

Program Endorsement Brief: 0512.10/Tax Studies

Tax Preparer

Orange County Center of Excellence, May 2019

Summary

The Orange County Center of Excellence for Labor Market Research (COE) prepared this report to provide Los Angeles/Orange County regional labor market supply and demand data related to two middle-skill tax preparation occupations: Tax Preparers (SOC 13-2082) and Tax Examiners and Collectors, and Revenue Agents (SOC 13-2081). This report is intended to help determine whether there is demand in the local labor market that is not being met by the supply from community college programs that align with relevant occupations.

The following summarizes key findings from this data brief:

- The number of jobs for tax-related occupations is projected to **increase by 4% through 2023**. More than **900 job openings** will be available annually due to new job growth and replacement need.
- Over the past 12 months, there were **1,471 online job postings** related to middle-skill tax occupations in Los Angeles and Orange Counties. More than half of the job postings (53%) requested a bilingual candidate.
- The typical entry-level education for the tax preparation occupations included in this report ranges from high school diploma or equivalent to bachelor's degree. The national-level educational attainment data indicates that **approximately 35% of workers** in the field **have completed some college or an associate degree**.
- There are **four community colleges** in the region that have programs listed under the same TOP Code (0502.10). Two colleges are located in each county.
- Between 2015 and 2018, community colleges in the region **conferred an average of 39 awards annually** (associate degrees and certificates) in related training programs.
- **Three related program recommendation requests under the same TOP Code** were received between January 2018 and April 2019.

Occupational Demand

Exhibit 1 shows the five year occupational demand projections for the two tax preparation occupations included in this report. In Los Angeles/Orange County, the number of jobs related to these occupations is projected to increase by 4% through 2023. There will be 917 job openings per year through 2023. Occupational demand data, by SOC code and occupation, is included in Appendix A.

Exhibit 1: Occupational demand in Los Angeles and Orange Counties¹

Geography	2018 Jobs	2023 Jobs	2018-2023 Change	2018-2023 % Change	Annual Openings
Los Angeles	6,098	6,292	194	3%	640

¹ Five-year change represents new job additions to the workforce. Annual openings include new jobs and replacement jobs that result from retirements and separations.

Orange	2,511	2,636	125	5%	277
Total	8,609	8,927	318	4%	917

Wages—Entry-level and median wages for middle-skill tax preparation occupations in the region are between \$13.10 and \$23.27.² Entry-level wages for these two tax preparation occupations are lower than the MIT Living hourly wage for one adult in the region (\$14.36 in Los Angeles County and \$15.85 in Orange County). On average, experienced workers earn between \$42.23 and \$58.15, which is higher than the living wage estimate. Regional wages are above the average statewide wage of \$28.10 for this occupation. Wage information, by county, is included in Appendix A.

Job Postings—There were 1,471 online job postings listed related to middle-skill tax occupations in the past 12 months. The majority of job postings are for tax professional, tax preparer, tax associate, tax specialist, and administrative assistant. Top specialized skills are: tax returns, tax preparation, customer retention, tax planning, accounting, and audit planning. More than half of the job postings (53%) requested a bilingual candidate. The top three employers, by number of job postings, in the region are: H&R Block, Jackson Hewitt Tax Service, and the Internal Revenue Service (IRS).

Educational Attainment—The Bureau of Labor Statistics (BLS) lists a high school diploma as the typical entry-level education for tax preparers, and a bachelor’s degree as the typical entry-level education for tax examiners and collectors, and revenue agents. The national-level educational attainment data indicates approximately 35% of workers in the field have completed some college or an associate degree. Of the 63% of job postings listing a minimum education level in Los Angeles/Orange County, 98% request a high school diploma or vocational training and 2% request an associate degree.

Community College Supply

Exhibit 2 shows the three-year average number of awards conferred by community colleges in the TOP code: Tax Studies (0502.10). From 2015-2018, LA Pierce had the most completions in the region. Between January 2018 and April 2019, there were no other related program recommendation requests under the same TOP Code from regional community colleges.

Exhibit 2: Regional community college awards (certificates and degrees), 2015-2018

TOP Code	Program	College	2015-16 Awards	2016-17 Awards	2017-18 Awards	3-Year Award Average
0502.10	Tax Studies	Glendale	3	-	-	3
		Irvine	13	16	9	13
		LA Pierce	13	32	16	20
		Saddleback	6	5	3	5
		Total/Average	35	53	28	39

² Entry-level wage is defined as the tenth percentile hourly wage. Wages for experienced workers are defined as the ninetieth percentile hourly wage.

Appendix A: Occupational demand and wage data by county

Exhibit 3. Los Angeles County

Occupation (SOC)	2018 Jobs	2023 Jobs	5-Yr Change	5-Yr % Change	Annual Openings	Entry-Level Hourly Earnings	Median Hourly Earnings	Experienced Hourly Earnings
Tax Preparers (13-2082)	4,815	4,991	176	4%	547	\$13.03	\$22.80	\$45.92
Tax Examiners and Collectors, and Revenue Agents (15-1121)	1,283	1,301	18	1%	93	\$22.17	\$38.05	\$57.84
	6,098	6,292	194	3%	640			

Exhibit 4. Orange County

Occupation (SOC)	2018 Jobs	2023 Jobs	5-Yr Change	5-Yr % Change	Annual Openings	Entry-Level Hourly Earnings	Median Hourly Earnings	Experienced Hourly Earnings
Tax Preparers (13-2082)	2,120	2,238	118	6%	249	\$13.70	\$23.49	\$38.75
Tax Examiners and Collectors, and Revenue Agents (15-1121)	391	398	7	2%	29	\$26.06	\$40.40	\$58.88
	2,511	2,636	125	5%	277			

Exhibit 5. Los Angeles and Orange Counties

Occupation (SOC)	2018 Jobs	2023 Jobs	5-Yr Change	5-Yr % Change	Annual Openings	Entry-Level Hourly Earnings	Median Hourly Earnings	Experienced Hourly Earnings
Tax Preparers (13-2082)	6,935	7,228	293	4%	795	\$13.10	\$22.99	\$42.23
Tax Examiners and Collectors, and Revenue Agents (15-1121)	1,674	1,699	25	1%	121	\$23.27	\$38.63	\$58.15
	8,609	8,927	318	4%	917			

Appendix B: Sources

- O*NET Online
- Labor Insight/Jobs (Burning Glass)
- Economic Modeling Specialists, International (EMSI)
- Bureau of Labor Statistics (BLS)
- Employment Development Department, Labor Market Information Division, OES
- Employment Development Department, Unemployment Insurance Dataset

- Living Insight Center for Community Economic Development
- California Community Colleges Chancellor's Office Management Information Systems (MIS)
- MIT Living Wage
- Chancellor's Office Curriculum Inventory (COCI 2.0)

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