Domain 1: Practices and Procedures 26 Questions

1.1. Practice before the IRS
   - What constitutes practice before the IRS
   - Categories of individuals who may practice and extent of practice privileges

1.2. Requirements for Enrolled Agents
   - Information to be furnished to the IRS
   - Omission or error on return, document, or affidavit
   - Rules for employing or accepting assistance from former IRS employees or disbarred/suspended persons
   - Rules for restrictions on advertising, solicitation and fee information
   - Rules regarding fees (e.g., contingent, unconscionable)
   - Due diligence requirements
   - Conflict of interest
   - Rules for refund check negotiation
   - Standards for written advice, covered opinions, tax return positions and preparing returns
   - Continuing education requirements
   - Enrollment cycle and renewal
   - Rules for prompt disposition of matters before the IRS
   - Rules for returning a client's records and documents
   - PTIN requirements
   - Practitioner supervisory responsibilities

1.3. Sanctionable acts
   - Incompetence and disreputable conduct
   - Sanctions imposed by the Office of Professional Responsibility
   - Frivolous submissions (returns and documents)
   - Fraudulent transactions (e.g., badges of fraud)

1.4. Rules and penalties
   - Assessment and appeal procedures for preparer penalties
   - Types of penalties (e.g., negligence, substantial understatement, overvaluation)
- Furnishing a copy of a return to a taxpayer
- Signing returns and furnishing identifying numbers
- Keeping copies or lists of returns prepared
- Employees engaged or employed during a return period (e.g., IRC section 6060)
- Preparer due diligence penalties

Domain 2: Representation before the IRS 25 Questions

2.1. Power of attorney

- Purpose of power of attorney
- Signature authority (e.g., extension of assessment period, closing agreement)
- Authority granted by taxpayer
- Limitations on signing tax returns on behalf of taxpayer
- Proper completion of power of attorney (Form 2848)
- Alternate forms of power of attorney (durable)
- Rules for client privacy and consent to disclose
- Distinctions between power of attorney (Form 2848) and tax information authorization (Form 8821)
- Requirements to be met when changing or dropping representatives or withdrawal of representative
- Purpose of a Centralized Authorization File (CAF) number
- Conference and practice requirements (Publication 216)

2.2. Building the taxpayer’s case—Preliminary work

- Identification of tax issue(s) with supporting details
- Potential for criminal aspects
- Competence, expertise, and time to handle issue
- Conflict of interest in regards to representation
- Transcripts from IRS (e.g., access to and use of e-services)

2.3. Taxpayer financial situation

- Taxpayer’s ability to pay the tax (e.g., installment agreements, offer in compromise, currently not collectible)
- General financial health (e.g., bankruptcy, lawsuits, garnishments, cash flow, assets, and insolvency)

- Third-party research (e.g., property assessment for taxes, asset values, state and local tax information)

- Discharge of the tax liability in bankruptcy

- IRS Collection Financial Standards

2.4. Supporting documentation

- Financial documents and expense records (e.g., cancelled checks or equivalent, bank statements, credit card statements, receipts, brokerage records)

- Legal documents (e.g., birth certificate, divorce decrees, lawsuit settlements)

- Prior and subsequent tax returns

- Other substantive and contemporaneous documentation (e.g., corporate minutes)

- Business entity supporting documents (e.g., partnership agreement, corporate bylaws)

2.5. Legal authority and references

- Internal Revenue Code and income tax regulations

- Revenue rulings and revenue procedures

- Case law

- IRS forms, instructions, and publications

- Private letter ruling

- Internal Revenue Manual

- Authoritative versus non-authoritative source material

- Tax treaties

2.6. Related issues

- Statute of limitations

- Post-filing correspondence (e.g., math error notices, under-reporting notices)

- Deadlines and timeliness requirements

- Third-party correspondence (e.g., witness communications, employment records)

- Freedom of Information Act (FOIA) requests

- Tax avoidance vs tax evasion

- Tax return disclosure statements
- Taxpayer Advocate Service (e.g., criteria for requesting assistance)
- Taxpayer identity theft
- Judicial levels of representation beyond the scope of EA representation

Domain 3: Specific Areas of Representation 20 Questions

3.1. Representing a taxpayer in the collection process

- Extension of time to pay (e.g., Form 1127)
- Installment agreements
- Offer in compromise
- Collection appeals program (e.g., denial of installment agreements, discharge applications)
- Collection appeals and due process (e.g., lien, levy, and Form 12153)
- Adjustments to the taxpayer’s account (e.g., abatements and refund offsets)
- Requesting an audit reconsideration (e.g., documents and forms)

- Representing a decedent
- Collection notice and Notice of Federal Tax Lien
- Levy and seizure of taxpayer’s property
- Currently Not Collectible (e.g., reasons and reactivation)
- IRS Collection Summons (e.g., purposes)
- Collections statute of limitations
- Trust fund recovery penalty
- Amended returns and claims for refund (e.g., Form 1040X, Form 843, effect on statute of limitations)
- Passport revocation

3.2. Penalties and/or interest abatement

- Penalties subject to abatement
- Basis for having penalties abated or refunded
- Basis for having interest abated or refunded
- Interest recalculation
- Procedures for requesting abatement

3.3. Representing a taxpayer in audits/examinations
- IRS authority to investigate
- Limited practitioner privilege (e.g., IRC section 7525)
- Verification and substantiation of entries on the return
- IRS authority to fix time and place of investigation
- Steps in the process (e.g., initial meeting, submission of IRS requested information)
- Interpretation and analysis of revenue agent report (RAR) (e.g., 30-day letter)
- Interpretation and analysis of CP-2000 notice and correspondence audits
- Explanations of taxpayer options (e.g., agree or appeal)
- Taxpayer’s burden of proof

3.4. Representing a taxpayer before appeals
- Right to appeal Revenue Agent findings
- Request for appeals consideration (e.g., preparation, elements contained)
- Enrolled Agent appearance at appeals conference
- Settlement function of the appeals process
- Issuance of 90-day letter

Domain 4: Filing Process 14 Questions

4.1. Accuracy
- Reliance on software (e.g., review of results)
- Miscalculations and recognition of duplicate entries

4.2. Record maintenance
- Length of time to retain returns and records
- Data security (e.g., electronic, systems, paper)

4.3. Electronic filing
- Application process to be an e-file provider (e.g., e-services, EFIN)
- E-file mandate and exceptions (Form 8948)
- Advertising standards
- Definition and responsibilities of an ERO
- Levels of infractions
- Compliance requirements to continue in program
- EFIN revocation appeal process
- E-file authorization and supporting documentation (e.g., Form 8879 and Form 8453)
- Rejected returns and resolution (e.g., client notification, IP PIN)