

**BEFORE THE MARYLAND STATE BOARD OF INDIVIDUAL TAX PREPARERS**

MARYLAND STATE BOARD OF INDIVIDUAL \*  
TAX PREPARERS, \*

v. \*

Case no. MITP-17-0045

Beverly Pierre, \*

Respondent. \*

\* \* \* \* \*

**FINAL ORDER**

**I. Procedural Background.**

The above-captioned matter was heard before the Maryland State Board of Individual Tax Preparers ("the Board") on June 26, 2017. The allegations against Respondent Beverly Pierre, as set forth in the Board's charge letter dated May 12, 2017, were as follows:

You have never obtained a registration to provide services as an individual tax preparer.

On or about February 10, 2017, a complaint was filed with the Board by the Maryland Office of the Comptroller ("Comptroller") inquiring about your registration status and stating that it had suspended electronic filing privileges for you and multiple other tax preparers in the State due to suspicions regarding the propriety of filed returns. The Comptroller's complaint further advised that, as a professional tax preparer, you began filing Maryland individual tax returns for 2016 on behalf of taxpayers on or about January 24, 2017.

Upon receipt of the Comptroller's complaint and a subsequent Board investigation, it was determined that you provided, attempted to provide, or offered to provide individual tax preparation services to Maryland taxpayers during 2016 and 2017 while not registered by the Board. From approximately January 24, 2017, through approximately February 8, 2017, you filed at least 24 Maryland individual tax returns (Form 502) for the 2016 tax year. It was also determined that, from approximately January 19, 2016

through April 27, 2016, you filed at least 63 Maryland individual tax returns (Form 502) for the 2015 tax year. At the times of filing of these returns, you were not registered by the Board to provide individual tax preparation services in Maryland, and thereby, you were in violation of the Maryland Individual Tax Preparers Act, Title 21-Business Occupations and Professions Article ("BOP"), Annotated Code of Maryland.

Based on the above described circumstances, you are charged with violating the following laws of the State of Maryland and provisions of the Code of Maryland Regulations (COMAR):

**Business Occupations and Professions Article, Ann. Code of Maryland**

**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, a person may not provide, attempt to provide, or offer to provide individual tax preparation services in the State unless registered by the Board.

In its charge letter, the Board informed Ms. Pierre of her right to a hearing on the charges, in accordance with the Business Occupations and Professions Article ("BOP") of the *Annotated Code of Maryland*, §21-312 *et seq.*, the Maryland Administrative Procedure Act as set forth in the State Government Article of the *Annotated Code of Maryland*, Title 10, Subtitle 2, and the Board's hearing rules set forth at COMAR 09.01.02. Ms. Pierre was also informed that should the charges be proven, pursuant to BOP § 21-405(a), she would be subject to the imposition of a penalty not to exceed \$5,000.00 per violation. At the June 26, 2017 hearing, Ms. Pierre appeared on her own behalf. Kris King, Assistant Attorney General, presented evidence to the Board in support of the allegations.

## **II. Findings of Fact.**

The Board includes in its factual findings the facts set forth in the procedural background of the matter. In addition, after examining all of the evidence, including both the testimony of witnesses and the documentary evidence submitted at the hearing, and having assessed the demeanor and credibility of those offering testimony, the Board makes the following additional findings of fact:

1) Ms. Pierre is not a Certified Public Accountant, an attorney, an enrolled agent or otherwise exempt from the requirements of the Maryland Individual Tax Preparers Act pursuant to BOP § 21-102(b).

2) Ms. Pierre prepared the individual tax returns described above while employed by ALR Tax and Financial Services, LLC ("ALR") located at 76 Ritchie Road, Capitol Heights, MD 20743, owned by Nicole Williams<sup>1</sup>. Ms. Williams is Ms. Pierre's cousin. During that time, Ms. Williams was not registered with the Board. Ms. Pierre began working with ALR in 2011. In 2017, Ms. Pierre, worked at ALR during tax season and was paid between \$800.00 and \$1,000.00 per week. On some occasions, Ms. Pierre was paid in cash. On others, she was paid by check.

3) By letter dated February 23, 2017, the Board notified Ms. Pierre of the

---

<sup>1</sup>Nicole Williams has been disciplined by the Board in connection with her operation of ALR Tax and Financial Services, LLC. See *Maryland Board of Individual Tax Preparers v. Nicole Williams*, Case No. MITP 17-0035.

Comptroller's complaint. In that letter, the Board notified Ms. Pierre of the registration requirement in BOP § 21-401, and that the Board has the authority to impose up to a \$5,000.00 civil penalty for violations of the Maryland Individual Tax Preparers Act.

4) On March 27, 2017, Ms. Pierre met with Board staff concerning the complaint. From February 23, 2017, until March 27, 2017, Ms. Pierre continued to provide, attempt to provide, and/or offer to provide individual tax preparation services in Maryland without a registration.

5) Ms. Pierre has never taken the Maryland Tax Preparers Examination. Ms. Pierre believed that Ms. Williams, ALR's owner, would make sure that Ms. Pierre had all proper licenses/registrations necessary. Ms. Pierre made no personal efforts to ensure that she was in compliance with all applicable laws and regulations relating to providing individual tax preparation services.

6) Ms. Pierre was not aware that the instructions to Maryland Form 502 discuss the Board's registration requirement.

7) Ms. Pierre indicated that after ALR's electronic filing privileges were suspended by the Comptroller, the firm prepared paper returns for its clients.

8) Ms. Pierre has a Bachelor's degree in Criminal Justice and Social Behavior from Seton Hall University.

### **III. Evaluation of the Evidence.**

The Board believes that the charges in this case are supported. At the hearing in this matter, the evidence demonstrated that on at least 87 occasions, Ms. Pierre provided

individual tax preparation services, as defined in BOP § 21-101(f), without a registration issued by the Board and that Ms. Pierre is not exempt from the registration requirement pursuant to BOP § 21-102(b).

Accordingly, the sole remaining issue before the Board is what, if any, sanction it must impose against Ms. Pierre under these circumstances. The Board has the authority under BOP § 21-405 (a) to impose a penalty not exceeding \$5,000.00 per violation. In evaluating whether or not to impose a civil monetary penalty, BOP § 21-405(a) provides that the Board shall consider the following factors: 1) the seriousness of the violation; 2) the harm caused by the violation; 3) the good faith of the violator; 4) any history of previous violations by the violator.

With respect to the seriousness of and harm caused by the violation, Ms. Pierre ignored the fundamental obligation of any non-exempt individual who provides individual tax preparation services in Maryland: being registered with the Board. Ms. Pierre essentially took opportunities away from individuals who have complied with the registration requirement. Additionally, Ms. Pierre has never demonstrated her competence by passing the Maryland Tax Preparers Examination, something that current registrants are required to do. *See generally* COMAR 09.38.01.02. At the hearing before the Board, Ms. Pierre was unable to explain what the IRS Form 1040 or the Maryland Form 502 are. A registered individual tax preparer who has passed the Maryland Tax Preparers Examination will be able to do so.

With respect to good faith on the part of Ms. Pierre, she did cooperate with the

Board's investigation, and was forthcoming with her testimony. However, Ms. Pierre continued to provide individual tax preparation services without a valid registration after receiving notice from the Board of the registration requirement.

Finally, while Ms. Pierre does not have a prior disciplinary history with the Board, the Board finds that, after weighing all the factors, a sanction is warranted.

### **CONCLUSIONS OF LAW**

Based on the Findings of Fact, and using the specialized knowledge, training, and experience of its members, the Maryland State Board of Individual Tax Preparers hereby concludes as a matter of law that the Respondent Jizel Pierre violated Business Occupations and Professions Article, Ann. Code of Maryland, Sections 21-301 and 21-401.

### **ORDER**

In consideration of the Maryland State Board of Individual Tax Preparer's Findings of Fact and Conclusions of Law in this matter, it is this 14 day of August, 2017 **ORDERED:**

- 1) That Beverly Pierre pay to the Board, within 30 days of the date of this order, a total civil monetary penalty in the amount of \$5,350.00 for her violations of Business Occupations and Professions Article, Ann. Code of Maryland, Sections 21-301 and 21-401;
- 2) That this sanction is effective thirty (30) days from the date of this order unless the Respondent obtains a judicial stay of enforcement pursuant to Md. State Gov. Code Ann., § 10-222; and

3) That the records, files, and documents of the Maryland State Board of Individual Tax Preparers reflect this decision.

**MARYLAND STATE BOARD OF  
INDIVIDUAL TAX PREPARERS**

**Signature of File**

By: \_\_\_\_\_

Jane Bourassa  
Acting Chair