

# Program Endorsement Brief:

Sierra College: Tax Preparers

**North/Far North Center of Excellence, December 2018**

---

## INTRODUCTION

Sierra College is exploring programs related to tax preparers. This report examines two occupations: Tax Preparers (SOC 13-2082) and Tax Examiners, Collectors, and Revenue Agents (SOC 13-2081).

This report provides an overview of the labor market demand and supply for tax preparer occupations, including the employment opportunities and existing community college programs that prepare students for the profession.

Key findings include:

- Tax examiners is projected to decline an additional 2 percent over the next five years. The occupation is projected to have 250 annual openings over the next five years, mostly due to churn, not growth. Tax preparer employment has increased slightly over the last 10 years, and is expected to account for about 110 annual openings over the next five years.
- Tax preparers have a median wage of \$21 per hour in the Sacramento region. That figure is \$24 per hour for tax preparers.
- About a third of both occupations have some college or an associate degree. Bachelor's degrees are common to both occupations.
- The region produces just about 20 awards annually in the related TOP code program category.

Findings in this report were determined using labor market data from the Bureau of Labor Statistics (BLS), U.S. Census Bureau data from Emsi and job posting data from Burning Glass.

The report contains the following sections:

- Occupational demand,
- Wages and job postings,
- Educational attainment and supply, and
- Findings and recommendations.

# OCCUPATIONAL DEMAND

Two Standard Occupational Classification (SOC) codes were analyzed in relation to the proposed program: Tax Preparers and Tax Examiners, Collectors and Revenue Agents. Exhibit 1 summarizes job trends per the SOC codes in the 7-county North region and the 22-county North/Far North region. The data includes estimates for self-employed workers.

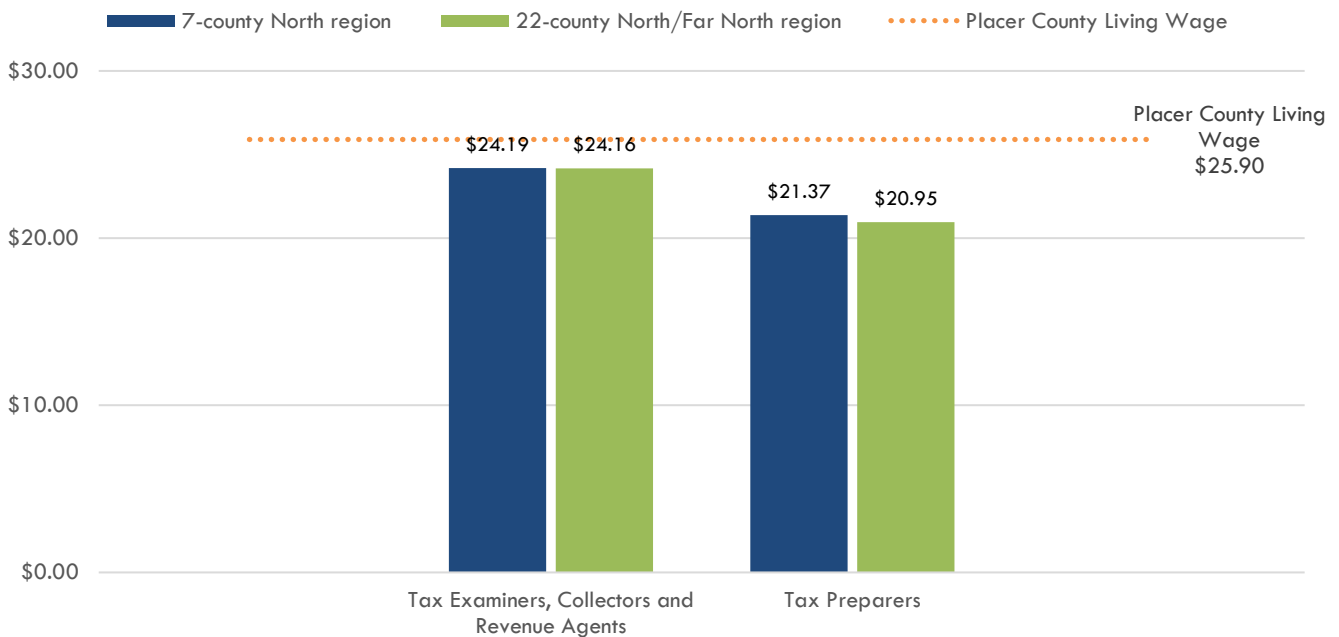
**Exhibit 1: Employment and projected occupational demand, 7-county and 22-county regions<sup>1</sup>**

Occupation	SOC	2007 Jobs	2017 Jobs	2022 Jobs	2017-22 Jobs % Change	Annual Openings
Tax Examiner, Collector, and Revenue Agents	13-2081	3,938	3,536	3,421	(3%)	251
Tax Preparer	13-2082	901	927	969	5%	110
<b>7-County North Region</b>	<b>TOTAL</b>	<b>4,839</b>	<b>4,463</b>	<b>4,390</b>	<b>(2%)</b>	<b>362</b>
Tax Examiner, Collector, and Revenue Agents	13-2081	4,234	3,811	3,698	(3%)	272
Tax Preparer	13-2082	1,199	1,216	1,248	3%	141
<b>22-County North/Far North Region</b>	<b>TOTAL</b>	<b>5,433</b>	<b>5,027</b>	<b>4,946</b>	<b>(2%)</b>	<b>413</b>

# WAGES AND JOB POSTINGS

Exhibit 2 displays hourly wages for the six public safety occupations of focus in the study regions compared to the Placer County living wage for a one-adult, one-child household.<sup>2</sup> The chart highlights the difference between the median wages of the representative occupations.

**Exhibit 2: Wages for tax preparer occupations<sup>3</sup>**



Burning Glass data for job postings identified a pool of 445 listings in the 7-County region based on the two SOC codes. Data was pulled for the last year from December 1, 2017 through November 30, 2018.

<sup>1</sup> Emsi 2018.4; QCEW Employees, Non-QCEW Employees and Self-Employed. 7-County North region includes El Dorado, Nevada, Placer, Sacramento, Sutter, Yolo, and Yuba Counties. The 22-County North/Far North region includes these 7 counties in addition to Butte, Colusa, Del Norte, Glenn, Humboldt, Lake, Lassen, Mendocino, Modoc, Plumas, Shasta, Sierra, Siskiyou, Tehama, and Trinity Counties.

<sup>2</sup> Living Wage Calculator: Counties and Metropolitan Statistical Areas in California, <http://livingwage.mit.edu/states/06/locations>.

<sup>3</sup> Emsi 2018.4; QCEW Employees, Non-QCEW Employees and Self-Employed.

Exhibit 3 presents the job postings trend for the eight SOC code job postings over the past 8 years compared to the median from 2010 to 2017 for the 7-county region.

**Exhibit 3: Job posting trend for tax preparer occupations<sup>4</sup>**

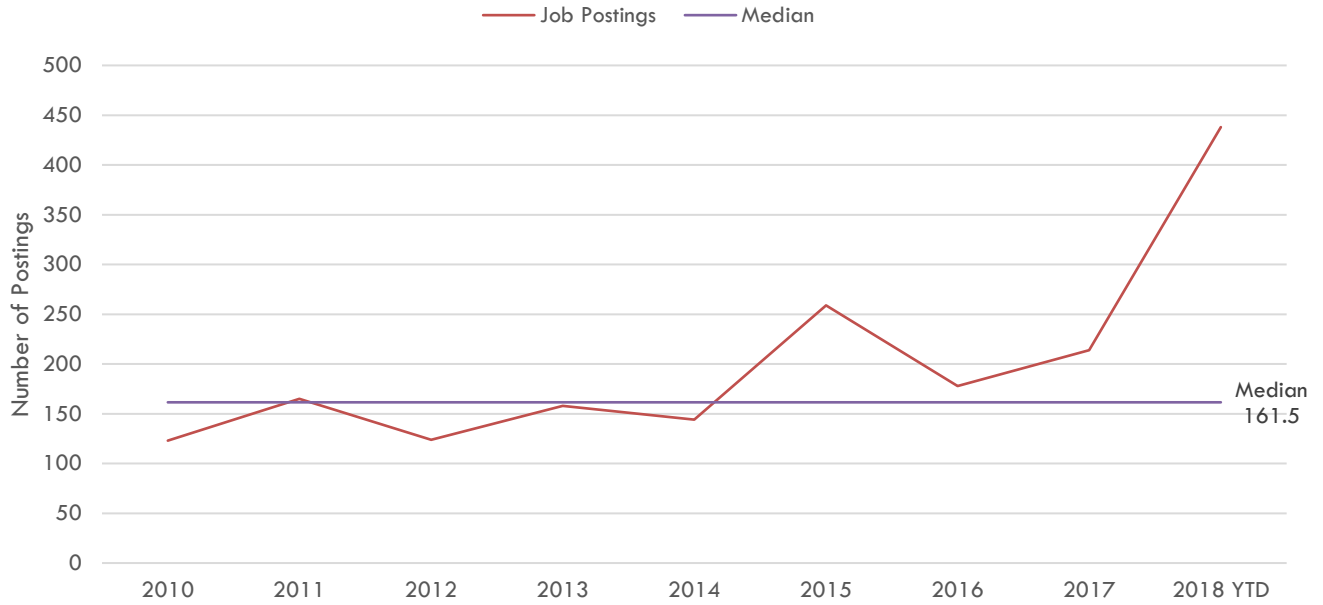


Exhibit 4 shows the top titles for tax preparer occupations that were present in the job postings in the Far North region.

**Exhibit 4: Top titles for tax preparer job postings<sup>5</sup>**

Top Titles	Number	Percent (n=445)
Tax Professional	129	29%
Tax Preparer	71	16%
Tax Associate	40	9%
Tax Specialist	32	7%
Return Agent	18	4%
Tax Technician	18	4%

Exhibit 5 shows the top employers for tax preparer jobs postings in the 7-county region.

In the region, of the 445 postings, there were 345 records that included an employer. As a result, the table below may not be representative of the full sample.

<sup>4</sup> Burning Glass Technologies, "Labor Insight Real-Time Labor Market Information Tool," 2018.

<sup>5</sup> Ibid.

**Exhibit 5: Top Employers among tax preparer job postings<sup>6</sup>**

Top Employers	Number	Percent (n=345)
H&R Block	142	41%
State of California	63	18%
Jackson Hewitt Tax Service	34	10%
Intuit	17	5%
Enterprise Rent-A-Car	5	1%
Accenture	4	1%
Fountainhead Wealth	4	1%
KPMG	4	1%

Exhibit 6 shows the top skills desired for tax preparer professionals in the 7-county region.

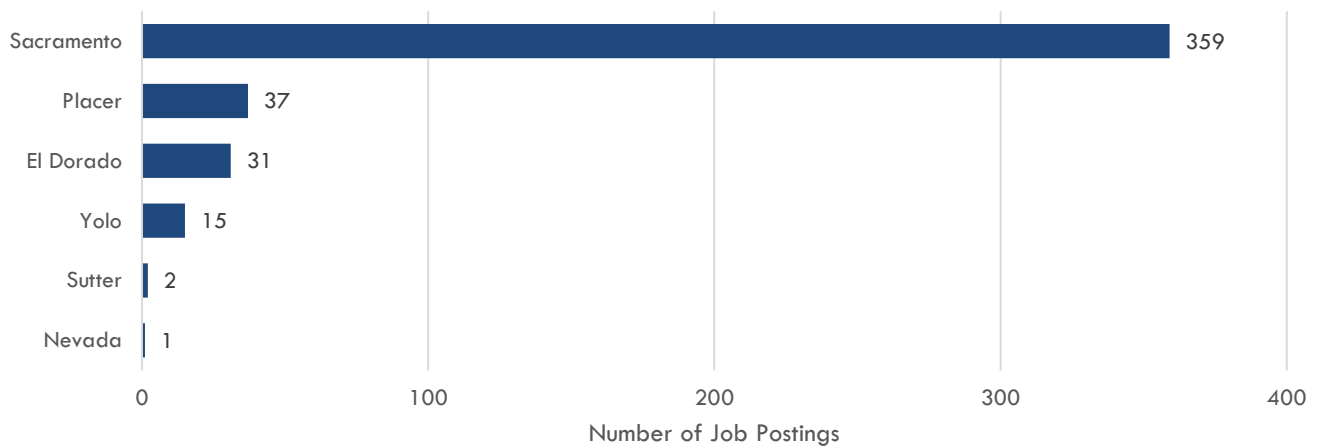
In the region, of the 445 postings, there were 388 records that included a skill. As a result, the table below may not be representative of the full sample.

**Exhibit 6: Top specialized skills desired in the tax preparer job postings<sup>7</sup>**

Top Skills	Number	Percent (n=388)
Tax Returns	268	69%
Tax Preparation	195	50%
Tax Planning	134	35%
Customer Service	117	30%
Accounting	103	27%
Audit Planning	101	26%
Customer Retention	96	25%
Tax Law	96	25%

Exhibit 7 shows the counties where tax preparer postings were located throughout the 7-county region.

**Exhibit 7: Top county locations listed in tax preparer job postings<sup>8</sup>**



<sup>6</sup> Ibid.

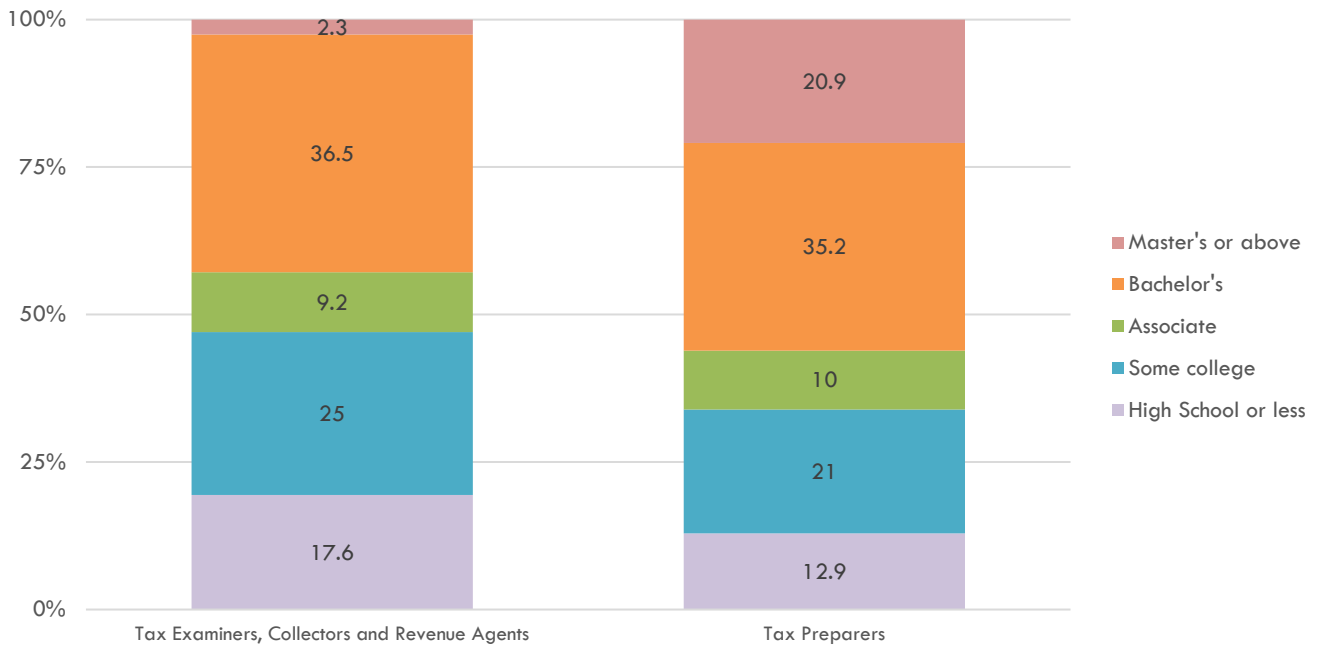
<sup>7</sup> Ibid.

<sup>8</sup> Ibid.

## EDUCATIONAL ATTAINMENT AND SUPPLY

At the national level, the typical education required for tax preparer jobs is high school diploma and bachelor's degree. Exhibit 5 breaks down the educational attainment percentages by degree type.

**Exhibit 8: Typical educational attainment for tax preparer occupations nationally<sup>9</sup>**

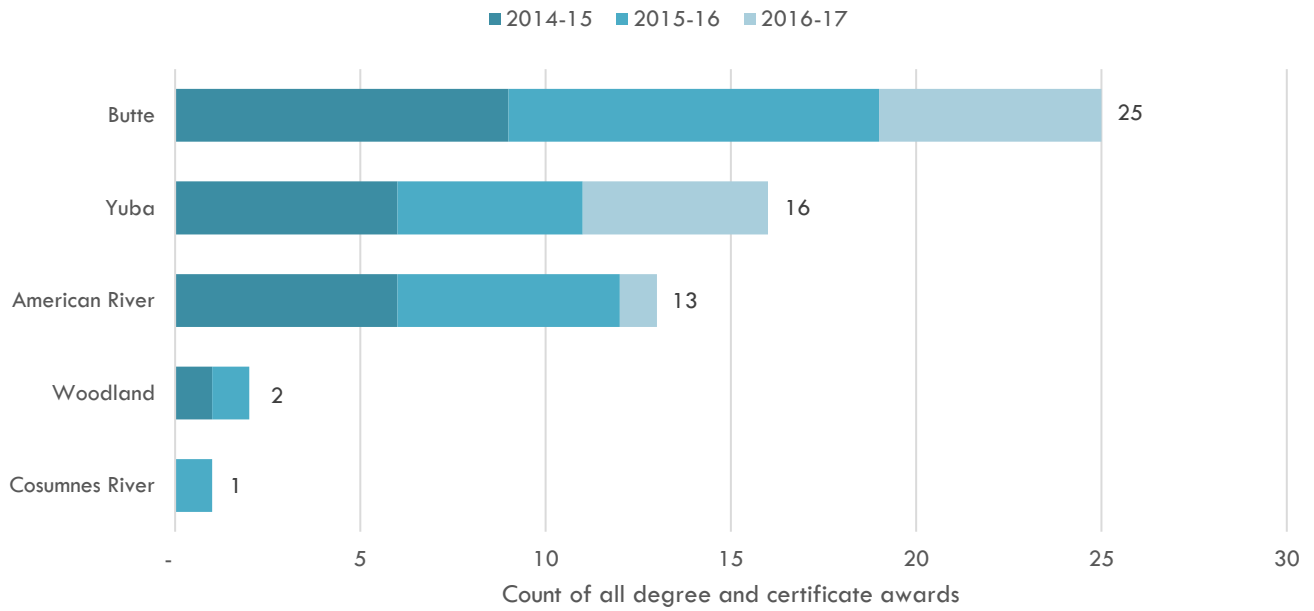


There is one Taxonomy of Programs (TOP) code identified that relates to tax preparers: Taxation (TOP 0502.10). There are 5 community colleges in the 22-county North/Far North region that offer related training: American River College, Butte College, Cosumnes River College, Woodland College, and Yuba College.

In the 22-county North/Far North region, there were on average 19 awards earned by students each year over the past three years, most of which were certificates (14 on average), with an average of 5 associate degrees. Exhibit 9 shows the total number of awards by colleges during the past three academic years in the North/Far North region.

<sup>9</sup> Current Population Survey, Educational Attainment for Workers 25 Years and Older by Detailed Occupation, 2014-2015, [https://www.bls.gov/emp/ep\\_table\\_111.htm](https://www.bls.gov/emp/ep_table_111.htm).

**Exhibit 9: Total Taxation awards conferred by North/Far North community colleges, 2014-2017<sup>10</sup>**



<sup>10</sup> COE Supply Tables, California Community Colleges Chancellor's Office DataMart, Integrated Postsecondary Education Data System (IPEDS).

# FINDINGS

- Tax examiners are the source for the overall employment decline; the occupation is projected to decline an additional 2 percent over the next five years. Tax examiners show about 250 annual openings over the next five years, mostly due to churn, not growth. Tax preparer employment has increased slightly over the last 10 years, and is expected to account for about 110 annual openings over the next five years.
- Tax preparers have a median wage of \$21 per hour in the Sacramento region. That figure is \$24 per hour for tax preparers. These are both below the living wage for a one-adult-one-child household in Sacramento County (\$25.90), but are acceptable.
- There are typically more than 150 job postings from tax preparation companies, consulting firms, and the State of California for tax preparers, tax associates, and tax specialists.
- About a third of both occupations have some college or an associate degree. Bachelor’s degrees are common to both occupations.
- Butte College, Yuba College, American River College, and Woodland Community College have programs in the related TOP code, but the region produces just about 20 awards annually.

# RECOMMENDATIONS

- The COE recommends that Sierra College move forward with the program. The annual openings, mostly due to turnover, not growth, exceed the award production in the region by a considerable amount. There are concerning issues related to the overall decline of the occupational employment. Further investigation can explore the role of automation in reducing employment levels.
- Given the prevalence of bachelor’s degrees in these occupations, and the wage premium for other related occupations that require a bachelor’s degree, Sierra College should explore creating transfer pathways.

COE Recommendation		
Move forward with program	Program is not recommended	Additional information needed
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

# SUMMARY RECOMMENDATION (FOR RC APPLICATION)

- The COE recommends that Sierra College move forward with the program. Demand exceeds supply. There are concerns around the decline of the occupational employment, possibly due to automation.
- Sierra College should explore creating transfer pathways.

COE Recommendation		
Move forward with program	Program is not recommended	Additional information needed
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



# APPENDIX A: SOURCES

Sources used for data analysis purposes in this report include:

- U.S. Department of Labor/Employment and Training Administration (DOLETA) O\*NET Online
- Burning Glass, Labor Insight/Jobs
- Economic Modeling Specialists, International (EMSI)
- California Employment Development Department, Labor Market Information Division (EDD, LMID)
- Bureau of Labor Statistics, Occupational Employment Statistics (OES)
- California Community Colleges Chancellor's Office, Cal-PASS Plus LaunchBoard
- Living Insight Center for Community Economic Development, Self-Sufficiency Standard Tool for California
- California Community Colleges Chancellor's Office Management Information Systems (MIS Data Mart)
- U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Education Data System (IPEDS)

**For more information, please contact:**

Aaron Wilcher, Director  
Center of Excellence, North-Far North Region  
[wilchea@losrios.edu](mailto:wilchea@losrios.edu)

December 2018

