

Labor Market Analysis: 0502.10/Tax Studies

Enrolled Agent I (Certificate requiring 16 to fewer than 30 semester units)

Los Angeles Center of Excellence, March 2023

Summary

Program Endorsement:	Endorsed: All Criteria Met <input type="checkbox"/>	Endorsed: Some Criteria Met <input checked="" type="checkbox"/>	Not Endorsed <input type="checkbox"/>
Program Endorsement Criteria			
Supply Gap:	Yes <input checked="" type="checkbox"/> (See below)	No	<input type="checkbox"/>
Living Wage: (Entry-Level, 25th)	Yes <input type="checkbox"/>	No	<input checked="" type="checkbox"/>
Education:	Yes <input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Emerging Occupation(s)			
	Yes <input type="checkbox"/>	No	<input checked="" type="checkbox"/>

The Los Angeles Center of Excellence for Labor Market Research (LA COE) prepared this report to provide regional labor market supply and demand data related to two middle-skill occupations:

- **Tax Examiners and Collectors, and Revenue Agents (13-2081)** Determine tax liability or collect taxes from individuals or business firms according to prescribed laws and regulations.¹
- **Tax Preparers (13-2082)** Prepare tax returns for individuals or small businesses.²

Middle-skill occupations typically require some postsecondary education, but less than a bachelor's degree.³ Although the occupation, *tax examiners and collectors, and revenue agents*, typically requires a bachelor's degree, it is considered middle-skill because approximately one-third of workers in the field have completed some college or an associate degree. 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 the relevant occupations.

While there does not initially appear to be a supply gap for these middle-skill tax occupations in the region, the COE recognizes that the supply data is overstated when considering only the two middle-skill tax occupations related to this proposed program. When comparing these tax occupations solely with tax-specific programs in the region, a supply gap emerges. While the majority of annual openings in the region have entry-level wages that are lower than the self-sufficiency standard wage in both Los Angeles and Orange counties, one-third of current workers

¹ [Tax Examiners and Collectors, and Revenue Agents: U.S. Bureau of Labor Statistics \(bls.gov\)](https://www.bls.gov/occupations/13-2081)

² [Tax Preparers \(bls.gov\)](https://www.bls.gov/occupations/13-2082)

³ The COE classifies middle-skill jobs as the following:

- All occupations that require an educational requirement of some college, associate degree or apprenticeship;
- All occupations that require a bachelor's degree, but also have more than one-third of their existing labor force with an educational attainment of some college or associate degree; or
- All occupations that require a high school diploma or equivalent or no formal education, but also require short- to long-term on-the-job training where multiple community colleges have existing programs.

in the field have completed some college or an associate degree. **Therefore, due to some of the criteria being met, the LA COE endorses this proposed program.** Detailed reasons include:

Demand:

- **Supply Gap Criteria** – Over the next five years, **927 jobs are projected to be available annually** in the region due to new job growth and replacements, **which is less than the three-year average of 2,780 awards conferred** by educational institutions in the region.
 - However, **supply for the two middle-skill occupations in this report is overstated** because the Accounting (0502.00) TOP Code trains for three additional middle-skill occupations that are not included in this report. These occupations account for more than 11,000 annual openings in the LA/OC region, which render a significant supply gap when taken into account.
 - When the middle-skill tax occupations are compared solely with tax-specific programs, there is **potential supply gap of 859** (927 annual openings minus 68 tax-related awards).
- **Living Wage Criteria** – Within Los Angeles County, the majority (87%) of annual job openings for these **middle-skill tax occupations have entry-level wages below the self-sufficiency standard hourly wage** (\$18.10/hour).⁴
- **Educational Criteria** – Within the greater LA/OC region, **87% of the annual job openings** for these tax occupations **typically require a high school diploma or equivalent**.
 - However, the national-level educational attainment data indicates **32% of workers in the field have completed some college or an associate degree**.

Supply:

- There are **28 community colleges** in the greater LA/OC region that issue awards related to accounting and/or tax studies, conferring an average of **1,953 awards annually** between 2018 and 2021.
- Between 2017 and 2020, there was an average of **827 bachelor's and sub-baccalaureate awards conferred annually** in related training programs by non-community college institutions throughout the greater LA/OC region.

Occupational Demand

Exhibit 1 shows the five-year occupational demand projections for these middle-skill tax occupations. In the greater Los Angeles/Orange County region, the number of jobs related to these occupations is projected to increase by 6% through 2026. There will be more than 900 job openings per year through 2026 due to job growth and replacements.

⁴ Self-Sufficiency Standard wage data was pulled from The Self-Sufficiency Standard Tool for California. For more information, visit: <http://selfsufficiencystandard.org/california>.

Exhibit 1: Occupational demand in Los Angeles and Orange Counties⁵

Geography	2021 Jobs	2026 Jobs	2021-2026 Change	2021-2026 % Change	Annual Openings
Los Angeles	5,726	6,039	314	5%	712
Orange	1,703	1,807	105	6%	216
Total	7,428	7,847	418	6%	927

Wages

The labor market endorsement in this report considers the entry-level hourly wages for these middle-skill tax occupations in Los Angeles County as they relate to the county’s self-sufficiency standard wage. Orange County wages are included below in order to provide a complete analysis of the greater LA/OC region. Detailed wage information, by county, is included in Appendix A.

Los Angeles County—The majority (87%) of annual openings for these middle-skill tax occupations have entry-level wages below the self-sufficiency standard wage for one adult (\$18.10 in Los Angeles County). Typical entry-level hourly wages are in a range between \$16.86 and \$38.57. One occupation in this report has entry-level hourly wages above the county’s self-sufficiency standard: *tax examiners and collectors, and revenue agents* (\$38.57). Experienced workers can expect to earn wages between \$42.33 and \$55.94, which are higher than the self-sufficiency standard.

Exhibit 2: Earnings for Occupations in LA County

Occupation	Entry-Level Hourly Earnings (25 th Percentile)	Median Hourly Earnings	Experienced Hourly Earnings (75 th Percentile)	Median Annual Earnings*
Tax Examiners and Collectors, and Revenue Agents (13-2081)	\$38.57	\$47.33	\$55.94	\$98,400
Tax Preparers (13-2082)	\$16.86	\$29.23	\$42.33	\$60,800

*rounded to the nearest \$100

Orange County—The majority (90%) of annual openings for these middle-skill tax occupations have entry-level wages below the self-sufficiency standard wage for one adult (\$20.63 in Orange County). Typical entry-level hourly wages are in a range between \$15.61 and \$36.07. One occupation in this report has entry-level hourly wages above the county’s self-sufficiency standard: *tax examiners and collectors, and revenue agents* (\$36.07). Experienced workers can expect to earn wages between \$37.72 and \$52.31, which are higher than the self-sufficiency standard.

⁵ Five-year change represents new job additions to the workforce. Annual openings include new jobs and replacement jobs that result from retirements and separations.

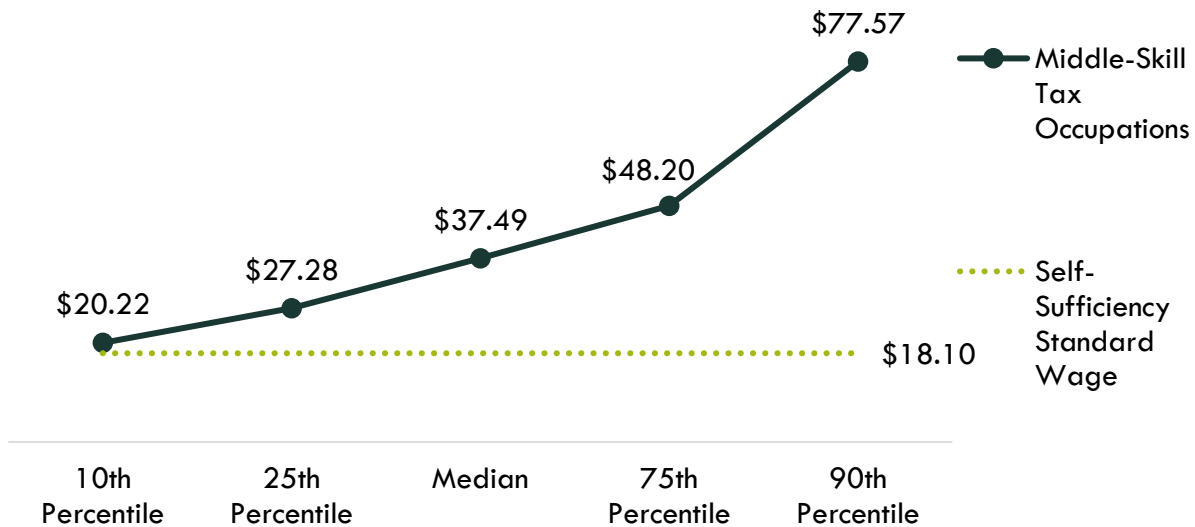
Exhibit 3: Earnings for Occupations in Orange County

Occupation	Entry-Level Hourly Earnings (25 th Percentile)	Median Hourly Earnings	Experienced Hourly Earnings (75 th Percentile)	Median Annual Earnings*
Tax Examiners and Collectors, and Revenue Agents (13-2081)	\$36.07	\$44.26	\$52.31	\$90,400
Tax Preparers (13-2082)	\$15.61	\$26.39	\$37.72	\$78,800

*rounded to the nearest \$100

On average, the entry-level earnings for the occupations in this report are \$27.28; this is above the living wage for one single adult in Los Angeles County (\$18.10). Exhibit 4 shows the average wage for the occupations in this report, from entry-level to experienced workers.

Exhibit 4: Average Hourly Earnings for Middle-Skill Tax Occupations in LA/OC



Job Postings

There were 2,230 online job postings related to middle-skill tax occupations listed in the past 12 months. Exhibit 5 displays the number of job postings by occupation. The majority of job postings (69%) were for *tax examiners and collectors, and revenue agents*, followed by *tax preparers* (31%). The highest number of job postings were for tax preparers, tax associates, tax professionals, payroll tax analysts, and tax analysts. The top skills were accounting, tax returns, tax preparation, auditing, and finance. The top three employers, by number of job postings, in the region were KPMG, H&R Block, and PricewaterhouseCoopers.

Exhibit 5: Job postings by occupation (last 12 months)



Educational Attainment

The Bureau of Labor Statistics (BLS) lists the following typical entry-level education levels for the occupations in this report:

- **Bachelor’s degree:** *Tax examiners and collectors, and revenue agents*
- **High school diploma or equivalent:** *Tax preparers*

In the greater LA/OC region, the majority of annual job openings (87%) typically require a high school diploma or equivalent. However, the national-level educational attainment data indicates 32% of workers in the field have completed some college or an associate degree. Of the 70% of tax job postings listing a minimum education requirement in the greater Los Angeles/Orange County region, 21% (337) requested high school or vocational training, 4% (67) requested an associate degree, and 74% (1,166) requested a bachelor’s degree.

Educational Supply

Community College Supply—Exhibit 6 shows the annual and three-year average number of awards conferred by community colleges in the related TOP codes: Accounting (0502.00), and Tax Studies (0502.10). The colleges with the most completions in the region are East LA, Irvine, and Mt. San Antonio.

It is important to note that the Accounting (0502.00) program trains for three additional middle-skill occupations in addition to the tax occupations included in the demand section of this report: *bookkeeping, accounting, and auditing clerks (43-3031), payroll and timekeeping clerks (43-3051) and brokerage clerks (43-4011)*. The combined annual job openings for these three occupations in the LA/OC region is more than 11,000. Since the Accounting (0502.00) TOP code trains for more occupations than the two middle-skill tax-related occupations in this report the supply data in Exhibit 6 is overstated when considering only middle-skill tax occupations.

Exhibit 6: Regional community college awards (certificates and degrees), 2018-2021

TOP	Program	College	2018-19 Awards	2019-20 Awards	2020-21 Awards	3-Year Average
0502.00	Accounting	Cerritos	29	49	22	33
		Citrus	18	18	22	19
		Compton	1	-	-	0
		East LA	635	577	335	516
		El Camino	16	13	15	15

TOP	Program	College	2018-19 Awards	2019-20 Awards	2020-21 Awards	3-Year Average
		Glendale	63	63	79	68
		LA City	5	7	16	9
		LA Harbor	8	15	33	19
		LA Mission	8	26	33	22
		LA Pierce	29	39	35	34
		LA Southwest	1	-	2	1
		LA Trade-Tech	21	12	10	14
		LA Valley	34	46	51	44
		Long Beach	42	63	49	51
		Mt San Antonio	174	187	186	182
		Pasadena	23	16	23	21
		Rio Hondo	14	18	30	21
		Santa Monica	78	217	195	163
		West LA	15	6	16	12
		LA Subtotal	1,214	1,372	1,152	1,246
		Coastline	49	40	51	47
		Cypress	8	6	3	6
		Fullerton	17	9	25	17
		Golden West	36	17	30	28
		Irvine	201	316	208	242
		Orange Coast	104	124	94	107
		Saddleback	38	36	19	31
		Santa Ana	198	125	104	142
		Santiago Canyon	7	6	46	20
		OC Subtotal	658	679	580	639
		Supply Subtotal/Average	1,872	2,051	1,732	1,885
0502.10	Tax Studies	East LA	-	-	2	1
		Glendale	-	2	2	1
		LA City	-	-	3	1
		LA Pierce	20	17	18	18
		Mt San Antonio	7	9	5	7
		Santa Monica	-	-	3	1
		LA Subtotal	27	28	33	29
		Irvine	26	33	11	23

TOP	Program	College	2018-19 Awards	2019-20 Awards	2020-21 Awards	3-Year Average
		Orange Coast	-	9	16	8
		Saddleback	3	12	5	7
		OC Subtotal	29	54	32	38
		Supply Subtotal/Average	56	82	65	68
		Supply Total/Average	1,928	2,133	1,797	1,953

Non-Community College Supply—For a comprehensive regional supply analysis, it is important to consider the supply from other institutions in the region that provide training programs for tax occupations. Exhibit 7 shows the annual and three-year average number of awards conferred by these institutions in relevant programs. Due to different data collection periods, the most recent three-year period of available data is from 2017 to 2020. Between 2017 and 2020, non-community college institutions in the region conferred an average of 827 bachelor’s and sub-baccalaureate awards.⁶ Bachelor’s degrees are included in this report since *tax examiners and collectors, and revenue agents* typically requires a bachelor’s degree, even though it is considered a middle-skill occupation.

Exhibit 7: Regional non-community college awards, 2017-2020

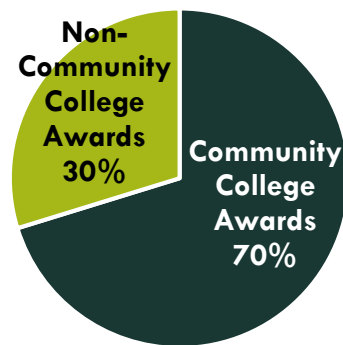
CIP	Program	Institution	2017-18 Awards	2018-19 Awards	2019-20 Awards	3-Year Average
52.0301	Accounting	Abraham Lincoln University	-	-	1	0
		Azusa Pacific University	27	32	32	30
		Biola University	37	33	17	29
		CSU-Northridge	319	247	304	290
		Chapman University	43	53	58	51
		Claremont McKenna College	22	25	6	18
		Los Angeles Pacific College	-	10	7	6
		Loyola Marymount University	53	63	43	53
		Marymount California University	-	-	3	1
		Mount Saint Mary's University	14	20	18	17
		Pepperdine University	23	14	16	18

⁶ Sub-baccalaureate awards include associate degrees, postsecondary awards 1<2 academic years, and awards <1 academic year.

CIP	Program	Institution	2017-18 Awards	2018-19 Awards	2019-20 Awards	3-Year Average
		Pitzer College	1	4	-	2
		Pomona USD Adult and Career Education	3	-	-	1
		Scripps College	2	3	2	2
		University of La Verne	47	37	38	41
		University of Southern California	236	187	189	204
		Vanguard University of Southern California	6	6	7	6
		Woodbury University	13	12	13	13
52.0302	Accounting Technology/ Technician and Bookkeeping	ABC Adult School	19	22	21	21
		Advanced College	2	1	-	1
		Hacienda La Puente Adult Education	24	20	10	18
		InterCoast Colleges-Santa Ana	1	1	-	1
		Los Angeles Pacific College	-	-	4	1
		Premiere Career College	4	2	-	2
		Trident University International	-	5	-	2
Supply Total/Average			896	797	789	827

Exhibit 8 shows the proportion of community college awards conferred in LA/OC compared to the number of non-community college awards for the programs in this report. Three out of seven awards conferred in these programs is awarded by community colleges in the LA/OC region.

Exhibit 8: Community College Awards Compared to Non-Community College Awards in LA/OC Region, 3-Year Average



Appendix A: Occupational demand and wage data by county

Exhibit 9. Los Angeles County

Occupation (SOC)	2021 Jobs	2026 Jobs	5-Yr Change	5-Yr % Change	Annual Openings	Entry-Level Hourly Earnings (25 th Percentile)	Median Hourly Earnings	Experienced Hourly Earnings (75 th Percentile)
Tax Examiners and Collectors, and Revenue Agents (13-2081)	1,093	1,084	(9)	(1%)	96	\$38.57	\$47.33	\$55.94
Tax Preparers (13-2082)	4,632	4,955	323	7%	616	\$16.86	\$29.23	\$42.33
Total	5,726	6,039	314	5%	712	-	-	-

Exhibit 10. Orange County

Occupation (SOC)	2021 Jobs	2026 Jobs	5-Yr Change	5-Yr % Change	Annual Openings	Entry-Level Hourly Earnings (25 th Percentile)	Median Hourly Earnings	Experienced Hourly Earnings (75 th Percentile)
Tax Examiners and Collectors, and Revenue Agents (13-2081)	232	235	3	1%	21	\$36.07	\$44.26	\$52.31
Tax Preparers (13-2082)	1,470	1,572	102	7%	195	\$15.61	\$26.39	\$37.72
Total	1,703	1,807	105	6%	216	-	-	-

Exhibit 11. Los Angeles and Orange Counties

Occupation (SOC)	2021 Jobs	2026 Jobs	5-Yr Change	5-Yr % Change	Annual Openings	% Age 55 and older*	Typical Entry-Level Education
Tax Examiners and Collectors, and Revenue Agents (13-2081)	1,326	1,319	(6)	(0%)	117	37%	Bachelor's degree
Tax Preparers (13-2082)	6,103	6,527	425	7%	810	61%	High school diploma or equivalent
Total	7,428	7,847	418	6%	927	-	-

*The average percentage of workers age 55 and older across all occupations in the greater LA/OC region is 27%. Both of these occupations have a larger share of older workers, which typically indicates greater replacements needs to offset the amount of impending retirements.

Appendix B: Sources

- O*NET Online
- Lightcast (formerly Emsi)
- Bureau of Labor Statistics (BLS)
- California Employment Development Department, Labor Market Information Division, OES
- California Community Colleges Chancellor's Office Management Information Systems (MIS)
- Self-Sufficiency Standard at the Center for Women's Welfare, University of Washington
- Chancellor's Office Curriculum Inventory (COCI 2.0)

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