Approved Education Providers play an important role in helping CTEC Registered Tax Preparers (CRTPs) comply with CTEC requirements. This is a reminder of an important provision of CTEC Policy TP02 regarding the timing of Continuing Education (CE).

Continuing Education (CE) completed before a new preparer's CTEC registration is fully approved and current is not valid and cannot be used to satisfy future renewal requirements.

This requirement applies to:

- Individuals applying for an initial CTEC registration; and
- Former CRTPs whose registration expired and who are required to reapply as a new preparer.

To comply with CTEC requirements, a new preparer must:

1. Successfully complete the required 60-hour Qualifying Education (QE) course.
2. Complete all CTEC registration requirements, including:
    - Live Scan background check;
    - A valid IRS PTIN;
    - Tax preparer bond;
    - Payment of all applicable registration fees; and
    - Approval of the CTEC registration.
3. Only after the registration is approved and current, complete Continuing Education (CE), if applicable.

Providers should not advise or encourage students to complete QE and CE back-to-back if any portion of the registration process remains pending.

Expired Registrations

CRTPs who do not renew their registration by January 15 and are required to apply as a new preparer, must complete the registration process again before taking Continuing Education (CE). Any CE completed before the new registration is finalized cannot be applied toward future renewal requirements.

Reminder

During any period in which an individual is not currently registered with CTEC, the individual may not legally prepare tax returns for a fee in California.

Following these requirements helps prevent students from completing CE that cannot be credited toward renewal and ensures compliance with CTEC Policy TP02.

Welcome CTEC's New Curriculum Reviewer

CTEC is pleased to welcome **Christella Sanchez** as our new Curriculum Reviewer.

Christella recently retired from the Internal Revenue Service after an accomplished 40-year career serving taxpayers and the tax professional community. Throughout her career, she held positions as a Tax Examiner, Customer Service Representative, Tax Compliance Officer, and most recently as an IRS Stakeholder Liaison. In that role, she worked closely with tax professionals, professional associations, small businesses, and government agencies to provide education, outreach, and guidance on federal tax laws and compliance.

In addition to her extensive tax administration experience, Christella coordinated educational programs and workshops, reviewed employment tax curriculum, collaborated with partner agencies, and served as an IRS spokesperson supporting media relations throughout California, Oregon, and Alaska.

Christella brings a wealth of knowledge and experience to CTEC, and we are excited to have her supporting our curriculum review process. Please join us in welcoming her to the CTEC team.

Interested in Serving on the CTEC Board of Directors?

The California Tax Education Council (CTEC) Board of Directors is composed of appointed representatives from tax-related professional organizations and six (6) CTEC Registered Tax Preparers (CRTPs) who are appointed by the Board.

Board members serve in a volunteer capacity, providing leadership and guidance to help advance CTEC's mission and protect California taxpayers through education and oversight of the tax preparation profession.

CTEC welcomes applications from qualified CRTPs who are interested in serving on the Board when vacancies become available.

To learn more about the responsibilities of serving as a CTEC Board member, click the link below to watch our informational video.

If you are interested in serving as a CTEC Registered Tax Preparer (CRTP) Director, please download and complete the application below.

Completed applications may be submitted by any of the following methods:

- Email: aharden@ctec.org
- Fax: (877) 851-2832
- Mail:
  California Tax Education Council (CTEC)
  P.O. Box 2890
  Sacramento, CA 95812-2890

CTEC CRTP Director Application

Upcoming CTEC Board Meetings

November 4 - 5, 2026
Orange County, CA

May 25, 2027
Provider Task Force meeting will be held virtually

May 26 - 27, 2027
Sacramento, CA

November 3 - 4, 2027
Carmel/Monterey, CA

May 23, 2028
Provider Task Force meeting will be held virtually

May 24 - 25, 2028

Sacramento, CA

November 8 - 9, 2028
San Diego, CA

Public Attendance and Comments at CTEC Board Meetings

All interested parties are invited to attend CTEC Board Meetings. Time will be provided for members of the public to submit comments on each agenda item, with a limit of five (5) minutes per speaker.

Members of the public may attend all CTEC Board Meetings, except during portions of the meeting designated as closed session.

To request additional information or submit comments to the Board, please contact:

Amanda Harden
Phone: (877) 850-2832
Email: aharden@ctec.org

Enforcement of Tax Preparer Registration Requirements

Unregistered tax preparers who are found to have prepared or assisted in preparing tax returns for a fee may be assessed a $2,500 penalty for a first failure to register.
The penalty may be waived if the tax preparer provides the Franchise Tax Board (FTB) with proof of a valid credential within 90 days from the date the penalty notice is mailed.

If the tax preparer fails to provide proof of a valid credential within the required timeframe, the FTB may assess a $5,000 penalty for each subsequent failure to register.

CTEC provides funding for the enforcement program. All penalties collected by the FTB are deposited into the State of California General Fund.

To report an unregistered tax preparer, please click on the link to complete the Tax Preparer Complaint Form.

Download the May 2026 FTB Enforcement Results

Tax Preparer Complaint Form

IRS

View the July 2026 IRS News Releases

Curriculum Provider Standards Committee Members

Lee Reams, Sr., Chair
EA - National Association of Enrolled Agents

Yvette Rupp, Vice-Chair
CRTP - Fresno, CA

Michael Carr
CRTP - Sun City, CA

Susie DiMaggio
EA - California Society of Enrolled Agents

Kaya Klotzek
EA - National Society of Accountants

Jodi Runyan-Schechter
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