

To: The Honorable Steven Johnson, Chair
House Taxation Committee

From: Jeremy Stohs, Director, Government Relations
H&R Block

Date: Wednesday, April 3, 2019

Re: Support for Senate Bill 104, the Kansas Taxpayer Protection Act

Mr. Chairman and Members of the Committee:

On behalf of about 130 H&R Block tax offices, nearly 1000 tax return preparers, and our Kansas City headquarters' employees who call Kansas home, H&R Block appreciates the opportunity to support Senate Bill 104.

H&R Block has excelled for more than 60 years as an industry leader because of our commitment to competent, ethical tax return preparation. While most tax preparers share this commitment, unfortunately some do not. Each day, unscrupulous preparers search for new and exploitative ways to steal from the taxpayers of Kansas. All too often, their actions do the greatest harm to those who can afford it the least.

Senate Bill 104 would provide the Kansas Department of Revenue with an additional and important consumer protection tool to 1) identify, and 2) stop fraudulent preparers from harming taxpayers.

First, this bill would enable the Department to track individuals who are compensated for preparing tax returns in the state by leveraging an IRS preparer identification number that is already required for preparing federal tax returns. Preparers would be required to include this unique identifier on state tax returns that they are paid to prepare or be subject to a penalty.

Second, if a preparer is identified who has engaged in specified bad conduct, Senate Bill 104 would authorize the Department to seek to enjoin the preparer from further conduct or from acting as a preparer in the state, including those who have been suspended before the IRS and in other states.

Multiple states in recent years have enacted similar legislation and have successfully used this tool to prevent fraudulent preparers from continuing to prey on taxpayers. In order for Kansas taxpayers to be more fully protected, we respectfully ask that you pass Senate Bill 104.

Respectfully submitted,

Jeremy Stohs
Director, Government Relations
H&R Block
816-854-6207