

MARYLAND BOARD OF INDIVIDUAL
TAX PREPARERS

v.

FRANK D. SCROGGINS,
Respondent

BEFORE THE MARYLAND BOARD
OF INDIVIDUAL TAX PREPARERS

CASE NO.: MITP-18-0122

* * * * *

CONSENT ORDER

The Maryland Board of Individual Tax Preparers (the "Board") opened a complaint in this matter against Frank D. Scroggins (the "Respondent"), a registered tax preparer, as a result of a referral by the Maryland Office of the Comptroller (the "Comptroller"). Upon review of the complaint and a subsequent investigation, the Board determined that administrative charges were appropriate based on alleged violations of the Maryland Individual Tax Preparers Act. Prior to the issuance of formal administrative charges, the parties reached an agreement to resolve this matter by means of this Consent Order. The parties enter into this Consent Order as a full and final resolution of this matter, with terms as follows:

THE PARTIES AGREE AND STIPULATE:

1. At all times relevant to the matters set forth in this Consent Order, the Respondent was registered by the Board as an individual tax preparer and/or the Board had jurisdiction over the subject matter.
2. The Respondent became registered in Maryland as an individual tax preparer on or about October 15, 2017 (Registration No. 7141). The registration is currently due to expire on October 15, 2019. Prior to October 15, 2017, the Respondent was not registered to provide individual tax preparation services in the Maryland.
3. From approximately January 20, 2017 through May 5, 2017, the Respondent filed Maryland individual tax returns (Form 502) as a professional tax preparer on behalf of individual taxpayers while not registered with the Board.
4. Based on the aforementioned facts, the Respondent admits to violations of Md. Ann. Code, Business Occupations and Professions Article ("BOP"), §§ 21-301 and 21-401 which provide as follows:

Section 21-301. Registration required.

An individual shall be registered by the Board before the individual may provide individual tax preparation services in the State.

Section 21-401. Practice without registration prohibited.

Except as otherwise provided in this title, an individual may not provide, attempt to provide, or offer to provide individual tax preparation services in the State unless registered by the Board.

5. Based on his violations, the Respondent agrees to pay a total civil penalty in the amount of \$3600.00 to the Board in accordance with the following schedule:

a) There shall be eighteen (18) consecutive monthly payments in the amount of \$200.00 each; and

b) The first of said payments shall be due on November 15, 2018 with remaining payments due on the fifteenth day of each month thereafter, respectively, until such time as the total penalty amount has been paid in full.

6. In addition, the Respondent shall obtain 6 continuing professional education (CPE) credits within seven days of the date of this Consent Order as follows:

a) 4 credits shall be in Professional Ethics; and

b) 2 credits shall pertain to IRS Circular 230.

The CPE credits obtained in accordance with this paragraph shall be above and beyond any normal statutory or regulatory CPE requirements and shall not be credited toward any future renewal period. The Respondent shall furnish documentary evidence of satisfactory completion of the CPE training to the Board within seven days of completion.

7. In the event that the Respondent fails to comply with the terms and conditions of this Consent Order regarding payment of the civil penalty or completion of CPE credits, his registration shall be immediately and automatically suspended until such time as compliance occurs.

8. The Respondent shall abide by the provisions of the Maryland Individual Tax Preparers Act and applicable regulations in all relevant future activities.

9. The Respondent, by entering into this Consent Order, expressly waives the right to any further written notification of administrative charges, an administrative hearing on the charges and the making of Findings of Fact and Conclusions of Law, any and all further proceedings before the Board to which the Respondent may otherwise be entitled in this matter, and any rights to appeal from this Order.

10. The Respondent enters into this Consent Order freely, knowingly and voluntarily, and with the opportunity to seek advice of counsel.

BASED ON THESE STIPULATIONS, IT IS, THIS 29 DAY OF October, 2018, BY THE MARYLAND BOARD OF INDIVIDUAL TAX PREPARERS:

ORDERED that the Respondent has violated BOP, §§ 21-301 and 21-401;

AND IT IS FURTHER ORDERED that the Respondent shall pay a civil penalty in the amount of \$3600.00 to the Board in accordance with the provisions of Paragraph 5 of this Consent Order;

AND IT IS FURTHER ORDERED that the Respondent shall obtain **6 hours of CPE credits** in accordance with the provisions of Paragraph 6 of this Consent Order which shall be in addition to, and shall not be credited toward, the normal CPE requirements;

AND IT IS FURTHER ORDERED that this matter shall be resolved in accordance with the terms and conditions of this Consent Order, and that the same shall be reflected among the records of the Board;

AND IT IS FURTHER ORDERED that this Consent Order shall constitute a Final Order of the Maryland Board of Individual Tax Preparers.

Signature on File

Frank D. Scroggins
Respondent

10/22/18
Date

Signature on File

Amy P. Hennen, Chair
Maryland Board of Individual
Tax Preparers

10/29/18
Date