

2025-27 Budget Review

Board of Tax Practitioners

	2021-23 Actual	2023-25 Legislatively Approved *	2025-27 Current Service Level	2025-27 Governor's Budget
Other Funds	1,194,525	1,162,920	1,260,712	1,346,988
Total Funds	1,194,525	1,162,920	1,260,712	1,346,988
Positions	2	2	2	2
FTE	2.00	2.00	2.00	2.00

* Includes legislative and administrative actions through December 2024.

PROGRAM DESCRIPTION

The Oregon Board of Tax Practitioners (BTP) mission is to protect Oregon consumers by ensuring Oregon tax practitioners are competent and ethical in their professions. The Board is comprised of six licensed tax consultants and one public member, appointed by the Governor to staggered three-year terms. The Board regulates approximately 3,100 tax practitioners, over 1,000 registered Businesses and Branches, and issues six types of licenses and registrations. Two full-time positions provide staff support for the Board.

BUDGET ENVIRONMENT

Between 2020-2022, licenses declined by approximately 15%, largely due to recent economic and demographic trends, with an aging population and little new interest in tax professions. To address the decline, the Board increased fees in 2022 for the first time since 2008, which the Board estimates increased revenues by \$145,890 for the 2021-23 biennium.

In 2024, annual licensees increased for the first time in five years, with 4,403 active licenses, or 9.2% increase, from the prior year. The rise in licenses is attributed to Oregon's economic recovery following the pandemic and the Board's emphasis on out-of-state licensure. The Board has also made increased efforts to enforce a statutory requirement, as defined by ORS 673.615(1), that out of state tax practitioners must be licensed when working on Oregon returns. The increased efforts toward enforcement and collections of civil penalties has led to increased revenues of over \$400,000 in 2023-25, mostly the result of two large judgements, creating a higher than anticipated revenue stream and an ending cash balance projected to be \$1.2 million, or 21 months of operating costs.

The Board has proposed a legislative concept to create a new entry-level license, a Certified Tax Aide (CTA), with the goal of introducing more individuals into tax professions. CTAs would be able to enter basic data into tax returns—not currently allowed by statute—under supervision from a Licensed Tax

Consultant (LTC), Certified Public Accountant (CPA), Public Accountant (PA), or Licensed Tax Attorney (LTA). With an overall decline in licensed tax professionals over the prior five years, the board's goal is to build interest and training in the field. The applicants would be required to complete half of the current 80-hour course for Tax Preparers and pass a final exam given by their instructor. This exam would not be administered by the Board. Upon completion and further training, the CTA program will provide a stepping stone to eventually becoming licensed Preparers. The Board does not anticipate additional resources to administer this new CTA program, and predicts an additional \$34,500 in revenue from the new license type.

Finally, the Board had been fully remote, but post-pandemic they are sharing leased office space with the Board of Accountancy and have a \$7,595 increase in rent. Additionally, the board contracts for the facilitation and administration of Preparer, Consultant, and Consultant State-Only exams to PSI. The Board is seeking an increase of \$80,210 in expenditure limitation to be used for PSI to accommodate the increased number of licensee exams.

CURRENT SERVICE LEVEL

The 2025-27 current service level (CSL) budget of \$1.3 million is \$55,837, or 8.4%, more than the 2023-25 legislatively approved budget (LAB). The increase is attributable to standard personal services growth, inflation for services and supplies expenditures, and facility rent. Personal service and services and supplies expenditures each comprise approximately 50% of the Board's budget.

GOVERNOR'S BUDGET SUMMARY

The 2025-27 Governor's budget is \$1.3 million Other Funds, an increase of \$86,276, or 6.8%, from the CSL and includes the following major investments:

- **CTA - Certified Tax Assistant (LC 296)** - approves funds for a new entry level certification to be implemented Fall 2026, with a new annual \$75 fee for the CTA certification.
- **PSI** - approves funds towards the national test provider that manages and administers online and in-person career related exams, including those for the Board.

KEY PERFORMANCE MEASURES

A copy of the Board of Tax Practitioners Annual Performance Progress Report can be found on the LFO website: [KPM - View Report \(oregonlegislature.gov\)](#)

Contact Information

Roxanne Adams, Legislative Fiscal Analyst

Legislative Fiscal Office

900 Court Street NE, Room H-178, Salem, Oregon 97301

Oregon State Capitol | (503) 986-1828 | www.oregonlegislature.gov/lfo