

November 18, 2025

Attn: AICPA Professional Ethics Executive Committee (PEEC)
Ethics-exposuredraft@aicpa.org

Re: Exposure Draft – Proposed Revised Interpretation: Tax Services

Dear AICPA PEEC:

We appreciate the opportunity to provide feedback on the proposed revised interpretation (ET sec. 1.295.160), *Tax Services*, dated September 15, 2025. The proposal is part of AICPA's Professional Ethics Executive Committee (PEEC) project to harmonize with ethics standards promulgated by the International Ethics Standards Board for Accountants (IESBA). The original proposal, which was issued on June 10, 2024, has been revised, in significant part, to replace the more likely than not (MLTN) threshold by a principles-based approach to keep an appropriate balance between serving attest clients and maintaining independence.

The views expressed herein are written on behalf of the Professional Standards Committee (PSC) of the Texas Society of CPAs. The committee has been authorized by the Texas Society of CPAs' Leadership Council to submit comments on matters of interest to the membership. The views expressed in this document have not been approved by the Texas Society of CPAs' Leadership Council or Board of Directors and, therefore, should not be construed as representing the views or policy of the Texas Society of CPAs.

The PSC is very supportive of the revised proposal, which replaces the MLTN threshold with a principles-based approach. In its [previous comment letter](#), the PSC strongly opposed using the MLTN threshold to determine if providing tax advice or planning impairs audit independence. The MLTN standard is more restrictive than permitted by other applicable standards. More importantly, the PSC believes the MLTN threshold will harm local and small CPA firms and private companies. As a result, the PSC strongly supports PEEC's decision to revise the original proposal by removing the MLNT threshold and adopting a principles-based approach. Please find our responses below to the request for comments.

Question a:

Do you agree with the proposal to move toward a principles-based approach rather than a specific threshold approach in determining if threats to independence are at an acceptable level? If you believe a threshold approach is appropriate, please describe what threshold you believe is appropriate.

Response:

The PSC agrees with the proposal to move toward a principles-based approach rather than a specific threshold, such as the MLTN approach, in determining if threats to independence are at an acceptable level.



Question b:

Do you believe the factors presented in paragraph 20 of the explanation as well as in paragraph .04 of the proposed revised interpretation would help a member determine if threats to independence would be at an acceptable level regarding a member's outputs from tax advisory and planning services for attest clients? Please also share any other factors you believe could be helpful to consider.

Response:

The PSC believes the factors presented in paragraph 20 of the explanation as well as in paragraph .04 of the proposed revised interpretation would be helpful to a member in determining if threats to independence would be at an acceptable level. The PSC appreciates the inclusion of examples of these factors to be used as guidelines.

Question c:

Do you agree that the effective date provides adequate time to implement the proposals? If you disagree, please explain why.

Response:

The PSC believes that the effective date provides adequate time to implement the proposals.

We appreciate the opportunity to submit comments on the proposed revised interpretation *Tax Services* (ET sec. 1.295.160) dated September 15, 2025.

Sincerely,

A handwritten signature in cursive script that reads "Jeffrey L. Johanns".

Jeffrey Johanns, CPA
Chair, Professional Standards Committee
Texas Society of Certified Public Accountants