



ENROLLED AGENT EXAM GUIDE

A SYSTEM FOR SUCCESS **2021 EDITION**

Special Edition for **NATP**
National Association of
Tax Professionals

ENROLLED AGENT EXAM GUIDE

A System For Success

More EAs have used Gleim to pass the EA exam than any other review course or provider. Gleim is the preferred EA review provider of the National Association of Tax Professionals (NATP).



Preferred
Provider



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WHO IS THIS GUIDE FOR?

- ✓ Any EA candidate in need of exam strategies and processes on the way to becoming an EA.
- ✓ If you are an accountant who is not a CPA or an attorney, you should consider becoming an EA.
- ✓ If you are a CPA or an attorney and wish to specifically advertise your tax expertise, you should consider becoming an EA.

A MESSAGE FROM DR. GLEIM

Welcome to the 2021 edition of the Gleim Enrolled Agent Exam Guide: A System for Success. This exam guide provides the latest information on EA exam requirements, question types, study tips, testing strategies, and more so that you can be completely prepared when you take the exam.

My passion is helping accountants find success, and this passion fuels the Gleim mission to create the best EA exam prep materials on the market. Gleim courses are always effective and beneficial to the profession, and our contributions to the accounting world and exam prep industry are well-regarded among educators and accounting professionals around the globe.

Over 45 years ago, I set out to help people pass certification exams with affordable and reliable review materials by creating the first self-study CPA Review course. Since then, we have expanded to include CMA, CIA, and EA products, helping accountants across many industries succeed. While our mission and the core learning techniques we have perfected over the years remain the same, we have continually evolved, adding SmartAdapt™—our groundbreaking proprietary adaptive course platform—as well as our highly anticipated Gleim Instruct video lecture series to our EA Review course.



I hope this guide is a valuable resource for you as you begin your EA journey. Be sure to reach out to us if you have any questions. We're always here and always ready to help you move onward and upward.



– Dr. Irvin N. Gleim

ACKNOWLEDGMENTS

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WHY BECOME AN EA?

Enrolled agents are professionals who have demonstrated special competence in tax matters and professional ethics and are authorized to practice before the IRS as taxpayers' agents or legal representatives. "Practice before the IRS" includes all matters connected with presentations to the IRS relating to a client's rights, privileges, and liabilities under laws and regulations administered by the IRS.

EARNING THE EA DESIGNATION WILL



Give you opportunities to move forward in your career



Earn the respect of your peers



Increase your earning potential by 10% on average



Show that you are willing to invest in your professional development



Expand your customer base



Establish your expertise and improve your accounting knowledge and skill



Bring in more customers during the off-season



Help you build confidence in your abilities

This excerpt from a chart produced by the National Association of Tax Professionals (NATP) breaks down the rights you'll have when you become an EA:

	No Designation	EA
Provide missing information	✓	✓
Call about processing	✓	✓
Receive notices/copies	✓	✓
Respond about math errors and preparation	✓	✓
Argue tax law		✓
Disagree with the IRS on behalf of a taxpayer on a tax return anyone prepared		✓
Speak with the IRS in an audit of a tax return anyone prepared		✓
Communicate with an IRS Collections Officer on behalf of a taxpayer		✓
Handle appeals on behalf of a taxpayer		✓

THE STEPS TO BECOMING AN EA

- STEP 1** Become knowledgeable about the EA exam
- STEP 2** Obtain or renew your PTIN (more on page 12)
- STEP 3** Schedule your exam
- STEP 4** Prepare your study schedule
- STEP 5** Study for the exam
- STEP 6** Take the exam

Becoming an EA is a great way to signal to your clients that you're committed to meeting their needs. EAs have unlimited representation rights. Without an EA credential, a tax preparer is only able to represent clients whose tax returns they have prepared and signed. In contrast, EAs can represent their clients before the IRS on any matter, including audits and appeals.

In short, EAs act as agents of taxpayers faced with matters involving income taxes, estate and gift taxes, employment taxes, and excise taxes. Enrolled agents report high job satisfaction and higher than average income than tax preparers without a designation.

Everyone who works with federal tax returns should aspire to become an enrolled agent, and the Gleim Premium EA Review System makes it possible for most tax professionals and paraprofessionals to pass all three parts of the EA exam in one year.



01

BASICS OF THE EA EXAM

The enrolled agent (EA) exam is the most common name for the Special Enrollment Exam (SEE), which has been administered by the IRS since 1959. The IRS contracts with Prometric to develop and administer the EA exam, the passing of which is required in order to practice before the IRS for persons other than attorneys and certified public accountants (CPAs). The EA designation is a mark of distinction among tax professionals.

PROFESSIONAL ASSOCIATIONS AND GROUPS

Gleim partners with and supports many professional associations that help further the enrolled agent designation and the field of tax.

EXAM ADMINISTERED
SINCE 1959

.....

National Association of Tax Professionals (NATP)

The National Association of Tax Professionals (NATP) is the largest association dedicated to equipping tax professionals with the resources, connections, and education they need to provide the highest level of service to their clients. NATP is comprised of more than 23,000 leading tax professionals who believe in a superior standard of ethics and exemplify professional excellence.

Members rely on NATP to deliver professional connections, content expertise, and advocacy that provides them with the support they need to best serve their clients. The organization welcomes all tax professionals in their quest to continually meet the needs of the public, no matter where they are in their careers.

We encourage you to experience the benefits and support that come with an NATP membership when you join at natptax.com/gleim.

NATP and Gleim are committed to helping everyone in the tax preparation industry earn new credentials, better serve their clients, and reach the highest level of achievement in their careers.

NATP has partnered with Gleim because of their high-quality materials, and we're excited to offer them as a member benefit. The Gleim EA Test Bank and Digital Book Part 1 is available free to all NATP members. Members also receive substantial savings on Gleim, the #1 EA review course on the market.



IRS REQUIREMENTS TO BECOME CERTIFIED



EDUCATION AND EXPERIENCE

There are no particular education or experience requirements for the exam. However, candidates should be proficient in answering income tax accounting questions at an intermediate college course level. See page 16 for more information about the types of questions that appear on the EA exam.



EXAMINATION

Pass all 3 parts of the EA exam within 2 years.* All paid tax return preparers must have a **Preparer Tax Identification Number (PTIN)** renewed within the last year to register for the exam. Information on acquiring and renewing a PTIN can be found on page 12.



ETHICS

Pass a suitability check. This includes both a tax compliance check (to ensure that no outstanding tax liabilities are owed and necessary tax returns have been filed) and a criminal background check. To maintain your designation, you will be required to complete 2 hours of ethics continuing professional education each year after you pass. More information on maintaining your EA designation can be found on page 30.

**Due to the pandemic, the IRS extended the carryover period of candidates with credit that had not expired as of February 29, 2020, by 1 year. Candidates who passed a part of the EA exam on or before February 29, 2020, have 3 years from the date they passed their first part to pass any remaining parts.*



THE EA EXAM

The IRS selected Prometric to develop and administer the EA exam. To do so, Prometric conducted a survey of active enrolled agents to determine the common tasks they perform and the knowledge required to perform those tasks. The Exam Content Outlines (ECOs) and test questions were developed based on the survey's findings. Each year, some changes should be expected from prior examinations as emphases shift based on subsequent findings and as tax laws are passed or repealed.

Each testing period starts on May 1 and ends the following February. Each testing year's EA exam covers the tax law in effect the previous December 31. For example, the May 1, 2021 - February 28, 2022, testing window tests tax law in effect December 31, 2020. Our accounting and tax experts work to ensure each new edition thoroughly covers all applicable tax laws tested beginning May 1.

EXAM FORMAT

The EA exam consists of three distinct parts, with 3.5 hours of testing time for each part (4.25 hours total seat time including the tutorial and survey). Each exam part contains 100 multiple-choice questions (MCQs) and covers a wide range of taxation topics. There is an optional 15-minute break after the first 50 questions. Page 23 has more information about progressing through each section of the exam.

Part 1
Individuals

Part 2
Businesses

Part 3
Representation, Practices
and Procedures

3.5 HOURS EACH

100 MCQs EACH

SUBJECT MATTER TESTED

The questions on the exam test candidates' ability to complete and file forms and tax returns, as well as represent taxpayers before the IRS. The exam covers federal taxation; tax accounting; and the use of tax return forms for individuals, partnerships, corporations, trusts, estates, and gifts. It also covers ethical considerations and procedural requirements.

Below are the main sections of each part of the exam and the approximate number of questions within each section. Questions in each exam part are randomized.

PART 1

(100 questions, including 15 experimental questions)

Individuals

Section 1: Preliminary Work and Taxpayer Data	14 Questions
Section 2: Income and Assets	17 Questions
Section 3: Deductions and Credits	17 Questions
Section 4: Taxation	15 Questions
Section 5: Advising the Individual Taxpayer	11 Questions
Section 6: Specialized Returns for Individuals	11 Questions

PART 2

(100 questions, including 15 experimental questions)

Businesses

Section 1: Business Entities and Considerations	30 Questions
Section 2: Business Tax Preparation	37 Questions
Section 3: Specialized Returns and Taxpayers	18 Questions

PART 3

(100 questions, including 15 experimental questions)

Representation, Practices and Procedures

Section 1: Practices and Procedures	26 Questions
Section 2: Representation before the IRS	25 Questions
Section 3: Specific Areas of Representation	20 Questions
Section 4: Filing Process	14 Questions

The exam breakdowns above reflect the Exam Content Outlines released by the IRS in January 2021, but are subject to change. Gleim will update this material if any changes occur.

WHICH TAX LAWS ARE TESTED?

The 2021 test window begins May 1, 2021, and is offered continuously through February 28, 2022.

IMPORTANT 2021 EXAM DATES

May 1, 2021 – February 28, 2022

EA exam tests 2020 tax laws



Gleim monitors all changes the IRS makes to the exam and continually updates materials at the appropriate time for candidates to prepare. Check [gleim.com/EAblog](https://www.gleim.com/EAblog) for updates!

GRADING

Because exams may contain experimental questions, scaled scores are determined by dividing the number of correctly-answered questions from the total number of questions in the exam and then converting the result to a scale that ranges from 40 to 130.

A PASSING SCORE

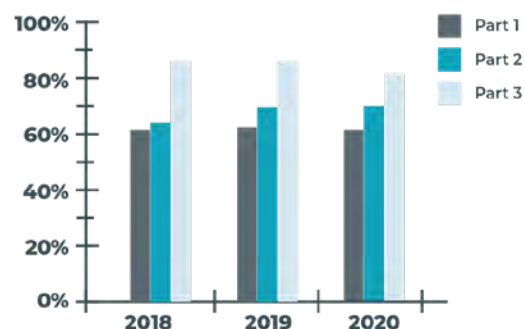
The IRS sets the scaled passing score at 105 (approximately 70%), which corresponds to the minimum level of knowledge deemed acceptable by professionals practicing before the IRS.



Exam scores are confidential and revealed only to the candidate and the IRS. You will receive your result on screen at the end of the exam and be given a printed report before leaving your test site.

EA EXAM PASS RATES

Part	2017-2018	2018-2019	2019-2020
Part 1: Individuals	61%	62%	61%
Part 2: Businesses	65%	69%	70%
Part 3: Representation, Practices and Procedures	86%	86%	81%



EA EXAM COSTS

There are three fees you must pay to take the EA exam:

- ✓ Scheduling Fee (each part) US \$185
- ✓ Enrollment to Practice before the IRS Application Fee US \$67
- ✓ Preparer Tax Identification Number (PTIN) Fee* US \$35.95

**This includes a fee of \$21 plus a \$14.95 third-party processing fee for a total of \$35.95. Note that this is not a one-time fee. This amount is the annual PTIN renewal fee.*

That adds up to \$657.95 before factoring in review materials. It isn't cheap, but it is more accessible than a certification like the CPA, which costs about \$1,000 in fees and has much more stringent requirements before you're allowed to test.

But think of exam costs as an investment. Investing in yourself is one of the greatest things you can do with your time and money. Think about what you want out of your career and what kind of investment your current circumstances will allow you to make. CPAs do tend to make more in lifetime earnings, but due to reduced requirements to take the exam, becoming an EA will allow you to experience the benefits of a certification sooner. Becoming an EA can help you advertise tax expertise as you work toward other certifications, like the CPA.

Certification costs can add up, but know that all certified professionals report higher average earnings and better career growth.



SIGNING UP FOR THE EA EXAM

There are three steps you must follow, in order, before you can take the EA exam:

- 01** Obtain or renew your Preparer Tax Identification Number (PTIN)
- 02** Complete and file Form 2587 (can be done online at prometric.com/irs)
- 03** Schedule an exam part with Prometric

01

PREPARER TAX IDENTIFICATION NUMBER (PTIN)

To obtain a PTIN, you must complete Form W-12 online or by mail. Gleim recommends online because it provides you with a PTIN instantly.

1. Go to irs.gov/ptin
2. Create your account
3. Complete the application for a new PTIN

As of July 2020, the IRS has reinstated the fee to obtain and renew PTINs. The required fee is \$21 plus a \$14.95 third-party processing fee for a total of \$35.95.



A Prometric user profile is required to schedule and sit for the exam, so completing this step online saves time.

02

FORM 2587

You must have your PTIN to complete this step.

In lieu of filing a physical Form 2587, Gleim recommends you create your Prometric user profile at prometric.com/irs and follow the instructions there for filling out the required information.

03

SCHEDULE WITH PROMETRIC

You must have filed Form 2587 or filled out the required information on Prometric's website to complete this step.

Go to prometric.com/irs and click the "Schedule Your Exam" link, then follow the prompts.

- ✓ The \$185 testing fee for each part of the examination is due at the time the examination is scheduled.
- ✓ You will be provided a number confirming your appointment. You will need this number to reschedule, cancel, or otherwise change your appointment.

Rescheduling or Canceling Your Appointment

If you need to change the date, time, or location of your exam, you must contact Prometric. There is no fee if you reschedule at least 30 days before your appointment date. If you reschedule or cancel 5 to 29 days prior to your appointment, there is a \$35 fee. You must pay another full \$185 fee if you reschedule within 4 days of your appointment.

WHEN AND WHERE TO TAKE THE EXAM

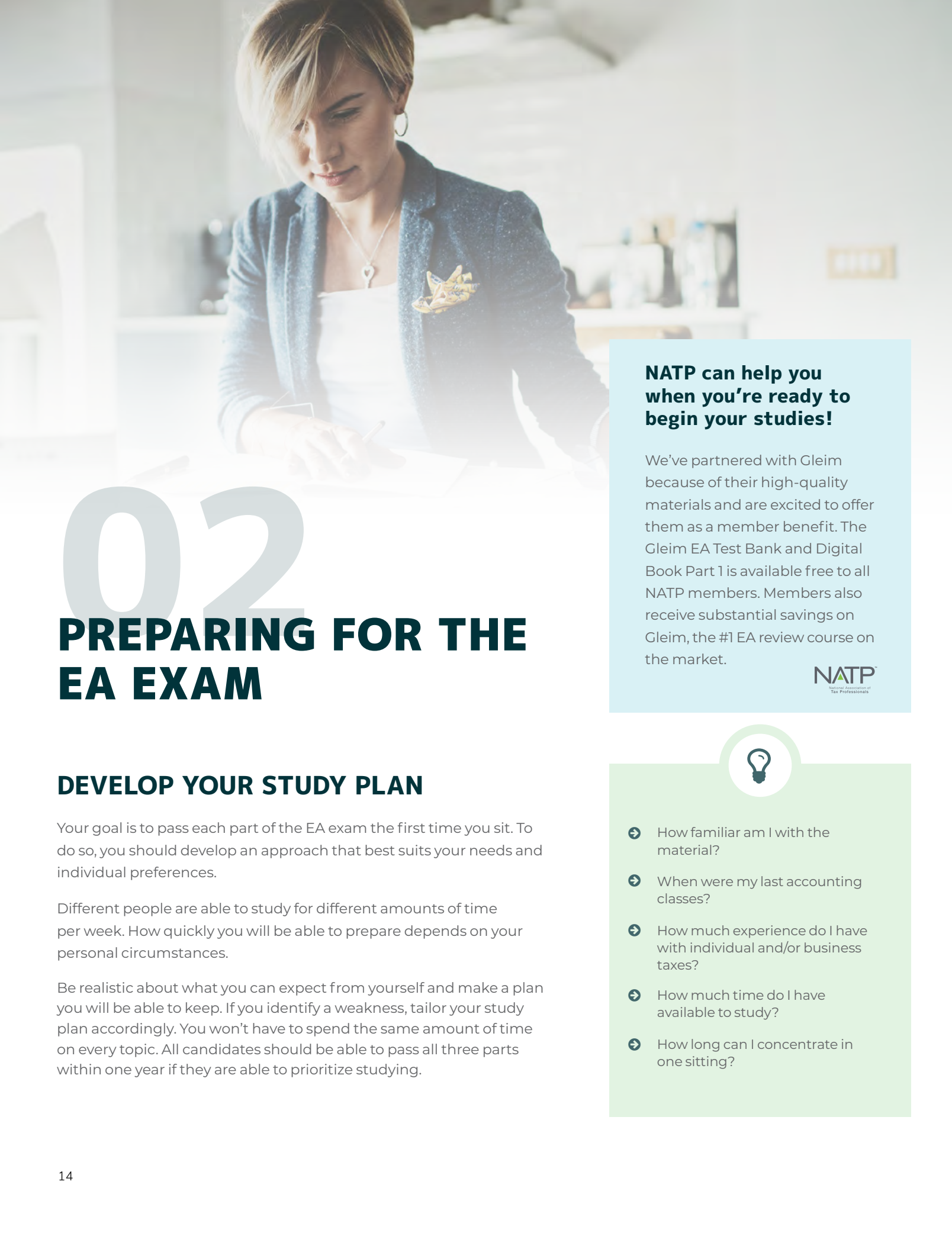
For US-based* candidates, Prometric offers the EA exam continuously during each annual testing window from May 1 to the end of February the following year. The EA exam is not offered during the blackout months between windows to give the IRS and Prometric time to update the exam for a new year of tax laws.

Register for an exam part early to give yourself more flexibility when scheduling with Prometric. Prometric testing centers administer many different exams, and testing centers can become booked up. The sooner you register and schedule your appointment, the more likely you are to get a convenient appointment time at the nearest testing center.

All three exam parts do not have to be taken or scheduled during the same test window, and candidates can sit for examination parts up to four times each during a test window. That said, we recommend candidates try to pass all three exam parts within one year and pass each part the first time. This is an attainable goal for most tax professionals. The next section will show you how.



**At the time of print, international testing dates and locations were not yet available for the May 1, 2021 - February 28, 2022, testing window. Gleim will update [gleim.com/EANews](https://www.gleim.com/EANews) with these dates and locations as they become available.*



02

PREPARING FOR THE EA EXAM

NATP can help you when you're ready to begin your studies!

We've partnered with Gleim because of their high-quality materials and are excited to offer them as a member benefit. The Gleim EA Test Bank and Digital Book Part 1 is available free to all NATP members. Members also receive substantial savings on Gleim, the #1 EA review course on the market.



DEVELOP YOUR STUDY PLAN

Your goal is to pass each part of the EA exam the first time you sit. To do so, you should develop an approach that best suits your needs and individual preferences.

Different people are able to study for different amounts of time per week. How quickly you will be able to prepare depends on your personal circumstances.

Be realistic about what you can expect from yourself and make a plan you will be able to keep. If you identify a weakness, tailor your study plan accordingly. You won't have to spend the same amount of time on every topic. All candidates should be able to pass all three parts within one year if they are able to prioritize studying.



- ➔ How familiar am I with the material?
- ➔ When were my last accounting classes?
- ➔ How much experience do I have with individual and/or business taxes?
- ➔ How much time do I have available to study?
- ➔ How long can I concentrate in one sitting?

THE GLEIM EA REVIEW SYSTEM WITH SMARTADAPT™ TECHNOLOGY

Success on the EA exam requires a systematic approach to your preparations and exam-day strategy. With Gleim, it's as simple as following the steps below when preparing for the EA exam—guaranteed!*

Gleim EA features the most comprehensive coverage of exam content using proven techniques and innovative new technology to help you study smart.

Gleim EA Review features our proprietary, groundbreaking SmartAdapt technology and highly rated Gleim Instruct video series.



STEP 1: CREATE A BASELINE

Discover your strengths and weaknesses by taking a Diagnostic Quiz. Our SmartAdapt technology analyzes your results and creates a baseline to guide you through your studies, so you can learn more efficiently.



STEP 2: STUDY IDENTIFIED AREAS

Learn the concepts SmartAdapt has identified for you by studying recommended outlines and/or watching selections of our highly acclaimed Gleim Instruct videos. This will ensure you master the knowledge required.



STEP 3: MASTER THE IRS EXAM CONTENT OUTLINES

Practice and perfect your EA question-answering techniques by taking a series of adaptive multiple-choice questions. SmartAdapt tests your understanding of exam topics through customized quizzes. Answering exam questions followed by analyzing the answer explanations allows you to develop a deeper understanding of tested topics for better results.



STEP 4: COMPLETE YOUR FINAL REVIEW

After completing all study units, take the Gleim Exam Rehearsal, a full-length practice exam. Premium users have two Exam Rehearsals and Traditional users have one. If you are a Premium user, take your second Exam Rehearsal a couple days before your actual exam. The course evaluates your exam results and walks you through a Final Review mode just before you sit for your exam.

Which Order Should I Take the Exam Parts in?

Based on the experience of our customers who have taken all three parts of the exam, Gleim recommends that candidates sit for Parts 1 and 2 before taking Part 3.

Feedback indicates that Part 3 candidates should be knowledgeable about topics covered in Parts 1 and 2 as they relate to the topics that Part 3 tests.

**The Gleim Premium Review System includes our no-hassle Access Until You Pass® guarantee.*

AVERAGE STUDY TIME

At minimum, you should plan on spending at least 10 hours per week studying.

PART 1

🕒 80-90 HOURS

📅 7-9 WEEKS

PART 2

🕒 110-120 HOURS

📅 10-12 WEEKS

PART 3

🕒 45-55 HOURS

📅 4-6 WEEKS

With this as a baseline, most candidates should be able to prepare for and pass a part of the EA exam within 2 or 3 months and all 3 parts within 1 year.

WHEN AND WHERE TO STUDY

You should study when and where you study best. The exam center is very quiet, so candidates should complete practice exams in a similar environment. Find study areas that are calm, well-lit, and distraction-free, and schedule your study time for when you are most productive and able to focus. If you're a morning person, don't expect to get your best studying done into the late hours of the night. Make EA review your top priority until you've passed the exam.

Gleim EA Review makes it easy to study anywhere. Access your course on your phone, tablet, or laptop. Look for nearby libraries, hotels, coffee shops, and restaurants that have free wifi, a good ambiance, and comfortable chairs. If your commute is long or you use public transportation, consider spending that time listening to audio lectures.

Take Advantage of the Gleim Study Planner

Gleim has developed a Study Planner (available through the Gleim EA Review Course) to allow you to personalize your study schedule based on your commitments, limitations, etc. It's important to set attainable goals, and the Study Planner can help.

It's easy to feel overwhelmed by everything in front of you, but breaking your exam preparation into manageable blocks makes passing simple. Just take it one step at a time.

Have an idea of how much you want to accomplish each week during your study sessions and hold yourself to that goal. Speak to a Gleim Personal Counselor for assistance in staying on track. Call (800) 874-5346, ext. 498, or email PersonalCounselor@gleim.com.

MULTIPLE-CHOICE QUESTIONS

There are three different types of EA exam Multiple-Choice Questions (MCQs), but, at the most basic level, each question consists of three parts:

THE QUESTION STEM:

The question stem includes the question, details necessary for answering the question, and extraneous information.

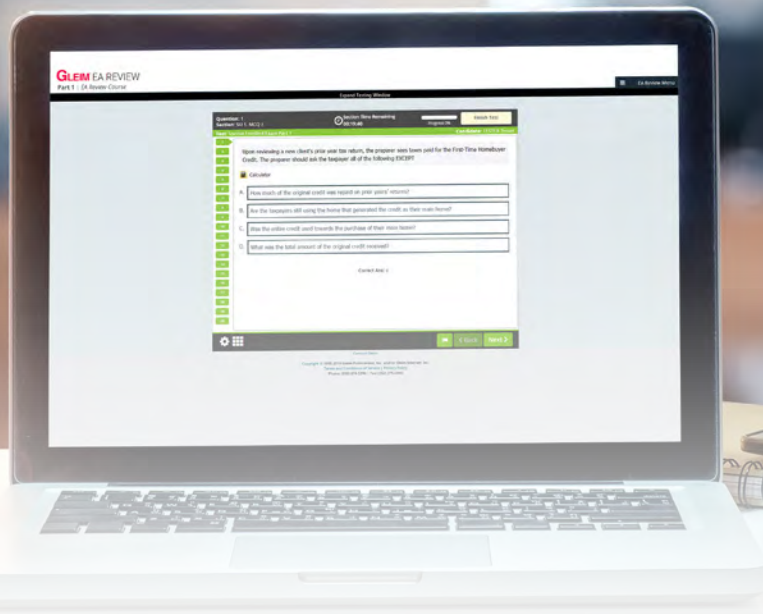
THE BEST ANSWER CHOICE:

The correct answer is the best possible answer choice of the four answer choices provided.

THE DISTRACTORS:

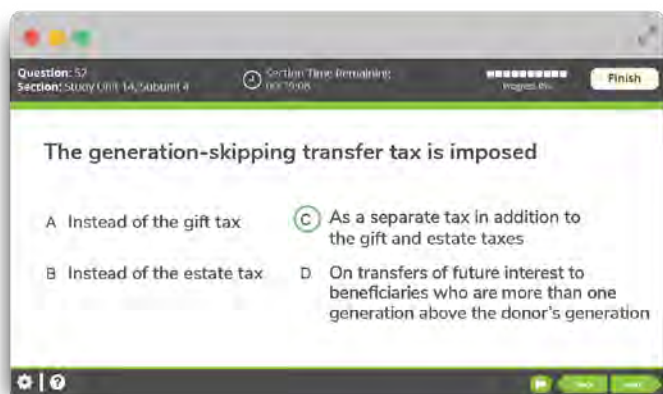
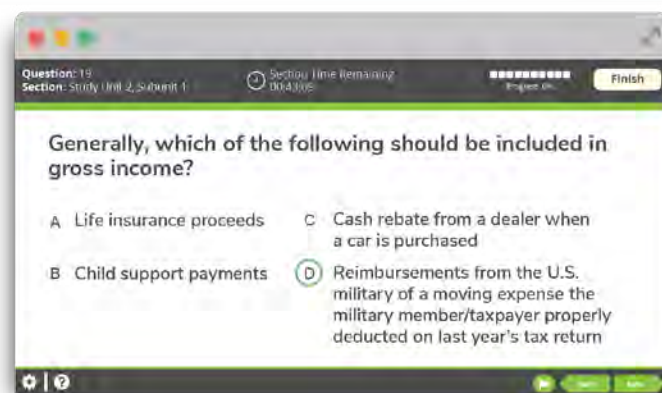
The remaining three answer choices are designed to distract you by seeming plausible.

You will have 3.5 hours to complete 100 MCQs on each exam part, and you could see any combination of the three different MCQ types we describe on page 17.



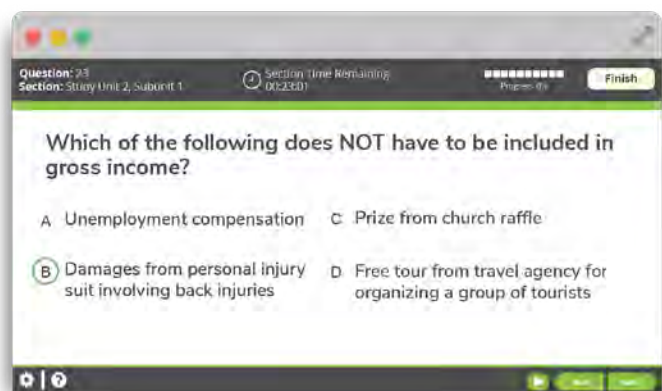
01 DIRECT QUESTIONS

This is the type of MCQ most candidates will be familiar with, and it's the most common type of question on the EA exam. Direct questions are straightforward and present four single-statement answer choices. Choose the response that best answers the question.



02 INCOMPLETE SENTENCES

This MCQ requires you to select the answer that best completes the statement.



03 NEGATIVE QUESTIONS

Sometimes MCQs include negative phrasing with the words EXCEPT or NOT in all caps. Pay special attention when you see negative words. If you're moving through the questions quickly, it can be easy to gloss over what the question is actually asking. Remember, select the answer that is NOT like the others.

MULTIPLE-CHOICE ANSWERING TECHNIQUES

A solid multiple-choice answering technique will help you maximize your score on each part of the EA exam. Remember, knowing how to take the exam and answer individual questions is just as important as studying the subject matter tested on the exam. This will reduce stress and the number of surprises you experience on exam day.

WORK THROUGH THE QUESTION SYSTEMATICALLY.

1. Start by reading the sentence that is actually asking the question.

This is usually the last sentence of the question stem. Use the question to decide what information in the stem is essential and what is extraneous.

2. Read the answer choices carefully.

- ✓ Even if the first answer appears to be the correct choice, do not skip the remaining answer choices. Questions often ask for the “best” of the choices provided.
- ✓ Treat each answer choice as a true/false question as you analyze it.
- ✓ In computational items, distractors are carefully calculated such that they are the result of making common mistakes. Be careful, and double-check your computations if time permits.

3. Determine the best available answer.

You should have an idea of what the best answer will be before you see it.

MAKE AN EDUCATED GUESS.

Do not agonize over any one item. If you encounter an EA exam question that is ambiguous or unfamiliar, make an educated guess. Educated guessing involves three steps:

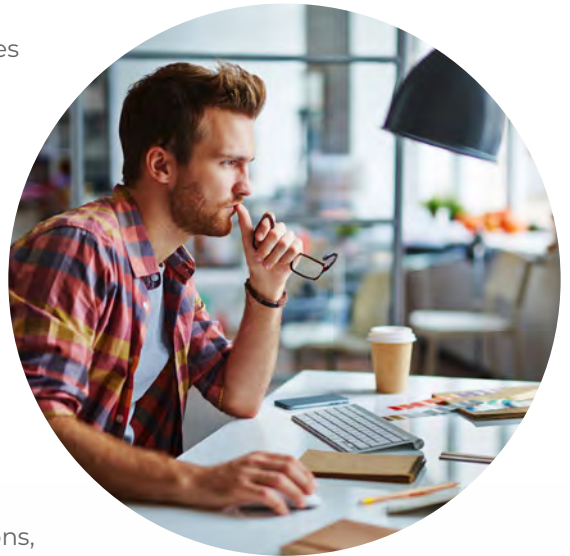
- 01** Rule out easily identifiable distractors.
- 02** Speculate on the rationale behind the question. Ask yourself, “What does the IRS want me to know?” or “Why does the IRS want to test this?”
- 03** Select the best answer or your best guess between two equally appealing options.

You have a 25% chance of answering the question correctly by blindly guessing. For many multiple-choice questions, one or two answer choices can be eliminated with minimal effort, which increases your odds of getting the answer right considerably.

Then, once you’ve made your guess, flag that question and move on. You can return to the question during your review, but you should not waste time agonizing over your best guess before you’ve answered all of the exam questions.

When you review, unless you made an obvious mistake or computational error, try to avoid changing the answer at the last minute. Your first guess is usually the most intuitive.

Using the Gleim EA Review Course, you will get plenty of practice perfecting educated guessing. This is one of the reasons we ask you to complete a quiz before you review the material. During your study sessions, read the answer explanations for all of the questions so you can see the results of your guess and get the information you need to avoid guessing next time.



NEVER LEAVE A QUESTION UNANSWERED.

Your score is based on the number of questions you answer correctly. You are not penalized for answering a question wrong, which is why you don't want to leave a question unanswered and why we recommend educated guessing. Remember to click the "Flag" button at the bottom of your screen for every question you guess on and plan on returning to later if time allows.

If you cannot rule out options to make an educated guess, pick the most intuitive answer. Your gut is usually correct, and you have just increased your chances of earning points from 0% (leaving it unanswered) to 25% by making an intuitive guess.

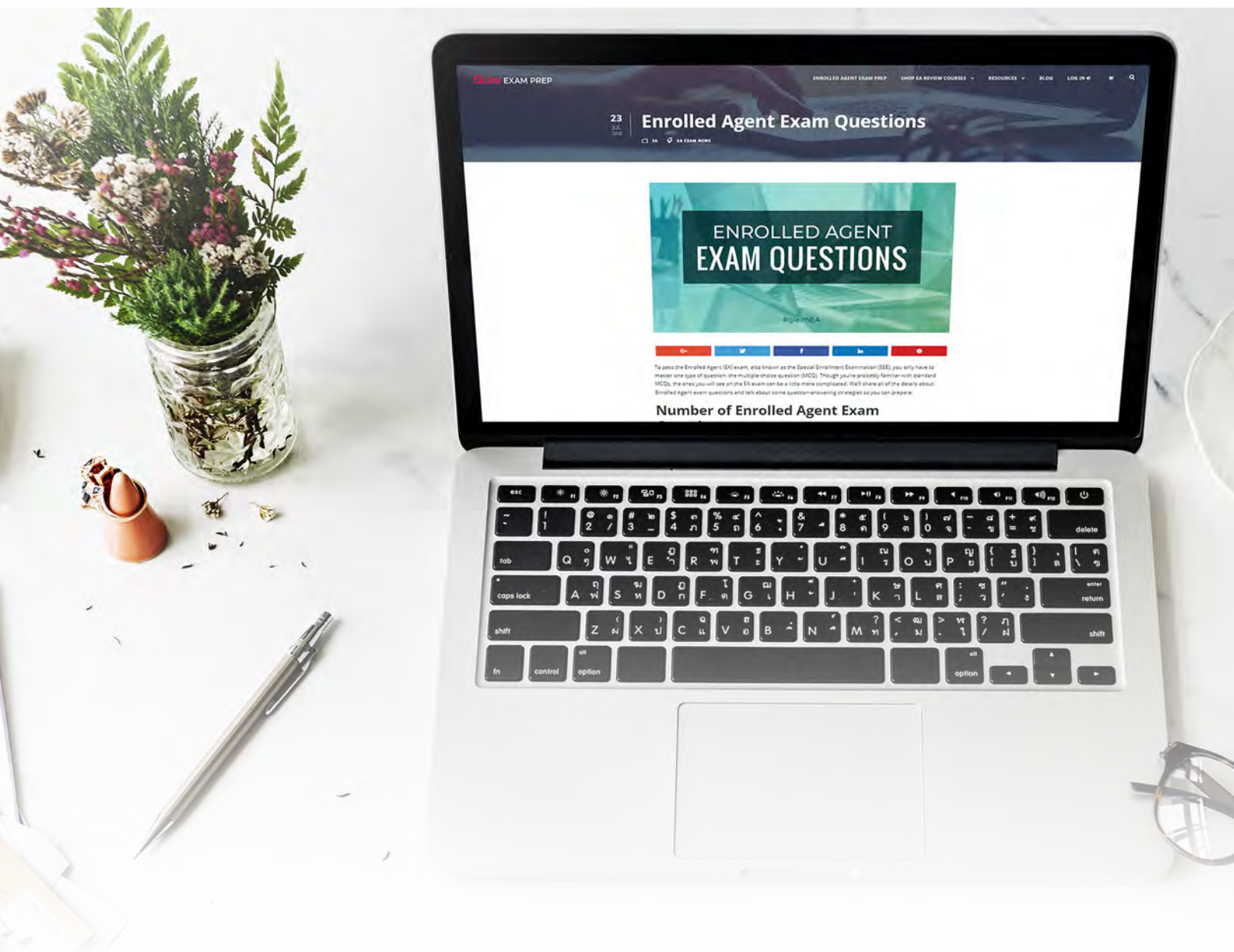
LEARN FROM YOUR MISTAKES.

Learning from questions you answer incorrectly is very important. Each question you answer incorrectly during your practice quizzes is an opportunity to avoid missing actual test questions on your EA exam. Carefully study the answer explanations provided until you understand why the original answer you chose is wrong, as well as why the correct answer is right. You should even do this for questions where you made an educated guess. This will help inform your intuition for future questions and sharpen that skill before exam day.

There are seven errors that test-takers commonly make. The first six errors can be fixed by practicing working through the questions systematically and keeping calm on test day. The seventh is just a matter of giving yourself enough time to learn the material. But all of these potential pitfalls can be fixed before you sit for the exam. Making a conscious effort to learn from your mistakes while studying is the difference between passing and failing for many EA candidates.

SEVEN COMMON ERRORS

- ✓ Misreading the question stem
- ✓ Not understanding what is required
- ✓ Making a math error
- ✓ Applying the wrong rule or concept
- ✓ Being distracted by one or more of the answers
- ✓ Eliminating answers from consideration too hastily
- ✓ Not knowing the topic tested



FOLLOW A TIME MANAGEMENT SYSTEM.

Each part of the EA exam consists of 100 multiple-choice questions to be answered in 3 hours and 30 minutes. The exam is broken into 2 sections of 50 questions each. There is an optional 15-minute break once you complete the first 50 questions. These 15 minutes are not counted toward your 3 hours and 30 minutes of testing time.

If you complete your 100 multiple-choice questions by allocating 1.5 to 2 minutes per question, you will have 5-30 minutes per section (10-60 minutes total) for review. By perfecting your question-answering technique and systematically preparing for EA topics, you will have all the confidence you need on exam day to maximize points on every question. We cover time management in more detail on page 24.

TOOLBAR ICONS AND NAVIGATION

Below is an emulation of what you can expect to see when you take the EA exam (based on Prometric's SEE Tutorial). Gleim strongly suggests that you access and work your way through the entirety of the tutorial. Become familiar with the calculator, methods of navigation, review screen, etc.

Doing so, along with using the Prometric-emulating screens in the online components of the Gleim Premium EA Review System, will put you completely at ease with the exam environment on test day—so much so you may feel like you are still comfortably practicing at home.

The screenshot displays the EA exam interface with the following elements and callouts:

- 1**: Question: 2, Section: Section
- 2**: Section Time Remaining 00:12:09
- 3**: Progress 0%
- 8**: Test: (Navigation icons for questions 1 through 5)
- 4**: Question text: Tom Brown, who is single, owns a rental apartment building property. This is the only rental property that Tom owns. He actively participates in this rental activity as he collects the rents and performs ordinary and necessary repairs. In 2020, Tom had a loss of \$30,000 on this rental activity and had no reportable passive income. His adjusted gross income, without regard to this rental loss, is \$60,000. How much of the rental loss may Tom deduct on his 2020 return?
- 4**: Answer options:
 - A \$0
 - B \$6,000
 - C \$30,000
 - D \$25,000
- 9**: Settings, Grid, and Help icons
- 5**: Flag icon
- 6**: Back button
- 7**: Next button

1. QUESTION NUMBER AND SECTION

Displays the question number (out of 100) you are currently viewing and the title of the current section. The sections of the exam are listed in the table below:

Section	Number of Screens	Allotted Time
Exam overview and tutorial	13	9 min.
Break policy	1	2 min.
Exam section 1	50	1 hr., 45 min.*
Optional break	1	15 min.
Exam section 2	50	1 hr., 45 min.*
Survey	10	7 min.
Conclusion	1	2 min.

**The EA exam will not limit the time spent in either section, but you should divide your time between sections equally.*

2. SECTION TIME REMAINING

Indicates time remaining in the section. When clicked, reveals the time remaining in the overall exam. During the exam, try to stick to your time budget of 1.5 minutes per question.

3. PROGRESS BAR

Tracks how far along you are in the exam and shows the percentage of questions answered.

4. ANSWER CHOICES

To select an answer, click the box that contains it. Once clicked, the box will be highlighted. To change your answer, simply click a different box.

5. FLAG

Click this button to flag any question you wish to return to later. Keep these to a minimum while doing practice exams and on the real EA exam to maintain your time budget.

6. BACK

Click this button to move to the previous question (backward).

7. NEXT

Click this button to move to the next question (forward).

8. QUESTION NUMBERS

A numbered list where you can track your position in the exam questions at a glance. Gleim recommends answering the questions sequentially, but you can use these numbers to navigate the questions.

9. SECTION REVIEW

Use this grid to travel directly to a question or filter questions by unattempted, attempted, or flagged.



If you would like even more detail about the test-taking experience, access Prometric's Free SEE Tutorial at prometric.com/irs and click the "SEE Tutorial" link under the "Prepare for your Exam" section.

Gleim EA Review emulates the exam environment to reduce candidates' test anxiety. When you get to the exam center, you will be so familiar with the format that you will feel right at home!

CALCULATOR

An on-screen calculator will be accessible through the Prometric interface. It performs basic arithmetic such as addition, subtraction, multiplication, and division, and will be sufficient for the questions you will encounter on the exam.

THE GLEIM TIME MANAGEMENT SYSTEM

Managing your time well is critical to passing the EA exam. The only information you get during your exam is a clock providing the hours, minutes, and seconds remaining. There will be no guidance for breaks or time allocation within each section.

You must budget your time so you can complete 100 multiple-choice questions in 3.5 hours. The key to success is becoming proficient in answering multiple-choice questions at a rate of 1.5-2 minutes per question. This will leave you 10-60 minutes total to review.

The exam is broken into two halves of 50 questions separated by an optional break. Once you submit your first 50 questions, you will choose to either take an optional 15-minute break or begin the next 50 questions. Be sure to check your work before submitting your answers. Once you submit your responses, you will not be able to return to them.










If you need to use the restroom, stretch, etc., the 15-minute break is the time to do so. Make sure you don't exceed your 15 minutes. The exam clock will resume after 15 minutes no matter what! If you don't feel you need a break, you can choose to resume the test and keep your momentum.

You should only spend 2+ minutes on the most difficult questions, and you shouldn't spend a full 90 seconds on a question if you're already sure of your answer. The 1.5 minutes per question pace should be your target average over the course of your practice quizzes and exams.

The more questions you answer at a 1.5-minute pace, the more time you will have to review.

TIME BUDGET FOR THE EXAM

Use one page of scratch paper (provided at Prometric) for your Gleim Time Management System at the exam. As soon as the exam starts, write 1, 21, 41, etc., in a column to the left followed by 3:30, 3:00, 2:30, etc., respectively in a column to the right. It should look like this:

QUESTION 1	 3:30	1ST REVIEW (complete after question 50)	 2:15	QUESTION 71	 1:15
QUESTION 21	 3:00	BREAK (clock stops)	 1:45*	QUESTION 91	 0:45
QUESTION 41	 2:30	QUESTION 51	 1:45	2ND REVIEW	 0:30

**You should aim to start your break at the midway point (1 hour 45 minutes), meaning you need to finish the first 50 questions and review your answer choices to those questions by the time the clock hits 1:45. Once your break starts, the exam clock will pause. It will automatically resume after 15 minutes or when you choose to continue the exam, whichever is earlier.*

As you complete each set of questions, note when you finish, and then start the next set. This will help you gauge your pace and ensure you finish with enough time left to review the questions you flagged.

Practice makes perfect!

We use 20-question practice exams because they are of sufficient length for a work session but are not too long. Since we have been helping candidates pass certification exams since 1974, we can say with confidence that our years of experience have proven that 20-question practice exams work.

You will have no trouble budgeting your time on the EA exam after extensive practice with 20-question exams. Each practice exam should be completed in 30 minutes (plus 10 minutes for review) under exam conditions. Practice marking questions you wish to return to, but select the best answer for each question on your first pass.

Act as if each practice exam is being performed on test day!



Time Management Advice

Any extra time you build into your overall budget should be used wisely. Ultimately, you want to make full use of all time available. No matter how much extra time you have left, use it wisely and use it all; don't leave the testing center early.



STUDY YOUR EXAM SITE LOCATION

A few weeks before you sit for your exam, take some time to become familiar with your exam site. Prometric testing centers vary in how they are operated. You will be more confident on exam day if you know what to expect at the testing center.

One way to become familiar with your chosen test site is to do a Prometric Test Drive (register for free via prometric.com/irs) sometime before your first section. A Test Drive is a 30-minute, real-world, end-to-end practice run at Prometric. You will not receive real EA exam questions, but you will be able to experience locating your test site, checking in, and running through a generic sample test.

NOTE: The Test Drive should not be used as a replacement for Prometric's Free SEE Tutorial or the Gleim Exam Rehearsal, which is part of the Gleim Premium EA Review System.



03

SITTING FOR THE EA EXAM & BEYOND

THE DAY OF YOUR EA EXAM

DOs

- ✓ Arrive at the testing site about 30-60 minutes ahead of your appointment time.
- ✓ Bring snacks, drinks, etc., to the testing site. You will have to leave these items in a locker or a designated area.
- ✓ Wear comfortable clothing.

DON'Ts

- ✗ Bring study materials to the testing site.
- ✗ Bring coats or umbrellas to the testing site.
- ✗ Wear excessive clothing. You will not be allowed to remove any outerwear once you are in the testing room.



Exam Rehearsal

The Gleim Exam Rehearsal is designed to emulate the EA test-taking experience at Prometric. This timed and scored exam assesses you not only on the content you have studied, but also on the question-answering and time management techniques you have learned throughout the Gleim study process.

When you have completed your Exam Rehearsal, our SmartAdapt technology will evaluate your results and walk you through a Final Review mode just before you sit for your exam.

ID REQUIREMENTS

You must present a valid, nonexpired form of identification before you can test.

The ID must

- ✓ Be government-issued (e.g., driver's license, passport, state-issued identification card, or military identification card),
- ✓ Contain both a current photo and your signature (if it does not, you must present two identification cards: one with your photo and one with your signature),
- ✓ Closely resemble your appearance on the date of testing, and
- ✓ Have a first and last name that exactly matches the first and last name used to register for the examination (including designations such as Jr. and III).

If the names do not match, you will not be permitted to test unless you are able to provide an original, certified marriage certificate or an original, certified legal name change document. Photocopies will not be accepted.

Failure to provide valid ID at the time of the examination is considered a missed appointment. As a result, you forfeit your fees. For more information, contact Prometric ([prometric.com](https://www.prometric.com)).

All Amish/Mennonite examinees without proper identification must present a certified or notarized birth certificate. In addition to the birth certificate, the examinee must present any one of these identifications:

- ✓ IRS Form 4029 (Must be signed by both IRS and SSA)
- ✓ A non-photo bearing, state-issued ID (as permitted by law)
- ✓ A Social Security Card

BEGINNING THE EXAM

Once you are escorted to a workstation by test center staff, you must remain in your seat during the examination, except when authorized to get up and leave the testing room by test center staff. There will be candidates taking many different exams in the room with you (financial exams, medical exams, etc.).

When you finish the examination, quietly leave the testing room, turn in your scratch paper, and sign the test center log book. The test center staff will dismiss you after completing all necessary procedures.

For more information on Prometric regulations, accommodations, testing experience, etc., go to Prometric's website ([prometric.com](https://www.prometric.com)).



Flashcards

It is always a good idea to get the wheels turning prior to sitting for an exam. Remember, you should not be studying or cramming on the day of your exam. Instead, just review a few flashcards with formulas or anything else you tend to have trouble recalling. This is an opportunity for you to visualize those items and begin to focus on the tested materials. Doing so will prevent a slow start at the beginning of your exam. Do not bring these to the testing center.

COMPUTER PROBLEMS

There is about a 1% chance of experiencing a computer problem. The most common problem requires staff to reboot your computer. According to Prometric, you will lose a minute of testing time at most. If you have a computer problem, do not erase any messages on the screen or try to fix the system yourself. Stop, raise your hand, and tell the exam proctor. Note the time it occurred and when it is rectified.

According to the Candidate Information Bulletin, you should report questions or concerns to Prometric. Please also let Gleim know about any issues by emailing EA@gleim.com.

NONDISCLOSURE AGREEMENT

The EA exam is nondisclosed. The following is taken verbatim from the IRS's Candidate Information Bulletin dated 2019. It is reproduced here to remind all EA candidates about the IRS's strict policy of nondisclosure, which Gleim consistently supports and upholds.

This exam is confidential and proprietary. It is made available to you, the examinee, solely for the purpose of assessing your proficiency level in the skill area referenced in the title of this exam. You are expressly prohibited from disclosing, publishing, reproducing, or transmitting this exam, in whole or in part, in any form or by any means, verbal or written, electronic or mechanical, for any purpose, without the prior express written permission of the IRS.

We value and depend on feedback from EAs and EA candidates to know how to improve our materials, with emphasis on topics to be strengthened and/or added specifically within our course.

When you have completed the exam, please contact Gleim at [gleim.com/feedbackEA](https://www.gleim.com/feedbackEA) with your suggestions, comments, and corrections. You can help the next batch of EA candidates prepare, and we want to know how well we prepared you for your testing experience.

CANDIDATE MISCONDUCT AND CHEATING

The following paragraph is taken verbatim from the IRS's Candidate Information Bulletin:

The IRS takes candidate misconduct, including cheating, very seriously. If the IRS determines that a candidate is culpable of misconduct or has cheated, the candidate will be subject to a variety of penalties including, but not limited to, invalidation of test scores, disqualification from subsequent test administrations, and civil and criminal penalties. In cases where candidate misconduct or cheating is discovered after a candidate has obtained an Enrolled Agent card, the IRS may rescind the card.

Be sure to read your Candidate Information Bulletin so you know the guidelines regarding misconduct and items that are prohibited from the exam site.

CANDIDATE SCORE REPORTS

Between May 1, 2021, and August 1, 2021, enrolled agent candidates will **not** receive their score immediately after completing their exam. During this period, Prometric and the IRS will collect and analyze test results to establish the passing score. Scores will then be released by email starting August 5, 2021.

Beginning August 2, 2021, scores will be released normally. That is, upon completion of the exam, a pass/fail message will appear on your computer screen, and you will later receive an email from Prometric containing your score report.

To print your score report from Prometric's website:

- 1 Go to scorereports.prometric.com.
- 2 Enter your full exam confirmation number. It must be 16 digits in length and include leading zeros, when applicable.
- 3 Enter your last name.
- 4 Click the "Validate Score Report" button.
- 5 Click the green "Print Score Report" button.

For a passing exam, the score report will only show a passing designation. It will not show a score.

For a failing exam, the score report will show a scaled score between 40 and 104. In addition, diagnostic information detailing the section(s) in which the candidate needs improvement is provided.

Many EA candidates do not pass all parts on their first attempt and have to take at least one part twice. Candidates who pass a part (or parts) of the examination can carry over passing scores for up to 2 years* from the exam date of the first exam part passed.

**Due to the pandemic, the IRS extended the carryover period of candidates with credit that had not expired as of February 29, 2020, by 1 year. Candidates who passed a part of the EA exam on or before February 29, 2020, have 3 years from the date they passed their first part to pass any remaining parts.*

If you receive a failing score

- ➡ First, you should analyze your score by using the diagnostic information in your score report.
- ➡ Then, contact your Personal Counselor so we can help you get back on track with your studies and help you create a personalized revision plan.

Level of Proficiency Definitions

Level 1: Weak

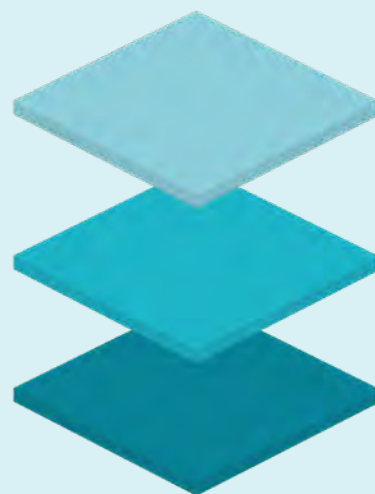
Additional study is necessary. It is important for you to focus on this area as you prepare to take the test again. You may want to consider taking a course or participating actively in a study group on this topic.

Level 2: Marginal

You need some additional study in this area. To maximize your score, prioritize weak areas, but don't neglect any topics where you received a marginal score. There are still points there.

Level 3: Strong

You clearly demonstrated an understanding of this subject area.



AFTER YOU PASS

Congratulations! After you enroll, you'll be an official enrolled agent.

ENROLL TO PRACTICE BEFORE THE IRS

Within 1 year from the date of passing all parts of the exam, eligible persons who wish to be enrolled to practice before the IRS must complete and submit an application, Form 23, with a \$67 application fee, in accordance with instructions on the form.

Form 23 is available online at irs.gov/pub/irs-pdf/f23.pdf. The IRS states, "our goal is to have this process completed within 90 days of receipt of your application."

MAINTAIN YOUR EA CREDENTIAL

STAYING ENROLLED

The IRS requires EAs to renew enrollment status every 3 years. The application for renewal, Form 8554, is available on the IRS website at irs.gov/pub/irs-pdf/f8554.pdf. You can also go to pay.gov and type "8554" in the search box. There is a \$67 renewal fee.

CONTINUING EDUCATION (CE)

Enrolled agents must complete 72 hours of CE over the 3-year enrollment period (with a minimum of 16 hours per year) to remain active. This includes 2 hours of ethics or professional conduct per year.

RENEWING YOUR PTIN

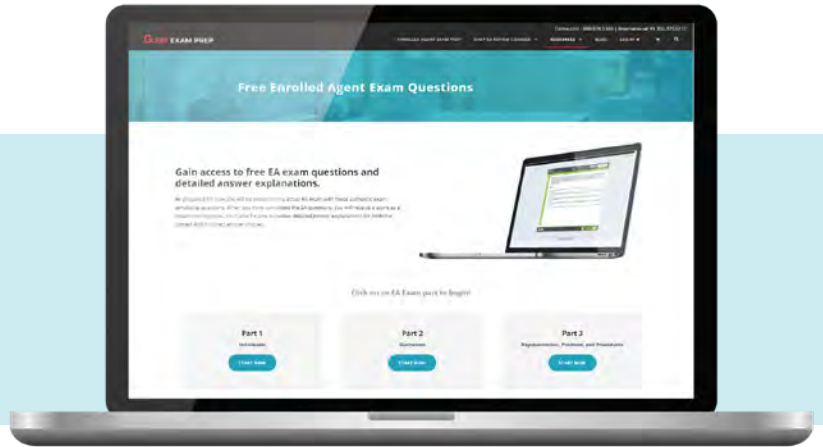
Once you become an EA, you will have to renew your PTIN annually between mid-October and December 31. Simply go to irs.gov/ptin and follow the renewal steps displayed on screen.

As of July 2020, the IRS has reinstated a fee to obtain and renew PTINs. The required fee is \$21 plus a \$14.95 third-party processing fee for a total of \$35.95.

ENJOY YOUR EA BENEFITS

A higher earning potential and better career opportunities are yours once you attain your credential. Tell your Personal Counselor how you did, and let us know if there is a part of our system we can improve so we can help more candidates pass the EA exam on their first attempt.

FREE EXAM RESOURCES



EA EXAM QUESTIONS

Go to gleim.com/freeEAQs to try out a selection of MCQs from our exam-emulating test bank of EA questions. When you have completed the quiz, you will receive a score broken down by topic and have the option to review your answers.

GLEIM EA REVIEW COURSE DEMO

To see why Gleim is the preferred choice of EA exam candidates, try the Gleim EA Review Course for free at gleim.com/FreeEA. Enjoy access to our innovative SmartAdapt™ technology, watch our Gleim Instruct videos, and access the largest test bank of realistic, exam-quality questions.

GLEIM EA BLOG

Go to gleim.com/EABlog for study tips, exam information, and professional advice. Follow us on social media and we'll let you know when the latest information goes live.

IRS STUDY MATERIAL

The Gleim Review System contains everything you need to pass, but some candidates may wish to refer to the Internal Revenue Code, Circular 230, IRS publications, and IRS tax forms and accompanying instructions, which can be found at irs.gov/forms-instructions.

Some candidates also find irs.gov/taxtopics to have additional helpful information.

GLEIM EA WEBINARS


Go to gleim.com/FreeEAWebinars for free webinars presented by our team of experts that range from exam topics to tips on how to prepare. They are designed to assist you on your path to becoming an enrolled agent.

Stay up-to-date on EA exam news and tips!

Read about exam-day strategies and get professional development advice by following along on the Gleim Accounting Facebook, Twitter, and Instagram.

 [@GleimTax](https://www.facebook.com/GleimTax)

 [@GleimAccounting](https://twitter.com/GleimAccounting)

 [@GleimAccounting](https://www.instagram.com/GleimAccounting)

TEST YOUR KNOWLEDGE

Ready for a pop quiz? See if you can answer the EA question below, which demonstrates how topics are tested on the EA exam.



In which of the following situations is no return required to be filed for 2020?

- A.** Single, filing status single, under age 65, gross income \$18,400.
- B.** Married, joint filing status, both spouses under age 65, gross income \$29,800.
- C.** Single, filing status single, age 70, gross income \$13,650.
- D.** Married, separate filing status, age 65, gross income \$10,000.

To check your answer or to get a detailed walkthrough of this question, including explanations for both correct and incorrect answers, visit the free Gleim Instruct video at the link below:

 **GLEIM.COM/EAMCQ**

In the video, tax expert Nate Wadlinger—EA, CPA, attorney, and Lecturer in Taxation at Florida State University—covers the information needed to answer this multiple-choice question. He then provides an analysis of each answer choice, explaining exactly why each is correct or incorrect.



*Our EA review course is packed with more **expert-led Gleim Instruct videos** just like this one, which are designed to boost your comprehension and exam confidence!*

GLEIM[®]
EA REVIEW

Preferred
Provider

NATP[™]
National Association of
Tax Professionals

#1 EA EXAM PREP



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