

The Internal Revenue Service is contacting more than 5,300 Nebraska tax return preparers to remind them they must renew their Preparer Tax Identification Number.

The IRS will require the use the PTIN on all federal returns prepared by paid tax return preparers starting Jan. 1, 2011.

In an unprecedented effort to improve tax preparation services for Americans, the IRS has launched a multi-year plan that for the first time will regulate the tax return preparation industry.

The first significant step in this effort is the requirement that all tax return preparers get a Preparer Tax Identification Number (PTIN) prior to preparing any tax returns.

The IRS urges preparers to heed the notice and avoid any last minute rush by renewing their PTIN online now.

Tax professionals can register using the IRS Tax Professional Sign-Up System at www.IRS.gov/taxpros.

Registration, which will generally take 15-20 minutes, involves four simple steps:

- Create an account

- Complete the PTIN application

- Pay a \$64.25 fee

- Get a PTIN (existing PTIN holders will generally be reassigned their same numbers.)

The IRS created the PTIN so tax preparers could avoid using their Social Security number as identification.

The requirement is to help regulate the tax preparation industry.

Everyone paid to prepare 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.