

The Internal Revenue Services has begun notifying about 1 million tax return preparers to remind them that they must renew their Preparer Tax Identification Numbers (PTIN) if they are still paid preparers.

Use of the PTIN will be required on all federal returns prepared by paid tax return preparers starting Jan. 1.

Tax return preparers can register immediately using a new PTIN sign-up system available through www.irs.gov/taxpros. Preparers will need to create an account, complete the PTIN application and pay a \$64.25 fee before getting their PTINs.

The IRS will be sending approximately 125,000 notification letters each week for eight weeks.

The notifications are based on those tax return preparers who currently have PTINs. Tax return preparers who received their PTINs prior to the new system launch on Sept. 28, 2010, must register using the new sign-up system.

Existing PTIN holders who register through the new system will generally be reassigned their same numbers.

The PTIN was created several years ago as a nine-digit number that tax return preparers could obtain from the IRS to use on tax returns instead of their Social Security numbers.

The PTIN requirement is one of the main provisions in a new oversight program to help regulate the tax preparation industry. Anyone paid to prepare all or substantially all of any federal tax return or claim for refund must have a PTIN.

The requirement applies to all tax return preparers, including those who are enrolled agents,

Certified Public Accountants and attorneys.